

Coventry City Council – Benefits related to City of Culture Infrastructure Bid

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Date – 27th March 2019

BACKGROUND

The West Midlands Strategic Economic Plan (SEP) sets out the vision, objectives, strategy and actions to improve the quality of life for everyone who lives and works in the West Midlands. The ambitions of the SEP are based on the recognition that, through devolution, the West Midlands' assets can be enhanced to benefit not only its residents and businesses, but the entire nation. Key to the SEP's vision is promoting economic growth across the West Midlands, to deliver a more successful and vibrant UK economy, playing a key role in maintaining and improving the UK's global competitiveness, which has never been more important in light of the challenges of a post-Brexit economy.

Through providing support through Devolution Deal funding for the UK City of Culture 2021 and the Commonwealth Games 2022, the West Midlands has a unique once in a generation opportunity to invest in infrastructure to showcase the region and accelerate achieving its ambitious vision to help 'build a healthier, happier, better connected and more economically prosperous West Midlands'. For Coventry there is a need to change perceptions of the city as a place to visit and spend time in order to attract investment, retain talent and grow the visitor economy. Coventry's City Centre First City of Culture programme supports a number of the strategic objectives of the WMCA SEP, which includes delivering better transport links and infrastructure improvements, unlocking land for development, helping to promote health and wellbeing, and creating significant opportunities to boost employment, improve the environment and create a more economically prosperous West Midlands.

The support of the West Midlands Combined Authority in the bid process was a valuable part of the journey towards the award of City of Culture 2021 with input from the Mayor, other civic leaders and businesses to the process. Furthermore, the support of the WMCA has been an important aspect of showing regional support which will in turn leveraging significant national investment into the economy via UK City of Culture.

City of Culture and the redevelopment of Coventry City Centre is anticipated to attract record numbers of visitors, and a number national partners have already visited the city and are committed to finding resources and support for Coventry. These include the BBC, Tate, Arts Council England, Channel 4, Heritage Lottery Fund, Spirit of 2012, Big Lottery, British Film Institute, British Council and national museums. The City of Culture Trust are working on plans for new talent pipelines to build skills and capacity in the city with partners such as the BBC and Channel 4 and others such as the Performing Rights Foundation and Clore Leadership. This is clearly an advantage for the wider WMCA and not just for Coventry.

This Bid for funding covers 25 public realm schemes spread between five Packages. These work packages are:

- Retail Quarter
- Leisure Quarter
- Public Realm Refresh
- Visitor Experience
- Travel and Connectivity

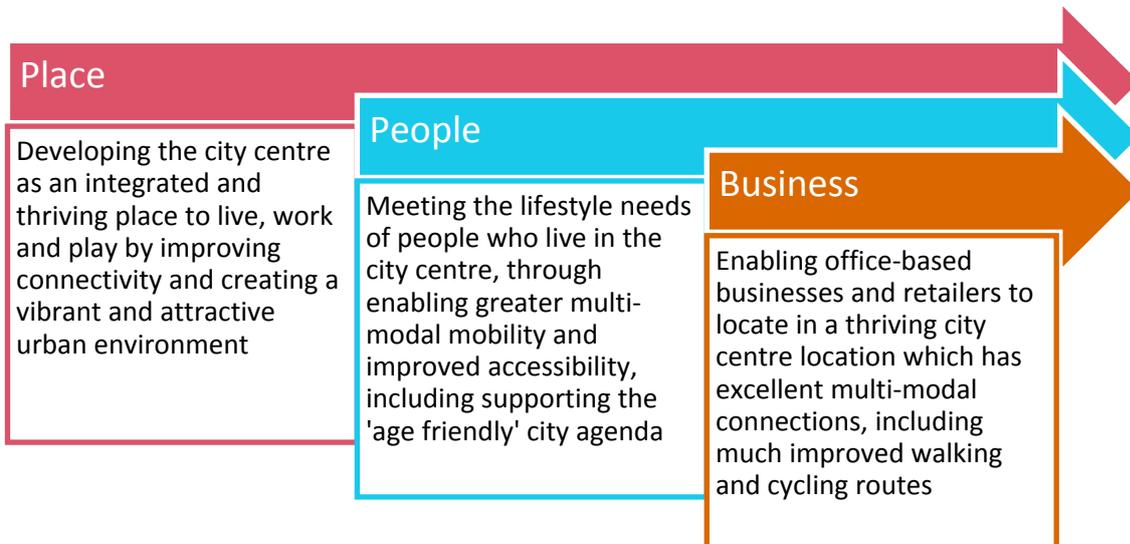
THE BENEFITS OF DELIVERING ALL 5 PACKAGES

In order to understand the true benefit of the development packages offer, the five work packages should be viewed together as one enhanced public realm programme. The enjoyment and perceived success of people visiting Coventry City Centre for City of Culture is dependent on their overall experience as visitors, workers, shoppers, students and tourists. The visitor access to the city centre areas whether from the bus station, coach station, rail station or from central car parks is an important component of the overall experience and shows how important the travel and connectivity package and visitor experience is to the city and to the wider West Midlands. The public realm refresh will allow the city stage to be set and ensure the perception of Coventry for our showcase year leaves people with a memory of a city that is clean, inclusive, vibrant, well lit and safe. These 5 packages linked together are an important part of the overall city readiness and platform for our City of Culture events and for the legacy that City of Culture will leave behind.

This project is predominantly a place based project, involving public realm and connectivity improvements within Coventry city centre, and providing cycling and heritage links just outside the city centre. The combined strategic programme of works is intended to change the perception of Coventry as a place. The impact of the project is very much targeted at people and business, creating a more exciting city centre environment, improving infrastructure to enhance accessibility and unlocking opportunities for inward investment to create jobs and promote economic growth. Through the enhancement of public realm as a place, people will enjoy a much more positive experience of Coventry and this in turn will boost business and the local and regional economy. These links are reflected in the figure below showing the Strategic Vision for Place, People and Business.

PEOPLE, PLACE AND BUSINESS

The West Midlands Combined Authority Strategic Economic Plan (SEP) sets out eight priority areas that will be delivered by engaging three different channels – people, place and business. The City Centre City of Culture Package programme is being planned and designed in order to meet the needs of these different channels, based on an evidence-based understanding of the various challenges.



Place

First and foremost, the project is focused on place – using improved transport links, infrastructure and public realm to bring together people and businesses. The strategic vision is to develop Coventry city centre as a thriving place where people can live in high quality homes, access high quality jobs and spend their leisure time.

The city centre is being transformed from an ageing car-dominated environment to an attractive and thriving modern 21st century place.

In order to deliver this vision, a City Centre Area Action Plan has been drawn up with a range of specific objectives to increase the numbers of houses, businesses and shops:

Objective	Key Priorities and Targets
Jobs	<p>A range of key employment initiatives are being promoted within the city centre. The most significant of these is the new Friargate business quarter situated around Coventry Railway Station, which already has outline planning consent for 185,000 square metres of new grade A office space. The first of 14 new office buildings opened in 2017, and is occupied by Coventry City Council, the Financial Ombudsman and Homes England, with further premises planned which will provide new, complementary, retail and leisure facilities, generating up to 15,000 new jobs. This development will see this part of the city centre become the focal point for new office provision and the primary location for new office investment and job creation.</p> <p>Other key employment initiatives includes City Centre South, a £200m 560,000 square foot regeneration scheme. The retail led redevelopment is expected to create up to 50 new retail units and increased jobs for the city, as well as delivering residential and leisure facilities. The proposed public realm works as part of this programme have been strategically mapped to complement the</p>

Objective	Key Priorities and Targets
	<p>development and thereby encourage inward investment as we acknowledge the difficulties in the retail market. The Grimsey report recognizes the need to create towns that are business like and focused around communities, heritage and innovation. Coventry believe that City of Culture gives us the opportunity to redefine our City Centre and is the platform we need to showcase our offering.</p> <p>Coventry's new Waterpark opens in Spring 2019, providing a state of the art facility that will replace the current city centre sports centre. The Waterpark is expected to attract 1.3 million visitors annually and further support job creation and boost visitor spend in the city. As with City Centre South, there is a strategic package of public works proposed as part of this programme to improve the setting around the new water park and improve connectivity to the city centre.</p> <p>Coventry's 10 Year Cultural Strategy is aiming to boost investment in tourism in the city, which will create jobs and support economic growth. City of Culture 2021 will help act as an accelerant to achieve this, with a target of creating 2116 new jobs whilst finally the Coventry Destination Management Plan is forecasting significant visitor number increases of 3 million additional people by 2023.</p>
Houses	<p>The council will continue to encourage the development of more homes within the city centre. Indeed, identified potential opportunities for in excess of 3,000 homes within the area have been made. It is important though to ensure an adequate balance is made between providing enough homes for the city's student population as well as appropriate accommodation for other elements of the city's population, including: families, young professionals and older people. The public realm projects proposed along with ring road improvements planned within the next 3 years will accelerate the move towards greater access to housing for all.</p> <p>The importance of retaining our student population is recognised by CCC, at present Coventry has one of the lowest rates for talent retention in the UK. In order to encourage our 56,000 student population to stay in Coventry after university, the focus is on city centre lifestyle living, offering young professionals a place they want to live, work and play whilst also offering the most sustainable approach to life / work balance by reducing car ownership and increasing active travel.</p>
Retail	<p>The intention of the regeneration of the retail quarter is to consolidate the retail core and activity in line with the recommendations of the Grimsey report (2019) on the future of the High St. How we live, shop and move is changing – the retail and leisure offer of city centres must be increasingly innovative and competitive to capitalise on opportunities. Traditionally, large department stores acted as 'anchors' for the high street, attracting</p>

Objective	Key Priorities and Targets
	<p>visitors with a positive impact on the surrounding area. However, the retail sector and our traditional high street shopping centres are facing unprecedented decline. Therefore, the improvements proposed to be delivered as part of this programme to Upper Precinct will also help create a better retail environment, including a new access route to West Orchards shopping centre and enhanced public realm offerings to attract new retail, leisure and cultural offerings.</p>
<p>Leisure</p>	<p>The Shopping and Centre Study suggests there is potential for Coventry city to increase its market share of cinema trips and therefore support the provision of a new cinema. There is also expected to be sufficient capacity to support two new health and fitness centers.</p> <p>The public realm programme will support improving the setting of these facilities and enhance connectivity.</p> <p>In addition to this the programme will support improving Coventry's night time economy through improving connectivity and accessibility to key destinations as well as creating opportunity for development of new restaurants and bars, such as in the retail quarter, Canal Basin and near the transport links.</p>

Delivery of these objectives means that new and improved transport infrastructure and public realm delivered by the project will provide access to offices, houses, shops and leisure facilities.

The redevelopment of Coventry's city centre will therefore enhance the vitality and viability of the city as a whole and flagship developments such as Friargate, City Centre South and the new Waterpark aim to act as a catalyst for further high quality development. Such schemes will help build upon the city center's strengths and help combat its weaknesses.

The City Centre First City of Culture package will significantly enhance the visitor experience thus attracting more people to use the city centre facilities and creating a virtuous circle of increasing demand as we have seen with the redevelopment of the Broadgate and Cathedral Lanes area, which has resulted in 7 new business opening in the last 18 months. Creating new jobs, and adding vibrancy to the area.

People

As highlighted above, it is essential that a place-based approach is supported by enabling people to live and develop their lives around a greater range of housing, employment, retail and leisure opportunities. An important element of addressing the productivity gap is retaining graduates and being able to provide highly skilled jobs and housing for professionals. Improved connectivity is critical to achieving this,

including access to a full range of transport modes with focus on encouraging use of healthy and environmentally sustainable options where possible.

In practice, the project will improve connectivity and accessibility:

- Public realm enhancements to the city centre will involve the removal unnecessary clutter and creation of wider footways to make the city centre more accessible for pedestrians
- Create an inclusive city centre environment that is accessible to all, not just from physical infrastructure but also through the use of technology to help those with mobility impairments
- Improvements to city centre wayfinding will aid navigation and encourage people to travel by healthier and more sustainable modes of transport
- Provide new routes for all modes of transport – private motor vehicle, public transport, walking and cycling.
- Benefits to health and well-being

The Grimsey review acknowledges Professor Laura Vaughan from the Bartlett School of Architecture at UCL, who argues: “Well-designed high streets can be seen as a public health asset. They can provide public space that is inclusive of people from all backgrounds and ages - and accessible to people of all levels of mobility; they can provide a centre for people to gather, to feel relaxed and to connect with others socially. They are therefore important both for physical and for mental wellbeing.”

Business

The project will also address the needs of business through supporting more efficient transport links and enhancements to the city centre environment to:

- Enabling a wide range of potential employees to access job opportunities;
- Unlocking land for development;
- Create a thriving city centre environment, with attractive public realm helping to boost footfall, expenditure and the promote growth of the local and regional economy including supporting Coventry’s UK City of Culture target of creating 2116 jobs as a result of 2021 and support a lasting legacy to support growth beyond this.
- Align with the forecasted Coventry DMP’s anticipated extra 3 million visitors by 2023, ensuring readiness for increase in arrival points and providing a welcoming and memorable visit.

MITIGATING RISK AS A BENEFIT

It is recognised that investment in promoting Coventry as a destination needs to be supported by WMCA wider co-ordination and investment in place to ensure that the overall visitor experience fulfils the promise of the reasons to visit for City of Culture.

For example, if a first time visitor to Coventry in 2021 can't park, navigate the city or find somewhere to eat in a welcoming, clean and pleasant environment then their overall experience and likelihood to return will be diminished regardless of the success of the City of Culture.

The City Centre First City of Culture programme is a key intervention which can help to address the poor perception of Coventry externally to the West Midlands. Mitigating any risk with regards to travel and connectivity by working in partnership with Transport for West Midlands and exploiting the strengths and opportunities to positively contribute to successfully delivering the City of Culture 2021 programme. Thereby allowing the new public realm spaces to strengthen Coventry and the wider region's visitor economy and proving an excellent test bed in the regions readiness preparation for Commonwealth Games 2022.

The Destination Management Plan (DMP) identifies key activities associated with 'place' making in Coventry as follows:

Place - There is work to do to improve Coventry as a place to visit which means that visitors are welcomed and can easily orientate themselves.

- Build on Great Places programme to develop:
 - a. Trails and routes to tie product themes together.
 - b. Wayfinding and signage project.
 - c. Mapping and itinerary development
 - d. Welcome Training
- Develop Visitor Information strategy and execution strategy that puts the visitor at the heart of the offer and puts appropriate information in areas of high visitor foot fall.
- Develop digital skills and capacity of tourism businesses and partners.
- Development of comprehensive centralised listings database
- Prioritise Gateway improvements particularly railway station and Pool Meadow bus station
- Ensuring the TfWM network and public transport offering is welcoming, appropriate and inclusive
- Identify visitor hotspots and city gateways and ensure that street cleaning and public realm strategies and delivery tie in with these.
- Maximise the catalyst of UK City of Culture to complete cultural capital plan, identifying priorities for investment in the short term to 2021 and for longer term capital, public realm and public art product.

The redevelopment of Coventry’s city centre will therefore enhance the vitality and viability of the city as a whole and flagship developments such as Friargate, City Centre South and the new Waterpark aim to act as a catalyst for further high quality development. Such schemes will help build upon the city center’s strengths and help combat its weaknesses.

ECONOMIC BENEFITS

Assessments have been undertaken to quantify the economic benefits of the public realm programme. Benefits have not been quantified for all schemes and hence the quantified benefits presented are considered to be a conservative estimate. Furthermore, non-quantified and wider economic benefits should also be considered when considering the Value for Money of the programme.

BUSINESS BENEFITS

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- Anticipated visitor growth will add to the economy and forecasts as part of the Coventry DMP are as per the table below:

Measure	Current position 2018	Target 2023	Notes
Overall visits	7,974,000	10,280,901	Additional 1 million visits generated by City of Culture 2021
Overnight visits	8%	15%	Coventry will be a well-recognised city for short breaks
Day visitor spend	£27.77	£40	Improved product and awareness offer greater opportunities to spend
Overnight visitor spend (per trip)	£119.42	£140	

QUANTIFYING PUBLIC REALM BCR CALCULATIONS

It is widely recognised that it is difficult to make a direct link between public realm investment and socio-economic benefits (Trowers and Hamblins 2016), based on an assessment of a large range of public realm improvements BCR estimates for public realm are often in the region of 0.9. The undervaluation of walking in assessments

for the transport packages makes it a minor transport mode which thereby can only generate modest benefits for BCR calculations.

As part of the required BCR calculation for the CCC Funding bid, CCC have worked with Atkins to undertake a BCR calculation that took account of the following benefits):

- the VURT (Valuing Urban Realm Toolkit) which was developed by TfL and measures public realm improvements based on Green Book methodology.
- TAG A5.1 Active Mode Appraisal toolkit

These tools calculate the transport benefits for public realm and cycling improvements. The schemes for which assessments could be made using these tools represented 72% of the total programme costs, with the remaining 28% of schemes (by cost) not being suitable for assessment with these tools at this time.

This full detailed report outlining these assessments can be found as a supplement to this note as appendix A. The full business case previously submitted contains full details of VURT and PERS measures as well as reference case studies where this has been used previously.

PROJECT BCR

The overall BCR calculation for the City of Culture Infrastructure bid is 1.25.

WMCA requested that the overall BCR is broken down by Works Package. This was only felt to be relevant and providing a true reflection of the total benefits, and hence the BCR, for two of the five Packages. For the other three packages, the benefits could only be quantified for a few of the projects representing between 0% and 60% of the relevant total Package cost. Because of this, a calculated BCR for these specific packages is misleading and not a true representation of the true benefit, value add and cost ratio, the wider impact for the overall 5 packages of works comes with the connectivity that delivering all 5 packages will give to Coventry City Centre its previous case studies which support wider public realm investments.

The packages with representative costs and benefits for the majority of schemes are the two largest Packages. **Namely the Retail Quarter and the Leisure Quarter public realm Packages. These have BCR values of 1.79 and 1.94 respectively and represent ‘Medium’ value for money according to DfT Value for Money Guidance.** These BCRs and the overall Package BCR of 1.25 are all regarded as conservative as they do not include any of the following benefits:

Benefit Type	Detail	Quantification not included in the BCR calculation
GVA	Visitor economy and construction jobs (see following section)	£39.83m
Business Rate Uplift		£1.24m

Social benefits	Severance	Not quantified
	Accessibility	Not quantified
	Accidents	Not quantified
	Journey Quality	Not quantified
	Physical activity	Not quantified
Environmental	Air quality	Not quantified
	Landscape	Not quantified
	Townscape	Not quantified

BENEFITS RELATED TO GVA

In addition to the Public Realm benefits presented in Atkins Technical Note (see Appendix A), there are additional benefits that are not included in the Initial BCR calculation. The additional GVA benefits, not included in the Initial BCR presented earlier, have been calculated by Coventry CC Economic Development Unit and are summarised in the table below, further details related to this calculation were provided in the original business case and are submitted again as Appendix B.

Total Projected GVA in 2010 prices, 2010 values

	Total GVA (£m)
Construction Jobs	22.6
Visitor Economy Jobs	2.7

GVA Total (£m)

25.2

Based on DfT Guidance, *Value for Money Assessment: Advice Note for Local Transport Decision Makers, December 2013*, the GVA benefits can be added to produce the Adjusted BCR. **The Adjusted BCR including the GVA benefits is 1.88. This represents Medium value for money**

BENEFITS RELATED TO THE WMCA SEP OUTCOMES

The Logic Model for the benefits of WMCA SEP has been based on the Logic Models used by WMCA and the requirements of the devolution deal which looks for evidence based monitoring and evaluation. The council has specifically addressed this in the development of its latest version of the Logic model which sets targets and proposed benefits by Works Package. This is captured in the image below and further added as evidence in Appendix C. Where able CCC have used suggested WMCA metrics, however the council have also developed new measures based around Public Realm proposed improvements.

PACKAGE NAME	SCHEME NAME	WMCA SEP Outcomes						
		Economic Growth	Business	Skills	Health & Well Being	Accessibility	Infrastructure	Environment
WP1 – Retail Quarter	Upper Precinct Smithford Way & Market Way	✓	✓	✓	✓	✓	✓	✓
WP2 – Leisure Quarter	Salt Lane / Shrub Walk	✓	✓	✓	✓	✓	✓	✓
	Greyfriars Lane Extension							
	Warwick Lane							
	Pepper Lane							
	Water Park Public Realm							
WP3 – Public Realm Refresh	Inspire / Bull Yard	✓	✓	✓	✓	✓	✓	✓
	Hertford St							
WP4 – Visitor Experience	Public Realm Refresh	✓	✓	✓	✓	✓	✓	✓
	Digital & Screens							
	Lighting							
	Unity Lawn							
WP5 – Travel and Connectivity	Drapers Hall / Bayley Lane	✓	✓	✓	✓	✓	✓	✓
	Travel Planning							
	Canal tow bath and basin and Bishops St							
	Fairfax St / Britannia							
	Wayfinding							
	London Road Crossing							
	Pool Meadow and White St							

Supporting Housing Growth: A number of the schemes in the programme will help to unlock brownfield land for housing development, including works to be undertaken on Corporation Street/Smithford Way. This will be measured as an indirect benefit, based on the number of houses delivered within these development sites.

Inclusive Growth: The programme will support the delivery of safe and vibrant communities through the creation of high quality public spaces which will help to bring communities together, as well as offering apprenticeship opportunities for local people during scheme construction and ensuring the city is accessible for all. This outcome will be measured through the annual visitor’s survey, which measures a number of parameters including perceived safety and compares to previous years. Participation by residents in cultural events will also be measured. Apprenticeship opportunities will be measured directly through construction contracts.

Transport: The interventions will help to further improve Coventry’s integrated transport network as well as creating infrastructure to unlock economic growth and improve access to employment opportunities. As well as making improvements to physical infrastructure, the enhancement of digital and communications infrastructure will also be an important part of creating a more resilient and efficient network, through improved urban traffic control, signage and wayfinding and the promotion of more sustainable modes of transport. Public transport will need to play a key part in supporting the success of both the City of Culture and Commonwealth Games. Having a safe and efficient transport network will be key to the success of City of Culture, as well as to that of the Commonwealth Games, and will help support a more resilient West Midlands network.

Health and Wellbeing: The creation of more accessible and attractive walking and cycling routes will help improve the city’s health. Coventry became a Marmot City in 2013, and was one of seven cities across the UK invited to participate in the Marmot Network, which aims to improve the health, well-being and life changes of the people in Coventry and reduce inequalities. The provision of improved infrastructure to encourage physical activity and enable accessibility for all is vital to help improve the health of the city, and will support Coventry’s age friendly city agenda. The indirect benefit could be captured via cordon counts as above.

Employment: The programme will offer a direct benefit in terms of the creation of over 500 construction jobs required to support delivery of the public realm and

infrastructure works, as well as project managers, engineers and other skilled disciplines required to support programme delivery. The programme will target a minimum of 5% apprenticeships for construction contracts, supply chain and local businesses which will be a requirement of the procurement process. Once the infrastructure is in place, it will support improved access to employment sites, as well as unlocking land for employment opportunities and creating a more vibrant city centre environment to encourage inward investment and boost economic growth. This is all crucial to help achieve the target of 2,116 new jobs to be created by 2021 as a result of City of Culture, and to create a legacy to continue to boost prosperity and growth. This benefit can be measured directly by the number of construction jobs and apprenticeships created as a result of the programme of works and area of brownfield employment land unlocked.

Environment: The Transport and Innovation Exhibition will provide a great opportunity to showcase the latest cutting edge technologies that are being developed, trialed and manufactured in our region. This includes Very Light Rail, connected and autonomous vehicles, electric private vehicles and taxis, electric buses and battery technology which will all help reduce carbon emissions, improve air quality and create a more sustainable future. Improved cycle and walking infrastructure will also help support this agenda through encouraging more sustainable travel. The council is also developing a Very Light Rail system and introducing electric vehicle charging points and promoting electric taxis. In addition, the Local Air Quality Action Plan includes support for residents and businesses to make sustainable travel choices.

Economic: This programme and all of the above benefits will ultimately help to transform Coventry and the wider region to increase productivity and prosperity. We know that investing in infrastructure is critical to unlocking growth and recognise that City of Culture and the Commonwealth Games present a unique opportunity for the city and region that will act as a catalyst for growth that will help realise the benefits of investment at an accelerated rate. The programme will also contribute to improved connectivity to UKC and HS2 which is key objective of Coventry's strategic transport investment strategy to maximise the effects of agglomeration. A key market that this programme will help support is the tourism sector, which has to date suffered a lack of investment in Coventry. Investment in enhanced public realm to improve access to and the setting of some of the city's best heritage assets and destinations will help to boost tourism, attract inward investment and increase visitor spend in the city and wider region. Business births as part of Public Realm regeneration are hard to quantify pre-scheme delivery, however the recent development around Cathedral Lanes which was undertaken by CCC has resulted in 7 new businesses opening within the last two years. Evidence and case studies suggest that good public realm attracts diversification of investment and we have seen this with the restaurant quarter evolution in Coventry.

The logic model and benefits shown form part of our Monitoring and Evaluation plan we will work closely with the Economic Growth CCC team and the WMCA Programme Benefits Manager to refine these measures as the funding and programme develops ensuring our forecast and targets are monitored, measured and reported back. A further revision of these has been provided as Appendix D.

