

ACCOUNTABILITY BOARD

09:00	Friday, 16 March 2018	High House Production Park, Vellacott Close, Purfleet, Essex, RM19 1RJ
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Quorum: 3 (to include 2 voting members)

Membership

Mr Geoff Miles	Chairman
Cllr Kevin Bentley	Essex County Council
Cllr Paul Carter	Kent County Council
Cllr Rodney Chambers	Medway Council
Cllr Keith Glazier	East Sussex County Council
Cllr Rob Gledhill	Thurrock Council
Cllr John Lamb	Southend Borough Council
Angela O'Donoghue	Further Education/ Skills representative
Lucy Druesne	Higher Education representative

For information about the meeting please ask for:

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(Secretary to the Board)
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Meeting Information

All meetings are held in public unless the business is exempt in accordance with the requirements of the Local Government Act 1972.

Most meetings are held at High House Production Park, Purfleet. A map and directions to can be found <http://hhpp.org.uk/contact/directions-to-high-house-production-park>

If you have a need for documents in the following formats, large print, Braille, on disk or in alternative languages and easy read please contact the Secretary to the Board before the meeting takes place. If you have specific access requirements such as access to induction loops, a signer, level access or information in Braille please inform the Secretary to the Board before the meeting takes place. For any further information contact the Secretary to the Board.

The agenda is also available on the Essex County Council website

Part 1

(During consideration of these items the meeting is likely to be open to the press and public)

	Pages	
1	Welcome and Apologies for Absence	
2	Minutes	5 - 14
3	Declarations of Interest To note any declarations of interest to be made by Members in accordance with the Members' Code of Conduct	
4	Questions from the Public In accordance with the Policy adopted by the SELEP, a period of up to 15 minutes will be allowed at the start of every Ordinary meeting of the Accountability Board to enable members of the public to make representations. No question shall be longer than three minutes, and all speakers must have registered their question by email or by post with the Managing Director of the South East LEP (adam.bryan@essex.gov.uk) by no later than 10.30am seven days before the meeting. Please note that only one speaker may speak on behalf of an organisation, no person may ask more than one question and there will be no opportunity to ask a supplementary question. On arrival, and before the start of the meeting, registered speakers must identify themselves to the member of staff collecting names. A copy of the Policy for Public Questions is made available on the SELEP website - http://www.southeastlep.com/images/uploads/resources/PublicQuestionsPolicy.pdf Email (adam.bryan@essex.gov.uk)	
5	Strood Civic Centre Flood Mitigation	15 - 24
6	Local Growth Fund Capital Programme Update	25 - 74
7	Thanet Parkway - Programme Update	75 - 80

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|-----------|---|----------------|
| 8 | A13 Widening update report | 81 - 86 |
| 9 | 2017-18 and 2018-19 Revenue Budget Update | 87 - 90 |
| 10 | Date of Next Meeting
To note that the next meeting of the Board will be on 27th April at High House Production House. | |
| 11 | Urgent Business
To consider any matter which in the opinion of the Chairman should be considered in public by reason of special circumstances (to be specified) as a matter of urgency. | |

Exempt Items

(During consideration of these items the meeting is not likely to be open to the press and public)

To consider whether the press and public should be excluded from the meeting during consideration of an agenda item on the grounds that it involves the likely disclosure of exempt information as specified in Part I of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act.

In each case, Members are asked to decide whether, in all the circumstances, the public interest in maintaining the exemption (and discussing the matter in private) outweighs the public interest in disclosing the information.

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| 12 | Urgent Exempt Business
To consider in private any other matter which in the opinion of the Chairman should be considered by reason of special circumstances (to be specified) as a matter of urgency. | |
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Minutes of the meeting of the SELEP Accountability Board, held in High House Production Park Vellacott Close, Purfleet, Essex, RM19 1RJ on Friday, 23 February 2018

Present:

Geoff Miles	Chairman
Cllr Kevin Bentley	Essex County Council
Cllr Mark Dance	Kent County Council
Cllr Rodney Chambers	Medway Council
Cllr Keith Glazier	East Sussex County Council
Cllr James Halden	Thurrock Council
Cllr John Lamb	Southend Borough Council
Angela O'Donoghue	Further Education/ Skills representative
Lucy Druesne	Higher Education representative

ALSO PRESENT Having signed the attendance book

Louise Aitken	SELEP
Amy Beckett	SELEP
Suzanne Bennett	Essex County Council
Jake Cartmell	Steer Davies Gleave
Kim Cole	Essex County Council
Emma Cooney	Southend Borough Council
Steve Cox	Thurrock Council
Helen Dyer	Medway Council
Tomasz Kozlowski.	Medway Council
Paul Martin	SELEP
Stephanie Mitchener	Essex County Council
Rhiannon Mort	SELEP
Lorna Norris	Essex County Council
Sarah Nurden	Kent and Medway Economic Partnership
John Shaw	Sea Change Sussex
Lisa Siggins	Essex County Council Democratic Services
Emma Wakeling	Essex County Council
Charlotte Rose	BBC

1 Welcome and Apologies for Absence

The following apologies were received:

Councillor Paul Carter – Substituted by Councillor Mark Dance
Councillor Rob Gledhill – Substituted by Councillor James Halden

2 Declarations of Interest

Angela O'Donoghue declared an interest in respect of item 9 on the agenda as she is involved in the project in her capacity as Principal of South Essex College. No action taken as non-voting member of the Board.

3 Questions from the Public

There were no public questions.

4 Minutes

The minutes of the meeting held on Friday, 15 December 2017 were agreed as an accurate record and were signed by the Chairman.

5 Chelmsford City Growth Area Scheme LGF award

The Accountability Board (the Board) received a report and presentation from Rhiannon Mort, the purpose of which was to make the Board aware of the value for money assessment for the Chelmsford City Growth Area Scheme (the Project) which has been through the Independent Technical Evaluator (ITE) review process, to enable £10m Local Growth Fund (LGF) to be devolved to Essex County Council for delivery of the Project

Councillor Bentley stated that it was part of the Board's role to ease congestion, and he proceeded to give details of the traffic issues relating to the Army and Navy roundabout in Chelmsford.

Resolved:

To Approve the award of £10m LGF to support the delivery of the Chelmsford City Growth Area Scheme Project identified in the Business Case and which has been assessed as presenting high value for money with medium to high certainty of achieving this.

6 Gilden Way Upgrades LGF award

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the Gilden Way Upgrades Project (the Project) which has been through the Independent Technical Evaluator (ITE) review process, to enable £5m Local Growth Fund (LGF) funding to be devolved to Essex County Council for Project delivery.

Councillor Bentley stressed that this was a critical project to alleviate the congestion on the strategic road network in Harlow and providing enabling works

for the new M11 junction; it will also provide capacity for committed developments in and around Harlow, including Harlow Enterprise Zone. Councillor Lamb spoke in support of the project, with the LEP having provided financial support to the Harlow Enterprise Zone.

Cllr Halden asked a question regarding whether there has been any local objection to the proposed works. Cllr Bentley indicated that there had been some local objection with regard to the road upgrades and that he had been speaking to local residents to understand their concerns.

Resolved:

To Approve the award of £5m Local Growth Fund to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with high certainty of achieving this.

7 Kent Strategic Congestion LGF award

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the Kent Strategic Congestion Management Programme Business Case which has been through the Independent Technical Evaluator (ITE) process to enable £1m Local Growth Fund (LGF) to be devolved to Kent County Council for scheme delivery.

Councillor Dance spoke in support of the Dover TAP project, with the Board proceeding to voice their support to all the projects detailed in the report.

Resolved:

To Approve the allocation of £1m LGF to the Kent Strategic Congestion Management Programme 2018/19 to support the delivery of the Project identified in the Business Case and which has been assessed as presenting achieving borderline high value for money, but with a low to medium certainty of achieving this.

8 Kent Sustainable Interventions LGF award

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the Kent Sustainable Interventions Project 2018/19 (the Project) which has been through the Independent Technical Evaluator (ITE) process to enable £0.5m Local Growth Fund (LGF) to be devolved to Kent County Council for scheme delivery.

Resolved:

To Approve the award of £0.5m LGF to the Kent Sustainable Interventions

Project identified in the Business Case and which has been assessed as achieving high value for money with low to medium certainty of achieving this.

9 Southend Forum Phase 2

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was for the Board to consider the inclusion of the Southend Forum Phase 2 (the Project), as part of Southend's Central Area Action Plan (SCAAP), in the SELEP Growth Deal programme and the award of £6m Local Growth Fund (LGF) to the Project.

Councillor Halden spoke in support, stating that this was an exciting development. This was echoed by Councillor Lamb, who stated that this will provide important new skills for local businesses and should be progressed as quickly as possible.

Resolved:

1. **To Approve** the inclusion of the Project in the Local Growth Fund programme.
2. **Approve** the award of £6m Local Growth Fund (LGF) to the Project, which has been assessed as presenting high value for money with medium certainty of achieving value for money.

10 Hastings Bexhill Movement and Access Package LGF award

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the Hastings and Bexhill Movement and Access Package (the Project), which has been through the Independent Technical Evaluator (ITE) review process, to enable £9m Local Growth Fund (LGF) to be devolved to East Sussex County Council for delivery of the Project.

Cllr Glazier confirmed that the risk of potential contingency implications regarding the reduced funding to this project is recognised, but it still represented value for money.

Resolved:

To Approve the LGF award of £9m, reduced from £12m LGF, to the Hastings and Bexhill Movement and Access Package Project, as identified in the Business Case and which has been assessed as presenting high value for money with high certainty of value for money being achieved.

11 A289 Four Elms Roundabout LGF award

The Board received a report from Rhiannon Mort and a presentation from Steer

Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the amended A289 Four Elms Roundabout to Medway Tunnel Journey Time and Network Improvements Project (the Project).

Rhiannon explained that a revised business case had been prepared due to the substantial change to the project's scope, which was detailed in the report.

Councillor Chambers gave the Board an explanation regarding the review of Medway Council's Local Plan. He stressed that he believed that the local plan will be approved, and that the consultation phase will be launched shortly.

Resolved:

1. **To Approve** the change of Project of scope from a road bypass scheme to junction improvements. The revised Project has been assessed as presenting high value for money with high certainty of value for money being achieved.
2. **To Approve** spend of up to £3.5m Local Growth Fund (LGF) on the development of the Project in advance of the full Business Case being approved by the Board.
3. **To Note** the intention to develop a Full Project Business Case to be considered by the Board for the remaining £7.6m LGF allocation to the Project.

12 Growing Places Fund Capital Programme Management

The Board received a report from Rhiannon Mort, the purpose of which was to update the Board on the latest position of the Growing Places Fund (GPF) Capital Programme.

The Board discussed the reasons for the changes and felt that some parameters should be set within the funding agreements. Rhiannon informed the Board that the SELEP Strategic Board had agreed to the charging of interest on the loans for GPF Round 2 projects if GPF repayments are delayed from the schedule agreed in the project Credit Agreements.

It was felt that the number of times a project can come forward for a delay in repayment should be discussed further at a forthcoming meeting of the Strategic Board.

Resolved:

1. **To Approve** the principle of applying Local Growth Fund (LGF) on a temporary basis to GPF projects, if required, to mitigate any cash flow issues which may occur within financial years as a result of delayed GPF repayment, subject to the conditions set out in paragraph 6.8 of the report;
2. **To Approve** the delayed GPF loan repayment for the North Queensway Project, as per revised schedule set out in Table 1 of the report;
3. **To Approve** the revised GPF loan repayment for the Live Margate project, as per the revised schedule set out in Table 2 of the report; and

4. **To Note** the updated position on the GPF programme

13 Growing Places Fund award to No Use Empty

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was for the Board to consider the award of a Growing Places Fund (GPF) Loan to the No Use Empty Commercial Property Programme (the Project).

Councillor Dance stated that this had a massive supply chain benefits. Councillor Bentley spoke in support of the project but enquired about the position in connection with state aid rules. Rhiannon explained that each case is looked at on an individual basis.

Resolved:

To Approve the award of £1m GPF by way of a loan to enable the delivery of the Project identified in the Business Case and which has been assessed as presenting very high value for money with high certainty of achieving this, on the basis that it is repaid by 31st March 2022.

14 Growing Places Fund award to Colchester Northern Gateway

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was for the Board to consider the award of a Growing Places Fund (GPF) Loan to the Colchester Northern Gateway Project (the Project).

Councillor Halden queried the New Homes Bonus funding contributions from Colchester Borough Council. Rhiannon confirmed that a £2m New Homes Bonus had been committed by Colchester Borough Council to the Project.

Councillor Bentley urged the Board to support the project, stating that he was confident funding would be forthcoming from Colchester BC to mitigate any funding shortfalls for the project, and that Colchester Borough Council had taken into consideration the £2m New Homes Bonus contribution.

Resolved:

1. **To Note** the risk relating to the remaining funding contributions to the Project
2. **To Approve** the award of £2m GPF by way of a loan to enable the delivery of the Colchester Northern Gateway identified in the Business Case and which has been assessed as presenting high value for money and high certainty of achieving this, on the basis that it will be repaid by 31st March

2022.

15 Growing Places Fund award to Charleston Centenary

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was for the Board to consider the award of Growing Places Fund (GPF) to the Charleston Centenary Project (the Project).

Councillor Glazier spoke in support of the project, giving the Board some background information.

Resolved:

To Approve the award of £120,000 GPF to enable the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with high certainty of achieving this.

16 Local Growth Fund Project Changes

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to update the Board on the delivery of specific Local Growth Fund (LGF) projects in East Sussex and to seek the Board's approval for changes to the LGF allocations between Growth Deal Projects in East Sussex.

Rhiannon advised that lessons have been learnt and shared at the officers meetings. Councillor Glazier offered his thanks to Rhiannon for her assistance in this respect.

Resolved:

1. **To Approve** the reallocation of £2m from Eastbourne and South Wealden Walking and Cycling to Eastbourne Town Centre Movement and Access Package (MAP)
2. **To Approve** the revised project scope for the Eastbourne Town Centre MAP
3. **To Approve** the reallocation of £2m from A22/A27 Junction Improvements to North Bexhill Access Road
4. **To Approve** the reallocation of £1m from A22/A27 Junction Improvements to Queensway Gateway Road
5. **To Approve** the reallocation of £3m from Hastings and Bexhill Movement and Access Package to Queensway Gateway Road

17 Harlow Advanced Manufacturing and Engineering Centre of Excellence Financial Update

The Board received a report from Louise Aitken, the purpose of which was to seek Board decision for utilisation of an underspend arising from a VAT rebate associated with the Harlow Advanced Manufacturing and Engineering Centre

(HAMEC) project.

The Board discussed the proposals and it was clarified this was just a decision to enable Harlow College to submit a business case. The Board indicated that the proposed business case should be an extension of the original HAMEC project.

Resolved:

1. **To agree** that Harlow College can submit a business case to utilise the underspend of £234,815 arising from a VAT rebate from the HAMEC Project, that was received in December 2017, on alternative broader projects. Any funding approval is subject to a full Business Case being provided and approved by the Board at a future date. Any business case would need to meet the requirements of the SELEP Assurance Framework.

2. **To agree** that the Accountable Body will issue a formal request for the underspend of £234,815 to be returned if any business case put forward by Harlow College is unsuccessful.

18 Assurance Framework Implementation Plan delivery

The Board received a report from Rhiannon Mort, the purpose of which was to make the Board aware of:

1. The progress which has been made by the SELEP team and the federal areas in implementing the changes necessitated by the 2017 Assurance Framework;
2. Progress made by the SELEP team in implementing the recommendations of the Review of Local Enterprise Partnership Governance and Transparency by Mary Ney (Non-Executive Director, MHCLG) which was released to LEPs on 26th October 2017; and
3. Plans for the implementation of the 2018 Assurance Framework.

Councillor Dance queried whether the changes to the Assurance Framework would impact on the operation and make-up of the Accountability Board; Rhiannon confirmed that there is minimal impact for Accountability Board.

Rhiannon provided some clarifications on the recommendations, with further information to be provided at the March Strategic Board meeting.

The Board proceeded to discuss the problems encountered with the register of interests form. Kim Cole advised feedback has been given to central Government, but that at present the current form must be used. She advised that at the next review there may be more opportunity to influence the format of form used.

Resolved:

1. **To Note** the progress to date in implementing the 2017 SELEP Assurance Framework;
2. **To Note** the progress made in delivering the Mary Ney recommendations to the 28th February deadline; and
3. **To Agree** the approach for implementing further changes in accordance with the 2018 Assurance Framework.

19 Date of Next Meeting

The Board noted that the next meeting will take place on Friday 16th March 2018.

There being no urgent business the meeting closed at 11.55 am.

Chairman

Report to Accountability Board	Forward Plan reference number: FP/AB/127
Date of Accountability Board Meeting:	16th March 2018
Date of report:	7th March 2018
Title of report:	Strood Civic Centre Flood Mitigation Works
Report by:	Rhiannon Mort, SELEP Capital Programme Manager
Enquiries to:	Rhiannon.mort@essex.gov.uk

1. Purpose of report

- 1.1 The purpose of this report is to make the Accountability Board (the Board) aware of the value for money assessment for the Strood Civic Centre Flood Mitigation Project (the Project) which has been through the Independent Technical Evaluator (ITE) review process, to enable £3.5m Local Growth Fund (LGF) to be devolved to Medway Council for Project delivery.
- 1.2 The ITE report sets out the detailed analysis of the Project. This report is included in Appendix 1, of Agenda Item 5.

2. Recommendations

- 2.1 The Board is asked to:
 - 2.1.1 **Approve** the award of £3.5m Local Growth Fund to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with high certainty of achieving this.

3. Strood Civic Centre Flood Mitigation

- 3.1 Medway Council has identified the 3.4ha brownfield Civic Centre as a mixed use regeneration site to meet the high demand for housing in Medway, and to contribute towards aspirations to become a Waterfront University City by 2035.
- 3.2 The Civic Centre site (the Site) is identified within the emerging Medway Local Plan. However, the Site is currently at considerable risk of river tidal and surface water flooding. As such, to convert its use from a car park into a site suitable for redevelopment, flood protection works are required.
- 3.3 Whilst there are existing flood defence structures at the Site, much of the Site is low lying, at less than 4.0m Above Ordnance Datum (AOD) or above sea level.

- 3.4 To enable the regeneration of the Site it is necessary to raise the flood defence level of the Site to provide flood defence for a 1 in 200 year storm threat, with flood levels at +6.0m AOD, as has been agreed between Medway Council and the Environment Agency.
- 3.5 The LGF investment in the Project will:
- 3.5.1 Deliver a new piled wall, raised to +6.0m AOD, in front of the existing wall and river defence along the riverside; and
 - 3.5.2 Raise land up to a height of 6m, to increase the level of flood protection.
- 3.6 The completion of these flood mitigation works will enable a mixed use regeneration to be unlocked at the Site. Due to residual flood risks, ground floor space can be used for commercial premises. This will complement the nearby Innovation Studios Strood as a satellite of Innovation Centre Medway, and provide employment land targeted at SMEs.
- 3.7 The delivery of new employment space will encourage local cafes, restaurants and independent retailers to locate at the Site, enabling job creation and innovation through sector clustering.
- 3.8 Above the ground floor will be multi-storey apartments, in keeping with the waterfront developments in Medway including Chatham Waters, and Rochester Riverside on the opposite banks of the River Medway.
- 3.9 This will enable the delivery of up to 564 units of housing, depending on density. The combination of the construction of flood defences, housing development and commercial use will create an estimated 1033 jobs (902 direct and 131 indirect).
- 3.10 The redevelopment of the Site will make a significant contribution towards increasing employment in the area, supporting the objective of adding to the housing stock to accommodate the increasing population level and helping Medway's Regeneration Strategy for the area.
- 3.11 In addition, the mixed use development will encourage a vibrant environment where people will enjoy living and socialising, which will grow the local economy and attract £86m of private sector investment.
- 3.12 In addition, the investment will provide 1.1km of new cycle and pedestrian links around the perimeter of the Site to encourage greater levels of active travel for both pedestrians and cyclists. The link will connect key sites in the area and be segregated/off road. It will include lighting, CCTV coverage and signage, and support the wider Medway Cycle Action Plan.

4. Options considered

- 4.1 The options appraisal for the flood defence works was completed in August 2015, with the feasibility study having been completed in June 2016.

4.2 The assessment option is considered as part of the Business Case development and include:

4.2.1 **Do nothing** - No action being taken

If no action is taken then Medway Council will not be able to redevelop the Site, Strood High Street will remain exposed to tidal flooding and the impact of forecast sea level rise will exacerbate the flood risk for the area.

4.2.2 **Do Minimum** – This option would be to repair and re-secure the existing capping beam. The cost of this option would be £2,000,000.

The repair of the existing flood defence would maintain the existing level of flood protection but would not provide sufficient flood protection required by the Environment Agency to enable the land to be brought forward for development. Strood High Street would also remain exposed to tidal flooding.

4.2.3 **Do Something (Recommended Option)**– This option would involve flood defending the Site via land raising and a new flood defence wall at an estimated cost of £4,700,000.

This option will:

- Enable 3.4 ha of mixed use land to be brought forward on the ground level which will support the regeneration plan for the area;
- Create 564 housing units that will help accommodate the forecast increase in local population, according to ONS research;
- Contribute to the aims of the Medway Waterfront Regeneration Strategy through the development of a dynamic mixed use waterfront environment stretching from Temple Waterfront, through the former Site and onward to Strood Riverside;
- Enable the creation of a river walk/cycle path linking Medway's key regeneration sites and encourage an increase in physical activity leading to health benefits;
- Alleviate pressure to develop on greenfield sites;
- Population and skills retention through new housing and job opportunities; and
- Create a more productive workforce through improved skills training.

The option will also result in the loss of car parking provision, although it is Medway Council's view that alternative provision can be made.

4.2.4 **Do Maximum** - This option would involve flood defending the former Site and the land to the south of Janes Creek. It would also include land raising to a level specified by the Environment Agency for residential purposes. This option would also involve the new cycling and walking link. The estimated cost of this option would be £7,935,000 (including optimism bias).

In addition to the benefits stated for the Do Something scenario, the Do Maximum scenario would enable the ground floor units to be used for residential purposes. However, the cost of the flood remediation works is considered too high to enable a variable housing development at the Site.

- 4.3 The recommended option presented in the Business Case is ‘Do Something’, as set out in Section 3 above. While the Do Maximum would provide additional benefits beyond that provided by the Do Something scenario, the cost associated with this option outweighs the additional benefits generated.

5. Public Engagement

- 5.1 As part of the planning process , public consultation was undertaken on the flood defence proposals. Some comments were received on the proposals and further work was undertaken in conjunction with the Environment Agency and Rochester Bridge Trust regarding design and construction methodologies to ensure that all parties were satisfied with the proposals. The end result of this process was planning consent was granted in November 2017.

- 5.2 Further to this the proposals for development of the Site were included in the Strood Waterfront Development Brief, which was out for consultation between 4th December 2017 and 29th January 2018. The feedback from this consultation on the proposed development is currently being collated, but some of the concerns which have been identified though the public consultation have been set out in Table 2 below.

Table 2 Concerns raised through Public Consultation and action to address

Concern	Action to address
Building height (particularly raised as a concern by residents of neighbouring properties)	The Development Brief identifies that future development proposals must complement the historic setting and the buildings height should take into account views from surrounding housing development and greenspace e.g. Broomhill park in Strood.
Highway Capacity	An initial Transport Statement has been carried out in tandem with the Development Brief and the Illustrative Masterplan, providing a scoping exercise for future Transport Impact Assessment, which will accompany future planning applications. The Transport Statement has identified measures which residents supported, such as: timeslots for business deliveries, mitigating the impact of parked vehicles along the high street; expansion of traffic monitoring, to divert traffic away from incidents/congested areas; parking guidance to prevent cars circling to find parking spaces; junction modifications to improve access; low car parking ratios, which is supported by policy due to

	its town centre location and proximity to major sustainable transport modes, with high speed rail links to London.
The impact of the number of houses on existing resources/infrastructure e.g. schools and doctors.	The Development Brief highlights the that S106 contributions will be needed to invest in existing infrastructure, the NHS have identified their needs which will be reflected in the document. The increased investment will expand and improve the existing infrastructure.
Impact of new houses on greenspace provision	The Development Brief increases the amount of accessible and usable greenspace. A walk/cycle route along the waterfront was greatly supported with communal/public greenspace situated along the waterfront. The Development Brief also identifies the importance of improving existing greenspace (Watermill Gardens) to enable use by all of the community.

5.3 On the whole the public comments were positive with people glad to see the Site being improved. The final version of the Strood Waterfront Masterplan will be adopted as a Supplementary Planning Document in June 2018.

6. Project Funding

- 6.1 The total cost of the Project is estimated at £4.7m, as set out in Table 3 below.
- 6.2 The Project funding breakdown comprises a £3.5m LGF contribution. The remaining £1.2m Project cost will be funded through prudential borrowing by Medway Council. This prudential borrowing has been approved by the Strood Regeneration Board in November 2016, which comprises elected members and senior Medway Council officers.
- 6.3 The £1.2m prudential borrowing by Medway Council has been confirmed and committed within the Councils budget; having been approved at both Cabinet and Full Council.
- 6.4 In addition, there will be £86.5m private sector follow-on investment in the redevelopment of the Site once the flood mitigation works have been completed.

Table 3 Project Funding Breakdown (£m)

£m	2017/18	2018/19	2019/20	2020/21	2021/22	Total
SELEP LGF sought	0.750	2.450	0.300			3.500
Medway Council Borrowing		1.200				1.200
Total funding requirement	0.750	3.650	0.300			4.700
Follow on private sector investment			5.000	10.000	71.500	86.500

7. Outcome of ITE Review

- 7.1 The SELEP ITE has assessed the Project Business Case through the Gate 1 and Gate 2 process and has recommended that the Project achieves high value for money with a high certainty of achieving this.
- 7.2 The economic appraisal has evidenced a Benefit Cost Ratio (BCR) of 3.36:1. This BCR has been calculated following the latest Ministry for Housing, Communities and Local Government Appraisal Guide 2016 to demonstrate how the Land Values will increase on the riverside in Strood as a result of development which can only be achieved if flood mitigation measures are put into place.
- 7.3 In addition, the benefits of the Project in delivering new cycle and pedestrian links have been assessed and included as part of the Project's economic case. These benefits have been assessed following the Department for Transport's (DfT) Active Mode Appraisal Travel guidance.
- 7.4 The ITE review confirms that a sensible and proportionate methodology has been applied. The robust analysis provides high certainty that value for money will be achieved.

8. Compliance with SELEP Assurance Framework

- 8.1 Table 4 below considers the assessment of the Business Case against the requirements of the SELEP Assurance Framework.
- 8.2 The assessment confirms the compliance of the project with SELEP's Assurance Framework.

Table 4 Assessment of the Business Case against the requirements of the SELEP Assurance Framework

Requirement of the Assurance Framework to approve the project	Compliance (RAG Rating)	Evidence in the Business Case
A clear rationale for the interventions linked with the strategic objectives identified in the Strategic Economic Plan	Green	The business case identifies the current problems and why the scheme is needed now. The objectives presented align with the objectives identified in the Strategic Economic Plan.
Clearly defined outputs and anticipated outcomes, with clear additionality, ensuring that factors such as displacement and deadweight have been taken into account	Green	The expected project outputs and outcomes are set out in the Business Case and detailed in the economic case. Ministry of Housing, Communities and Local Government (MHCLG) Appraisal Guidance and the DfT's Active Mode Appraisal Toolkit have been used to assess the expected outputs and outcomes of the intervention.
Considers deliverability and risks appropriately, along with appropriate mitigating action (the costs of which must be clearly understood)	Green	The business case demonstrates clear experience in delivering similar schemes. A comprehensive risk register has been developed which provides an itemised mitigation
A Benefit Cost Ratio of at least 2:1 or comply with one of the two Value for Money exemptions	Green	A BCR has been calculated as 3.36:1 which indicates very high value for money.

9. Financial Implications (Accountable Body comments)

- 9.1 Any funding agreed by the Accountability Board is dependent on the Accountable Body receiving sufficient funding from HM Government. Funding allocations beyond 31st March 2018 are yet to be confirmed. However, funding for this Project is included in the indicative LGF Programme allocations provided by HM Government for future years. It should also be noted that the

Government are currently undertaking a Deep Dive review into the Governance arrangements of the SELEP; at the time of writing, it is not known whether the outcome of this review will impact on future funding allocations to SELEP.

9.2 In considering allocating funding to this Project, the Board should take into account the following:

9.2.1 The significant amount of slippage within the overall programme previously reported to the Board in December 2017, this is currently forecast to be £39m by the end of 2017/18; this presents a programme delivery risk due to the increased proportion of projects now due to be delivered in the final years of the programme; and it presents a reputational risk for SELEP regarding securing future funding from Government where demonstrable delivery of the LGF Programme is not as expected.

9.2.2 There is a LGF funding profile risk in 2019/20; whilst there is sufficient funding for all LGF projects across the duration of the programme, in 2019/20 there is currently a funding gap of £13.9m (including the requirements of this Project); it is noted that this risk is being carefully monitored by the SELEP Capital Programme Manager with potential options for mitigation being considered.

9.3 There are SLAs in place with the sponsoring authority which makes clear that future years funding can only be made available when HM Government has transferred LGF to the Accountable Body.

10. Legal Implications (Accountable Body comments)

10.1 There are no legal implications arising from this decision.

11. Staffing and other resource implications (Accountable Body comments)

11.1 None at present.

12. Equality and Diversity implication

12.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when a public sector body makes decisions it must have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

- 12.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 12.3 In the course of the development of the project business case, the delivery of the Project and their ongoing commitment to equality and diversity, the promoting local authority will ensure that any equality implications are considered as part of their decision making process and where possible identify mitigating factors where an impact against any of the protected characteristics has been identified.

13. List of Appendices

- 13.1 Appendix 1 - Report of the Independent Technical Evaluator (As attached to Agenda Item 5).

14. List of Background Papers

- Business Case for Strood Civic Centre Flood Mitigation Project

(Any request for any background papers listed here should be made to the person named at the front of the report who will be able to help with any enquiries)

Role	Date
Accountable Body sign off Stephanie Mitchener (On behalf of Margaret Lee)	 08/03/2018

Report to Accountability Board	Forward Plan reference number: FP/AB/140
Date of Accountability Board Meeting:	16 th March 2018
Date of report:	8th March 2018
Title of report:	Capital Programme Management of the Local Growth Fund
Report by	Rhiannon Mort, SELEP Capital Programme Manager
Enquiries to	Rhiannon.mort@essex.gov.uk

1. Purpose of report

- 1.1 The purpose of this report is to update the SELEP Accountability Board (the Board) on the latest position of the Local Growth Fund (LGF) Capital Programme, as part of SELEP's Growth Deal with Government.
- 1.2 The report considers the LGF spend forecast to the end of 2017/18 and presents the budget for 2018/19.

2. Recommendations

2.1 The Board is asked to:

- 2.1.1 **Note** the updated LGF spend forecast for 2017/18
- 2.1.2 **Agree** the project delivery and risk assessment, as set out in Appendix 3.
- 2.1.3 **Agree** the slippage of LGF spend from 2017/18 to 2018/19 for the following projects:
- 2.1.3.1 Hailsham/Polegate/ Eastbourne Movement and Access Transport scheme (£1.128m);
 - 2.1.3.2 Hastings and Bexhill Movement and Access Package (£0.969m);
 - 2.1.3.3 East Sussex Strategic Growth Project (£2.755m);
 - 2.1.3.4 Basildon Integrated Transport Package (£1.268m)
 - 2.1.3.5 Kent and Medway Growth Hub (£1.500m);
 - 2.1.3.6 Tunbridge Wells Junction Improvements and A26 Cycle Route (£0.565m);
 - 2.1.3.7 Kent Strategic Congestion Management Package (£0.208m);
 - 2.1.3.8 Kent Rights of Way Improvement Plan (£0.150m);
 - 2.1.3.9 Kent Sustainable Interventions Programme (£0.013m);
 - 2.1.3.10 Maidstone Integrated Transport Package (£1.135m);
 - 2.1.3.11 Ashford International Connectivity Project – Ashford Spurs (£3.060m);
 - 2.1.3.12 A226 London Road/ B225 St Clements Way (£0.312m);
 - 2.1.3.13 Coastal Communities Housing Intervention – Thanet (£0.512m);
 - 2.1.3.14 Dartford Town Centre Transformation (£0.200m);
 - 2.1.3.15 Fort Halsted (£1.530m);
 - 2.1.3.16 A2 off-slip at Wincheap, Canterbury (£0.354m);

- 2.1.3.17 Leigh Flood Storage Area and East Peckham - unlocking growth (£0.091m);
 - 2.1.3.18 A289 Four Elms Roundabout to Medway Tunnel Journey time and Network Improvements (£1.911m);
 - 2.1.3.19 Strood Town Centre Journey Time and Accessibility Enhancements (£1.625m);
 - 2.1.3.20 Chatham Town Centre Place- Making and Public Realm Package (£1.269m);
 - 2.1.3.21 Medway Cycle Action Plan (£0.136m);
 - 2.1.3.22 Medway City Estate Connectivity Measures (£0.065m);
 - 2.1.3.23 Rochester Airport Phase 1 (£2.582m);
 - 2.1.3.24 Southend Central Area Action Plan (£0.850m); and
 - 2.1.3.25 London Southend Airport Business Park Phase 1 and Phase 2 (£8.999m).
- 2.1.4 **Agree** the acceleration of LGF spend in 2017/18 for the following projects:
- 2.1.4.1 Queensway Gateway Road (£1.540m);
 - 2.1.4.2 Chelmsford City Growth Area (£0.500m);
 - 2.1.4.3 Technical and Professional Skills Centre at Stansted Airport (£1.000m)
 - 2.1.4.4 Kent Thameside LSTF (£0.106m);
 - 2.1.4.5 A28 Chart Road (£1.913m);
 - 2.1.4.6 A28 Sturry Link Road (£0.059m);
 - 2.1.4.7 Kent and Medway EDGE Hub (£0.500m);
 - 2.1.4.8 A2500 Lower Road (£0.200m); and
 - 2.1.4.9 Strood Civic Centre – flood mitigation (£0.338m);
- 2.1.5 **Approve** the acceleration of £0.338m LGF spend in 2017/18 for the Strood Civic Centre Flood Mitigation project, subject to the project being awarded LGF under Agenda Item 5.
- 2.1.6 **Approve** the acceleration of £5.000m LGF spend in 2017/18 on the Gilden Way Upgrades, for spend across the Gilden Way and M11 Junction 7a project
- 2.1.7 **Approve** the planned spend of £113.293m LGF in 2018/19, excluding DfT retained schemes and £148.666m including DfT retained schemes, subject to SELEP receiving sufficient finding from Government in 2018/19 as per the amount indicated in the provisional funding profile .

2017/18 LGF update - finance

- 2.2 On the 22nd September the Board was provided with an updated planned spend for 2017/18 based on the additional slippage identified through the Declaration of Grant Usage. The restated budget restated to total planned spend for 2017/18 as £122.596m for non-retained and £31.126m for Department for Transport (DfT) retained schemes. The detail can be seen in Table 1 below.
- 2.3 On the 17th January 2018, officers from each Federated Area attended the SELEP Programme Consideration Meeting to:

- Provide an updated spend forecast for 2017/18 and future years of the LGF programme;
- Discuss the project deliverability and risk assessment;
- Identify project changes to be brought to the attention of the Board; and
- Consider mitigation to be implemented to address project risks.

2.4 Each federated area has provided an updated spend forecast for 2017/18 as shown in Appendix 1 & 2 and as summarised in Table 1 below.

Table 1 Updated LGF spend forecast 2017/18 (£m)

LGF (£m)	Planned spend in 2017/18 (as restated in September 2017)	Total forecast spend in 2017/18 (as reported in January 2018)	Variance*	Variance* (%)	Variance approved to date	Variance to be considered on the 16th March 2018
East Sussex	25.999	22.963	-3.036	-11.68%	0.405	-3.441
Essex	17.867	19.299	1.432	8.01%	-4.268	5.700
Kent	32.236	20.913	-11.323	-35.13%	-4.767	-6.556
Medway	12.299	4.749	-7.550	-61.39%	-3.464	-4.086
Southend	13.508	3.658	-9.850	-72.92%	0.000	-9.850
Thurrock	12.293	8.905	-3.387	-27.55%	-3.387	0.000
Skills	0.096	0.071	-0.025	-26.42%	0.000	-0.025
M20 Junction 10a	8.300	8.300	0.000	0.00%	0.000	0.000
LGF Sub-Total	122.597	88.857	-33.739	-27.52%		
Retained	31.126	15.211	-15.915	-51.13%		
Total Spend Forecast	153.723	104.069	-49.654	-32.30%		

2.5 Table 1 identifies substantial variance between the planned spend and updated spend forecast of £33.739m excluding DfT retained schemes and £49.654m including DfT retained schemes.

2.6 The revised total forecast LGF spend in 2017/18 now totals £88.857m excluding retained schemes and £104.069m including DfT retained schemes. This is relative to a planned spend of £122.596m excluding retained schemes and £153.723m including retained schemes, as re-state in September 2017.

2.7 The updated spend forecasts takes account of the forecast slippage and acceleration of LGF projects in 2017/18 as highlighted through the January LGF update returns by local partners. The changes to forecast spend identified since the last update reports were submitted to the SELEP Secretariat in October 2017 and presented to the Board in November 2017 are detailed in Table 2 below.

Table 2 Identified LGF slippages and acceleration in 2017/18 (£m), reported since the last LGF Capital Programme Update to the Board in November 2017

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
East Sussex					
Hailsham/Polegate/Eastbourne Movement and Access Transport scheme	£1.500	£0.242	-£1.258	LGF slippage has occurred as a result of delays to the project during the consultation phase of the project which has delayed the project delivery timescales.	The Board is asked to approve the slippage of £1.258m from 2017/18 to 2018/19.
Queensway Gateway Road	£3.460	£5.000	£1.540	Increase in spend on the Project in 2017/18 as a result of the escalation in project costs	The Board is asked to approve the £1.540m increase in LGF spend on the project during 2017/18.
Hastings and Bexhill Movement and Access Package	£1.352	£0.384	-£0.968	The project was approved at the last Board meeting, but as a result of delays to the development of the	The Board is asked to approve the slippage of £0.968m LGF from 2017/18 to 2018/19.

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
				Business Case for the project, the amount of LGF spend in 2017/18 has reduced relative to the planned spend.	
East Sussex Strategic Growth Project	£6.300	£3.545	-£2.755	Slippage of spend due to delays in the planning process and the appointment of a main contractor. However groundworks at the site are substantially complete a preferred contractor has been identified.	The Board is asked to approve the slippage of £2.755m from 2017/18 to 2018/19
Essex					
Basildon Integrated Transport Package	£1.868m	£0.600	-£1.268	The Board approved the re-profiling of £1.868m LGF from 2017/18 to 2018/19, in line with the revised Business	The Board is asked to approve the revised slippage of £1.268m LGF from 2017/18 to 2018/19.

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
				Case considered by the Board for approval. However, subsequently the opportunity to accelerate £600,000 LGF spend in 2017/18 has been identified.	
Chelmsford City Growth Area	£1.000	£0.500	£0.500	Potential to accelerate LGF spend on the project to mitigate slippage on other projects.	The Board is asked to approve the acceleration of £0.500m LGF spend in 2017/18
Technical and Professional Skills Centre at Stansted Airport	£1.000	£2.000	£1.000	Potential to accelerate additional LGF spend on the project to mitigate slippage on other projects.	The Board is asked to approve the acceleration of £0.500m LGF spend in 2017/18
Gilden Way Upgrades	£0.000	£5.000	£5.000	Potential to accelerate LGF spend on the project in advance of	The Board is asked to approve the acceleration of £5.000m LGF spend in

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
				other funding sources, to mitigate slippage on other projects.	2017/18
Kent					
Kent and Medway Growth Hub (I3 project)	£6.612	£1.112	-£1.500	Whilst I3 Approval Board has identified projects for investment, there have been difficulties in getting Legal Agreements in place and for applicants to provide required security.	The Board is asked to approve the slippage of £1.500m LGF from 2017/18 to 2018/19
Tunbridge Wells Junction Improvements and A26 Cycle Route	£0.608	£0.043	-£0.565	Detailed design work has been progressed for the project but construction works will be undertaken in 2018/19.	The Board is asked to approve the revised slippage of £0.565m LGF from 2017/18 to 2018/19.
Kent Thameside LSTF	£0.468	£0.574	£0.106	Opportunity to	The Board is asked to

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
				accelerate LGF spend on the project has been identified to mitigate underspend	approve the acceleration of £0.106m LGF spend in 2017/18.
Kent Strategic Congestion Management programme	£0.728	£0.520	£-0.208	Slippage of LGF as a result of the delayed implementation of the EU Connected Corridor scheme into 2018/19.	The Board is asked to approve the slippage of £0.208m LGF from 2017/18 to 2018/19.
Kent Rights of Way Improvement Plan	£0.300	£0.150	£-0.150	Slippage of LGF spend as unable to deliver Tunbridge Wells Common scheme and SELEP Change Request is required from Kent County Council for consideration at the next Board meeting.	The Board is asked to approve the slippage of £0.150m from 2017/18 to 2018/19.
Kent Sustainable Interventions	£0.492	£0.472	£-0.013	Minor slippage	The Board is asked to

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
Programme				forecast as a result of expected weather related delays to project delivery.	approve the slippage of £0.013m from 2017/18 to 2018/19.
A28 Chart Road	£1.131	£3.044	£1.913	Potential to accelerate LGF spend on the project to mitigate slippage on other projects.	The Board is asked to approve the acceleration of £1.913m LGF spend in 2017/18.
Maidstone Integrated Transport Package	£2.135	£1.000	-£1.135	Slippage of LGF spend due to the delayed submission of the Phase 2 Business Case, which has now been submitted for a Board decision in April 2018.	The Board is asked to approve the revised slippage of £1.135m LGF from 2017/18 to 2018/19.
A28 Sturry Link	£0.373	£0.432	£0.059	Potential to accelerate LGF spend on the project to mitigate slippage on other	The Board is asked to approve the revised acceleration of £0.059m LGF spend in 2017/18.

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
				projects.	
Ashford International Connectivity Project (Ashford Spurs)	£8.903	£5.843	-£3.060	Reduced LGF spend in 2017/18 as a result of the reduced project cost and the potential reallocation of LGF to Sandwich Rail Infrastructure, pending the conditions for the award of LGF being satisfied.	The Board is asked to approve the revised slippage of £3.060m LGF from 2017/18 to 2018/19.
A226 London Road/ B255 St Clements Way	£1.312	£1.000	-£0.312	Slippage of LGF spend to reflect works programme. However, the project is progressing ahead of original schedule, with works having started on site.	The Board ask is asked to approve the revised slippage of £0.312m LGF from 2017/18 to 2018/19.
Coastal Communities Housing Intervention (Thanet)	£0.667	£0.155	-£0.512	Delays to the start of construction	The Board is asked to approve the

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
				works with the Ethelbert Crescent works due to complete in early 2018/19 and the Warwick Road works to start on site in summer 2018/19.	revised slippage of £0.512m LGF from 2017/18 to 2018/19.
Dartford Town Centre Transformation	£0.200	£0.000	-£0.200	Slippage of LGF spend due to the delayed submission of the Business Case, which has now been submitted for a Board decision in April 2018.	The Board is asked to approve the slippage of £0.200m LGF from 2017/18 to 2018/19.
Fort Halsted	£1.530	£0.000	-£1.530	Slippage of LGF spend due to the delayed submission of the Business Case. Update report to be received by	The Board is asked to approve the slippage of £1.530m LGF from 2017/18/2018/19.

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
				the Board in June 2018/19.	
A2500 Lower Road	£0.387	£0.587	£0.200	Potential to accelerate LGF spend on the project to mitigate slippage on other projects.	The Board is asked to approve the acceleration of £0.200m LGF from 2017/18 to 2018/19.
Kent and Medway EDGE Hub	£1.120	£1.620	£0.500	Potential to accelerate LGF spend on the project to mitigate slippage on other projects.	The Board is asked to approve the acceleration of £0.500m LGF spend in 2017/18.
A2 off- slip at Wincheap, Canterbury	£0.354	£0.000	-£0.354	Slippage of LGF spend due to the delayed submission of the Business Case.	The Board is asked to approve the slippage of £0.354m LGF from 2017/18 to 2018/19.
Leigh Flood Storage Area and East Peckham – unlocking growth	£0.091	£0.000	-£0.091	Slippage of LGF spend due to the delayed submission of the Business Case.	The Board is asked to approve the slippage of £0.091m LGF from 2017/18 to 2018/19.

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
Medway					
A289 Four Elms Roundabout to Medway Tunnel Journey time and Network Improvements	£2.353	£0.442	£-1.911	At the last Board meeting the Board approved the delivery of a revised project. The slippage of LGF spend, reflects the decision by the Board to support the revised project and the updated project programme for delivery.	The Board is asked to approve the revised slippage of £1.911m from 2017/18 to 2018/19.
Strood Town Centre Journey Time and Accessibility Enhancements	£2.417	£0.792	£-1.625	The project is progressing to programme with works expected to start on site in January 2018. However, the planned spend was too ambitious to be achieved and a revised spend profile has	The Board is asked to approve the revised slippage of £1.625m LGF from 2017/18 to 2018/19.

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
				been prepared.	
Chatham Town Centre Place-Making and Public Realm Package	£2.183	£0.914	-£1.269	The project programme has been amended to avoid Battle of Medway celebrations and Christmas shopping/events period. This delay to the project has implications for the LGF spend profile.	The Board is asked to approve the revised slippage of £1.269m LGF from 2017/18 to 2018/19.
Medway Cycle Action Plan	£1.121	£0.985	-£0.136	Minor slippage of spend to support the completion of the project in 2018/19.	The Board is asked to approve the revised slippage of £0.136m LGF from 2017/18 to 2018/19.
Medway City Estate Connectivity Improvement Measures	£0.099	£0.034	-£0.065	Project delay experienced as works were out on hold whilst a revised proposal was being developed for the A289 Four Elms	The Board is asked to approve the revised slippage of £0.065m LGF from 2017/18 to 2018/19.

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
				Roundabout project. As decision has been taken, the project will proceed as planned but to an amended delivery schedule.	
Rochester Airport Phase 1	£2.825	£0.243	-£2.582	<p>This project has experienced substantial delays. This has mainly been the result of delays to the approval of planning consent.</p> <p>A detailed update report will be provided to the Board at its meeting on the 27th April 2018.</p>	The Board is asked to approve the revised slippage of £2.582m LGF from 2017/18 to 2018/19.
Strood Civic Centre – flood mitigation	£1.000	£1.338	£0.338	Potential to accelerate LGF spend on the project to mitigate slippage on	The Board is asked to approve the acceleration of £0.338m LGF from 2017/18 to 2018/19,

	Planned LGF spend in 2017/18	Updated LGF spend forecast (as updated in January 2018)	Re-profiling from 2017/18 to 2018/19	Reason for Change	Board Decision
				other projects	subject to Project funding award under Agenda Item 5.
Southend					
Southend Central Area Action Plan (SCAAP) – Transport Package	£2.233	£1.383	-£0.850	Delays to the start of works on site due to drainage issues, which have resulted in change to the design work.	The Board is asked to approve the slippage of £0.850m LGF from 2017/18 to 2018/19.
London Southend Airport Business Park Phase 1 and Phase 2	£11.274	£2.275	-£8.999	Issues with installation of utilities have led to project delays and have affected LGF spend in 2017/18.	The Board is asked to approve the slippage of £8.999m LGF from 2017/18 to 2018/19.
Thurrock					
No additional slippages of LGF have been reports for Thurrock projects at this stage.					

- 2.8 As set out in Table 2 above, opportunities have been sought to accelerate LGF spend where possible, to reduce the slippage of LGF spend on other projects.

The potential to prioritise the use of LFG grant in advance of the application of other funding streams would create an increase of £5m LGF spend on the Gilden Way project in 2017/18. This would include some spend on the M11 Junction 7a project but this is directly linked to the delivery of the Gilden Way scheme with one project unable to progress without the other.

- 2.9 Due to the interdependency of the Gilden Way upgrades scheme with the M11 Junction 7a project, the two schemes are being delivered as one project using the same construction contractor. The value for money assessment was also undertaken to consider the combined impacts of the two interventions
- 2.10 In agreeing to accelerate the £5m LGF spend on the Project, this would support delivery across the Gilden Way and M11 Junction 7a projects, rather than the LGF contribution being used solely to fund the Gilden Way aspect of the project. The overall funding package for the projects will remain fixed, but it is proposed that the profile of LGF spend should be accelerated to spend the LGF grant in advance of other funding sources.

3. Programme Slippage Summary

- 3.1 At the outset of 2017/18 financial year, a £3.009m over-profiling of the LGF programme was identified due to the difference between the planned LGF spend and the amount of LGF underspend available in 2017/18. However, as a result of the slippage of LGF from 2016/17 to 2017/18 and slippage of LGF spend which has already been identified from 2017/18 there is now a forecast slippage of £29.659m LGF from 2017/18 to future years of the programme (excluding retained schemes), as set out in Table 3 below.

Table 3 Forecast LGF spend relative to LGF allocation in 2017/18 (excludes retained schemes).

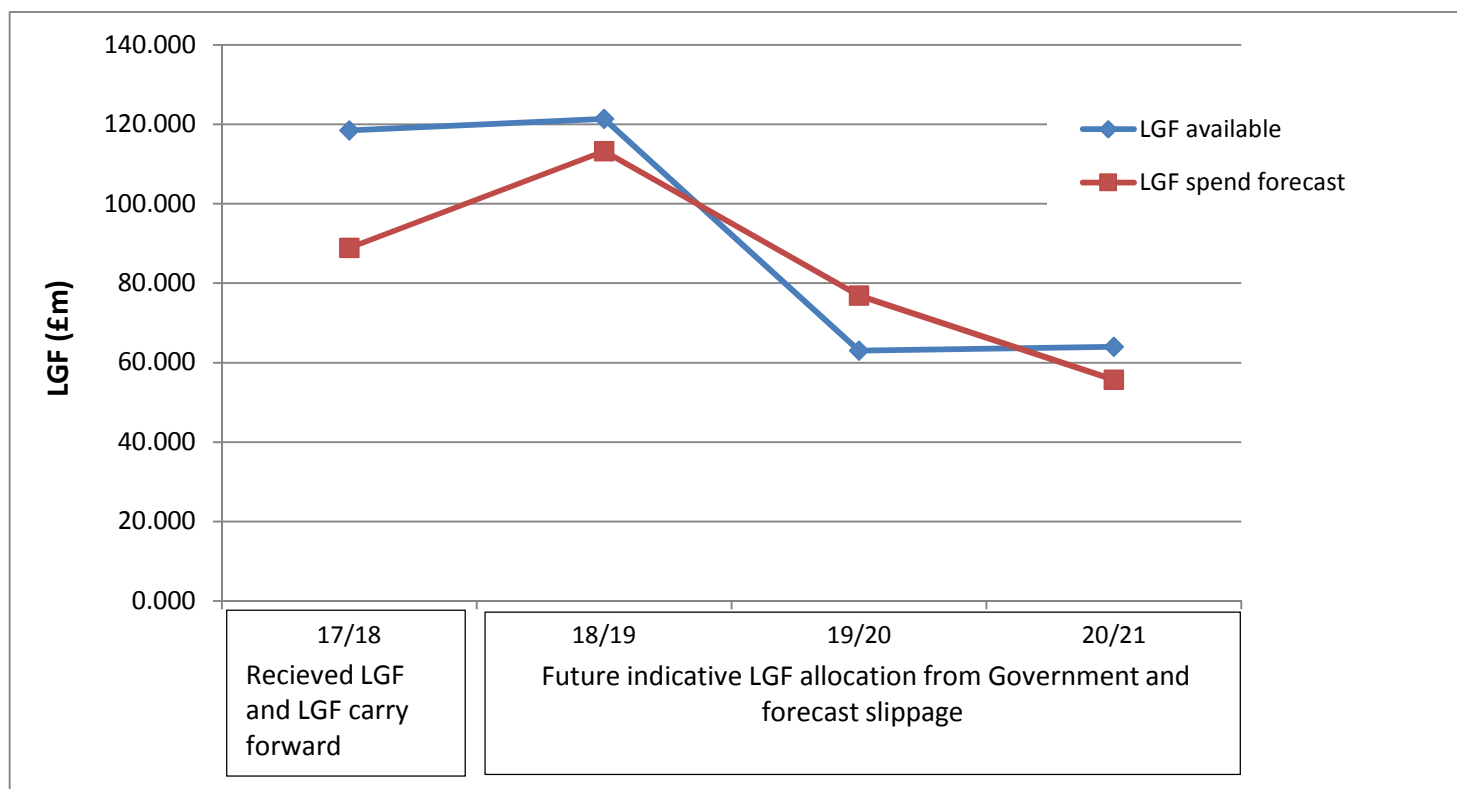
	(£m)
LGF allocation in 2017/18	92.088
Carry forward from 2015/16 and 2016/17 to 2017/18	26.428
Total LGF available to spend in 2017/18	118.516
Total LGF revised planned spend in 2017/18	88.857
Variance*	29.659

*Difference between the total LGF available to spend in 2017/18 and the updated 2017/18 spend forecast.

- 3.2 Whilst delivery partners have been encouraged to accelerate LGF spend in 2017/18 where possible, any LGF slippage held by Upper Tier Authorities at the end of the financial year will be swapped into local authority Capital Programme (Option 4 mitigation).

- 3.3 The remaining LGF held by SELEP at the end of 2017/18 will be carried forward to 2018/19 within SELEP's accounts (Option 5).
- 3.4 The expected slippage of LGF spend during 2017/18 will be used to help offset the difference between the spend profile and the annual funding allocation from Government during 2019/20 as set out in Figure 1 below.

Figure 1 LGF spend profile relative to LGF available



- 3.5 Figure 1 shows that the amount of LGF available in 2017/18 now exceeds the planned spend by £29.658m. However, in 2019/20 the planned LGF spend currently exceeds the LGF expected to be available, whilst in, 2018/19 and 2020/21 the amount of LGF available exceeds the planned spend.
- 3.6 Without any mitigation actions being applied, the expected gap between the planned LGF spend and the amount of LGF available in 2019/20 totals £13.897m. However the scenario modelling presented to the Board in November 2017 demonstrated that options are available to spend other grant contributions in advance of LGF.
- 3.7 Based on the slippages to LGF spend between financial years which have occurred through the delivery of the programme to date, the gap between the LGF spend forecast and LGF available in 2019/20 is not considered to present a substantial programme risk at this time. However, the slippage of LGF spend adds substantial pressure to the delivery of projects and LGF spend during 2020/21, as the final year of the LGF programme, and will add to the risk of LGF slippage beyond the Growth Deal programme.

3.8 Through the duration of the programme there is sufficient LGF allocated by Government to fund all LGF projects included in the programme, with the total £468.335m Ministry for Housing, Communities and Local Government (MHCLG) LGF grant to non –retained LGF projects exceeding the £460.029m allocated to LGF projects through LGF Rounds 1, 2 and 3, as set out in Table 4 below. Details of the LGF allocations to each individual LGF project are included in Appendix 2.

Table 4 LGF spend forecast relative to LGF available (£m)

£m	15/16	16/17	17/18	18/19	19/20	20/21	Total
Actual spend or current forecast	55.562	69.730	88.857	113.293	76.891	55.670	460.004
LGF allocation from Government	69.450	82.270	92.088	91.739	54.915	77.873	468.335
LGF carry forward from earlier years		13.888	26.428	29.659	8.104	-13.872	
Total grant funding available in year	69.450	96.158	118.516	121.398	63.019	64.001	468.335
Over/(under) allocation	13.888	26.428	29.658	8.104	-13.872	8.331	

4. LGF Budget 2018/19

4.1 The 2017/18 Grant Offer Letter from the Cities and Local Growth Unit confirmed SELEP's LGF grant of £92.088m in 2017/18 and provided an indicative allocation for future years of the LGF programme as set out in Table 5 below.

Table 5 Indicative LGF profile

2017-18	2018-19	2019-20	2020-21
92,088,396	91,738,956	54,914,715	77,873,075

4.2 Whilst previous year LGF awards have been consistent with the indicative profiles set out by the Cities and Local Growth Unit, the current LEP review and Deep Dive discussions may have a bearing on the award of LGF to SELEP in 2018/19.

4.3 Table 6 below sets out the planned LGF spend for 2018/19, based on the LGF spend forecast submitted by each Federated Area. However the approval of this budget is subject to sufficient LGF being made available by the Ministry for Housing Communities and Local Government (MHCLG). If there is a material change to the LGF award from the expected £91.739m, then an amended budget will be presented to the Board at its meeting on the 27th April 2018.

Table 6 Planned LGF spend in 2018/19, excluding retained schemes

LGF (£m)		
	Planned spend in 2018/19	Planned spend in 2019/20 - 2020/21
East Sussex	16.368	15.166
Essex	18.550	36.896
Kent	23.764	44.944
Medway	16.436	12.491
Southend	17.074	12.225
Thurrock	9.702	10.840
Skills	0.000	0.000
M20 Junction 10a	11.400	0.000
LGF Sub-Total	113.293	132.562
Retained	35.373	43.495
Total Spend Forecast	148.666	176.057

4.4 Table 6 set out the planned spend of £113.293m LGF, excluding retained schemes in 2018/19. This presents an £8.104m under-profiling relative to the £121.398m LGF available in 2018/19. This under-profiling provides the opportunity to accelerate spend of LGF on projects in 2018/19, where it is feasible to do so.

4.5 A detailed breakdown of the spend profile for each individual LGF project is provided in Appendix 2.

5. Retained Schemes

5.1. There are currently six projects identified as retained schemes for which LGF is received by the SELEP Accountable Body directly from the DfT. Reporting on project progress and the spend of the LGF allocation is provided directly to the DfT for these projects, rather than through the Cities and Local Growth Unit Team, as is the case for all other LGF projects.

5.2. A substantial expected slippage has been identified for retained schemes from 2017/18 to future years of the programme as a result of the substantial spend slippage for the A13 widening scheme.

5.3. An update is provided on the A13 widening project under Agenda Item 6, which confirms that the project is still expected to achieve the revised planned spend of £12.629m LGF in 2017/18.

- 5.4. A slippage has also been identified for the A127 The Bell project as the Business Case for the project has not yet been submitted to SELEP for the award of funding, to support the phased delivery of the two projects to minimise traffic disruption during delivery.
- 5.5. The planned LGF spend on DfT retained project totals £35.373m and includes the spend of £12.629m LGF on the A13 widening project, £3.440m on The Bell and £1m on the Essential Bridge and Highway Maintenance Project in Southend. However, this planned spend is likely to be amended once the updated spend profile for The Bell has been agreed with the DfT.

6. Deliverability and Risk Summary

- 6.1. The Cities and Local Growth Unit has prepared new guidance for Growth Deal reporting, which is intended to help LEPs measure progress towards the delivery of project and assess delivery risks. This includes a Red – Amber – Green (RAG) rating for each project based on delivery, finances and reputation, as defined within the 'RAG Rating Guidance for LEPs', shown in Appendix 4.
- 6.2. The RAG assessment of projects must be completed in accordance with the definitions and signed off by the SELEP Accountability Board members and SELEP Accountable Body S151 officer prior to submission to the Cities and Local Growth Unit.
- 6.3. Appendix 3 sets out the summary deliverability and risk position for each project, as summarised in Table 7 below, based on the new guidance. A score of 5 represents high risk, whilst 1 indicated low risk.
- 6.4. Whilst a substantial number of projects are highlighted as Red in terms of delivery and financial risk, this increase in the number of projects in this category is likely to be the result of the stricter guidance from Government than an increased programme risk to delivery and finances during the last quarter.

Table 7 LGF project delivery risk and LGF spend risk (5 high risk, 1 low risk)

Score	Delivery	Finances	Reputation	Overall
5	15	9	3	6
4	15	11	3	14
3	12	16	14	23
2	13	15	11	14
1	40	44	64	38
Total	95	95	95	95

- 6.5. Further detail is provided for the six projects which were identified as having a high risk overall (risk score of 5)
- Queensway Gateway, North Bexhill Access Road and Eastbourne Town Centre & LSTF Project

The three East Sussex projects were considered at the last Accountability Board meeting on the 23rd February 2018, for the award of additional LGF to the projects as a result of cost escalations. Whilst these projects are highlighted as high risks through the Q4 2017/18 reporting, the decision by the Board to increase the LGF allocations to these two projects mitigated this risk. Through the re-baselining of the LGF spend forecast these projects in 2018/19 will reduce the overall project risk for these three projects as the funding package is now in place to complete these projects.

- **Beaulieu Park Railway Station**

The project has been RAG rated as red due to the substantial funding gap and the early stage of project development. The project is allocation £1.25m LGF in 2017/18, with a total LGF allocation of £12m. However, this funding cannot be spent until a potential funding route has been identified to bridge the current funding gap. A Housing Infrastructure Fund bid has also been submitted by Essex County Council to MHCLG to bridge the funding gap. However, the outcome of this bid has not yet been determined and the timescales for a funding decision to be made by MHCLG are currently unclear.

- **Maidstone Integrated Transport Package**

The Junction Improvement schemes at either end of Willington Street (A274 and A20) form the first part of the Maidstone Integrated Transport Package which was awarded £1.3m Local Growth Fund following approval by the Board in November 2015. There are also local developer contributions for both schemes which complete the funding packages.

To date, two public engagement events have been held in August 2017 and December 2017 to present the design layout to local residents. Extensive design work has since been carried out following these events with a view to addressing the concerns.

The construction phase is currently programmed, however, works have been put on hold until a further report is presented to Maidstone Joint Transport Board in April 2018 and KCC Environment and Transportation Cabinet Meeting in May 2018, to confirm continued support for the project. The delays to the delivery of this scheme have resulted in a reduced spend in 2017/18 and a requirement to re-profile this allocation to future years of the programme. An update will be provided to the Board in April 2018 to feedback on the outcome of this local consideration of the project.

A further business case for Phase 2 of the Maidstone Integrated Transport Package (M20 Junction 5 - Coldharbour scheme) was submitted on 9th February 2018 to the Independent Technical Evaluator and will now be assessed in line with the Gate review process to allow a decision at the Board on 27th April 2018. A more detailed update will be provided to the Board on the Phase 1 and Phase 2 projects in April 2018.

- **Thanet Park**

A detailed project update is provided under Agenda Item 7.

7. LGF Programme Risks

7.1 In addition to project specific risks, the following LGF programme risks have also been identified. These risks have been listed in terms of the scale of impact they are expected to have on the LGF programme and the management of the programme going forward.

7.1.1 *Delivery of project outputs and outcomes*

Risk: Local partners have made substantial progress towards the delivery of projects included within the Growth Deal programme, including the outputs identified in the Project Business Cases. However, Government continues to seek evidence of the delivery of jobs and houses which SELEP committed to deliver within its Growth Deal with Government. Whilst this information has been sought through update reports from SELEP, evidence of jobs and housing delivery from local partners has not been forthcoming. This has a reputational risk for SELEP and the robustness of our case to Government for further funding.

Mitigation: SELEP has commenced work, with the SELEP ITE, developing new templates for the completion of post scheme evaluation data to provide a consistent approach to the monitoring of project outputs and outcomes following scheme completion.

S151 officer letter sign off of each Business Case includes a commitment for each local partner to allocate sufficient resource to the monitoring and evaluation of each LGF project.

The outputs delivered to date are also reported to each Strategic Board meeting to ensure clear oversight of project outcomes to date and oversight of the information reported back to Central Government.

7.1.2 *Availability of LGF to align with project spend profiles*

Risk: The availability of LGF during future years of the LGF programme does not match the forecast spend profile for LGF projects. As shown in Figure 1, the forecast LGF spend in 2019/20 exceeds the expected amount of LGF available in 2019/20.

Mitigation: To help ensure LGF allocations are available to align with project spend profiles, some funding may intentionally be carried between financial years to help manage the overall programme. The timing of LGF relative to local funding contributions to projects is also under review. Updates will be provided within the Capital Programme Update at each Board meeting to ensure that the planned LGF spend profile is considered in relation to the funding made available by Government.

7.1.3 *Slippage of LGF from 2017/18 to future years of the programme*

Risk: The latest update report has identified a substantial backloading of LGF spend in Q4 2017/18, with the 2017/18 financial updating showing the slippage of £29.659m from 2017/18 to 2018/19 (excluding retained projects). Whilst the LGF spend forecast has been updated to take account of expected LGF slippages, further slippages of LGF spend may be identified through the close of accounts at the end of the financial year.

Mitigation: SELEP continues to work with Local Partners to ensure realistic spend forecasts are presented for each LGF project.

There will be clear communication with Government about the successful delivery of LGF projects to date and to need retain LGF slippage by SELEP to help manage the availability of LGF in 2019/20.

Recommendations are also being made to the SELEP Strategic Board for the reallocation of LGF where it is not possible to demonstrate the deliverability of LGF and spend of LGF projects within the Growth Deal period (to March 2021).

In addition, there will be clear communication with Government about the successful delivery of LGF projects to date and to need retain LGF slippage by SELEP to help manage the availability of LGF in 2019/20.

7.1.4 Governments funding commitment to future years of the LGF Programme

Risk: Currently Government has only given a provisional funding allocation for future years of the LGF programme and the level of LGF to be received by SELEP has yet to be confirmed. The outcome of the Deep Dive discussion and review of LEPs may have implications for SELEPs LGF grant award in 2018/19.

Mitigation: SELEP continues to seek assurances and formal confirmation of SELEP's LGF allocation to future years of the programme. In addition, SELEP continues to demonstrate strong governance arrangements through compliance with the Mary Ney recommendations on Governance and Transparency, with compliance with the LEP National Assurance Framework and recommendations of the Mary Ney review is a condition for SELEPs LGF and core funding award.

7.1.5 Total project cost escalation

Risk: For certain LGF projects included in our Growth Deal, the total cost estimate has increased since the original bid submission and provisional LGF allocation was awarded. Increases in total project costs may impact on our ability to deliver the projects and outcomes/outputs which SELEP committed to achieve through LGF investment. Escalations in project cost may also impact on the Value for Money case for projects included in our Growth Deal.

Mitigation: SELEP is now taking a proactive approach in monitoring the total cost of LGF projects. Any changes to the total cost of a project must be reported to the Board through the Change Request process to ensure that projects continue to demonstrate Value for Money. Where cost escalation occurs, it is expected that this increase in costs will be met by local partners, unless agreed with the Board otherwise.

7.1.6 Resource within Local Authorities and in the private sector to support the delivery of the Growth Deal programme.

Risk: A lack of resource within the delivery authorities, consultancies and contractors to support the development and construction of LGF projects may result in an increase in project cost estimates (as the tender costs are higher than originally forecast) and/or a delay to project programme for delivery. In particular, project delays are often incurred as a result of the time taken to establish legal agreement with local delivery partners.

Mitigation: Assurances are sought through the S151 Officer letter which supports Business Case submissions to ensure that the delivery body has access to the skills, expertise and resource to support the delivery of the project.

8. Financial Implications (Accountable Body Comments)

- 8.1 The high value of slippage is now a clear reputation risk to the partnership and delivery partners. Whilst in part this due to the historical nature of the funding profile, it is imperative that the Partnership is able to evidence both momentum and delivery to the funding departments within HMG to mitigate this risk. The increased levels of slippage do mean that the funding gap identified in 2019/20 has now been much reduced. However, the increased spend and planned delivery in the final year of the programme presents an increased risk. Confirmation should be sought from Government on the implications of LGF slippage beyond 31st March 2021. Urgent confirmation should be sought from Government that spending and delivery will be allowed beyond 31 March 2021.
- 8.2 Whilst we welcome a realistic approach to profiled spend planning, the planned under-profile of spend in 2018/19 is likely to create further increases in slippage over the financial year based on prior performance. This could further exacerbate the delivery risk for the final year of the programme.
- 8.3 It is noted that one of the recommendations from the review of LEP Governance and Transparency by Mary Ney is that “Government give some thought to what flexibility might be available to smooth funding allocations to LEPs over a longer period”. We very much support that recommendation and will be seeking an early response from Government.
- 8.4 It should be noted that funding from Government is only made on the basis that SELEP governance meets Government requirements. Whilst it is the Accountable Body’s opinion that governance does meet those requirements, the Cities and Local Growth Team have recently made an assessment that it is ‘inadequate’. Further assessment is being made by Government at time of writing and if they continue to be unsatisfied with the SELEP governance framework this may impact the levels of funding available in next year.

9. Legal Implications (Accountable Body Comments)

- 9.1 None

10. Staffing and other resource implications

- 10.1 None

11. Equality and Diversity implications

- 11.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when a public sector body makes decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.

(c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

- 11.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 11.3 In the course of the development of the project business cases, the delivery of the project and their ongoing commitment to equality and diversity, the promoting local authority will ensure that any equality implications are considered as part of their decision making process and where possible identify mitigating factors where an impact against any of the protected characteristics has been identified.

12. List of Appendices

- 12.1 Appendix 1 - Financial monitoring
- 12.2 Appendix 2 - Summary LGF spend profile
- 12.3 Appendix 3- Deliverability and Risk
- 12.4 Appendix 4 – Cities and Local Growth Unit Guidance for LEPs on the reporting on project risks

13. List of Background Papers

- 13.1 None

(Any request for any background papers listed here should be made to the person named at the front of the report who will be able to help with any enquiries)

Role	Date
Accountable Body sign off Stephanie Mitchener On behalf of Margaret Lee	 09/03/18

Appendix 1 - LGF Summary Position								
Project Number	SELEP number	Project Name	2015/16 and 2016/17 LGF spend	Updated Planned spend 2017/18 (As agreed in September 2017)	Updated LGF spend forecast 2017/18	Variance reported to date (planned v LGF spend forecast 2017)	LGF spend forecast (2018/19 to 2021/22)	Total LGF allocation
East Sussex								
LGFSE2	LGF00002	Newhaven Flood Defences	1.100	0.400	0.400	0.000	0.000	1.500
LGFSE23	LGF00023	Hailsham/Polegate/Eastbourne Movement and Access Transport scheme	0.000	1.500	0.242	-1.258	1.858	2.100
LGFSE24	LGF00024	Eastbourne and South Wealden Walking and Cycling LSTF package	0.970	0.880	1.630	0.750	4.000	6.600
LGFSE35	LGF00036	Queensway Gateway Road	2.540	3.460	5.000	1.540	2.460	10.000
LGFSE49	LGF00066	Swallow Business Park, Hailsham (A22/A27 Growth Corridor)	1.400	0.000	0.000	0.000	0.000	1.400
LGFSE50	LGF00067	Sovereign Harbour (aka Site Infrastructure Investment)	1.700	0.000	0.000	0.000	0.000	1.700
LGFSE51	LGF00085	North Bexhill Access Road and Bexhill Enterprise Park	11.010	5.590	5.590	0.000	2.000	18.600
tbc2	LGF00042	Hastings and Bexhill Movement and Access Package	0.000	1.352	0.384	-0.968	8.616	9.000
tbc3	LGF00043	Hastings and Bexhill LSTF walking and cycling package (combined with above scheme)						
LGFSE52	LGF00044	Eastbourne town centre LSTF access & improvement package	0.550	2.450	0.505	-1.945	6.945	8.000
tbc25	LGF00073	A22/A27 junction improvement package	0.000	0.000	0.000	0.000	1.000	1.000
LGFSE62	LGF00068	Coastal Communities Housing Intervention Hastings	0.000	0.667	0.667	0.000	0.000	0.667
	LGF00097	East Sussex Strategic Growth Project	0.000	6.300	3.545	-2.755	4.655	8.200
	LGF00099	Devonshire Park	0.000	3.400	5.000	1.600	0.000	5.000
Total			19.270	25.999	22.963	-3.036	31.534	73.767

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Project Number	SELEP number	Project Name	2015/16 and 2016/17 LGF spend	Updated Planned spend 2017/18 (As agreed in September 2017)	Updated LGF spend forecast 2017/18	Variance reported to date (planned v LGF spend forecast 2017)	LGF spend forecast (2018/19 to 2021/22)	Total LGF allocation
Essex								
LGFSE4	LGF00004	Colchester Broadband Infrastructure	0.200	0.000	0.000	0.000	0.000	0.200
LGFSE25	LGF00025	Colchester LSTF	2.400	0.000	0.000	0.000	0.000	2.400
LGFSE26	LGF00026	Colchester Integrated Transport Package	2.200	1.400	1.400	0.000	1.400	5.000
LGFSE27	LGF00027	Colchester Town Centre	3.804	0.796	0.796	0.000	0.000	4.600
LGFSE28	LGF00028	TGSE LSTF - Essex	3.000	0.000	0.000	0.000	0.000	3.000
LGFSE31	LGF00031	A414 Pinch Point Package: A414 First Avenue & Cambridge Rd junction	8.000	2.000	2.000	0.000	0.000	10.000
LGFSE32	LGF00032	A414 Maldon to Chelmsford RBS	2.000	0.000	0.000	0.000	0.000	2.000
LGFSE33	LGF00033	Chelmsford Station / Station Square / Mill Yard	1.014	1.986	1.986	0.000	0.000	3.000
LGFSE34	LGF00034	Basildon Integrated Transport Package	1.633	1.868	0.600	-1.268	6.767	9.000
LGFSE36	LGF00037	Colchester Park and Ride and Bus Priority measures	5.800	0.000	0.000	0.000	0.000	5.800
tbc8	LGF00048	A131 Chelmsford to Braintree	0.000	0.750	1.500	0.750	2.160	3.660
tbc9	LGF00049	A414 Harlow to Chelmsford	0.000	0.000	0.000	0.000	2.660	2.660
tbc10	LGF00050	A133 Colchester to Clacton	0.000	0.000	0.000	0.000	2.740	2.740
tbc11	LGF00051	A131 Braintree to Sudbury	0.000	0.000	0.000	0.000	1.800	1.800
tbc19	LGF00063	Chelmsford City Growth Area Scheme	0.000	0.500	1.000	0.500	9.000	10.000
tbc20	LGF00064	Chelmsford Flood Alleviation Scheme	0.000	0.000	0.000	0.000	0.800	0.800
tbc22	LGF00070	Beaulieu Park Railway Station	0.000	1.250	1.250	0.000	10.750	12.000
LGFSE62	LGF00068	Coastal Communities Housing Intervention (Jaywick)	0.000	0.667	0.667	0.000	0.000	0.667
	LGF00095	Gilden Way Upgrading, Harlow	0.000	0.000	5.000	5.000	0.000	5.000
	LGF00098	Technical and Professional Skills Centre at Stansted Airport	0.000	1.000	2.000	1.000	1.500	3.500
	LGF00100	Innovation Centre - University of Essex Knowledge Gateway	0.000	1.000	1.000	0.000	1.000	2.000
	LGF00101	STEM Innovation Centre - Colchester Institute	0.000	4.650	0.100	-4.550	4.900	5.000
	LGF00102	A127/A130 Fairglen Interchange new link road	0.000	0.000	0.000	0.000	6.235	6.235
	LGF00103	M11 Junction 8 Improvements	0.000	0.000	0.000	0.000	2.734	2.734
	LGF00105	Mercury Rising Theatre	0.000	0.000	0.000	0.000	1.000	1.000
Total			30.051	17.867	19.299	1.432	55.446	104.796

Appendix 1 - LGF Summary Position

Project Number	SELEP number	Project Name	2015/16 and 2016/17 LGF spend	Updated Planned spend 2017/18 (As agreed in September 2017)	Updated LGF spend forecast 2017/18	Variance reported to date (planned v LGF spend forecast 2017)	LGF spend forecast (2018/19 to 2021/22)	Total LGF allocation
Kent								
LGFSE3	LGF00003	Kent and Medway Growth Hub	0.389	2.612	1.112	-1.500	4.500	6.000
LGFSE6	LGF00006	Tonbridge Town Centre Regeneration	2.631	0.000	0.000	0.000	0.000	2.631
LGFSE7	LGF00007	Sittingbourne Town Centre Regeneration	2.499	0.001	0.001	0.000	0.000	2.500
LGFSE8	LGF00008	M20 Junction 4 Eastern Overbridge	2.200	0.000	0.000	0.000	0.000	2.200
LGFSE9	LGF00009	Tunbridge Wells Jct Improvement Package (formerly - A26 London Rd/ Spel	0.792	0.608	0.043	-0.565	0.966	1.800
LGFSE10	LGF00010	Kent Thameside LSTF	2.532	0.468	0.574	0.106	1.394	4.500
LGFSE11	LGF00011	Maidstone Gyrotory Bypass	4.429	0.171	0.171	0.000	0.000	4.600
LGFSE12	LGF00012	Kent Strategic Congestion Management programme	1.550	0.728	0.520	-0.208	2.730	4.800
LGFSE13	LGF00013	Middle Deal transport improvements	0.800	0.000	0.000	0.000	0.000	0.800
LGFSE14	LGF00014	Kent Rights of Way improvement plan	0.250	0.300	0.150	-0.150	0.600	1.000
LGFSE15	LGF00015	Kent Sustainable Interventions Programme	0.550	0.492	0.479	-0.013	1.699	2.728
LGFSE16	LGF00016	West Kent LSTF	2.108	0.792	0.792	0.000	2.000	4.900
LGFSE17	LGF00017	Folkestone Seafront : onsite infrastructure and engineering works	0.541	0.000	0.000	0.000	0.000	0.541
LGFSE42	LGF00038	A28 Chart Road	1.869	1.131	3.044	1.913	5.287	10.200
LGFSE43	LGF00039	Maidstone Integrated Transport	0.265	2.135	1.000	-1.135	7.635	8.900
LGFSE44	LGF00040	A28 Sturry Link Road	0.401	0.373	0.432	0.059	5.067	5.900
LGFSE45	LGF00053	Rathmore Road	4.200	0.000	0.000	0.000	0.000	4.200
LGFSE46	LGF00054	A28 Sturry Rd Integrated Transport Package	0.028	0.272	0.272	0.000	0.000	0.300
LGFSE47	LGF00055	Maidstone Sustainable Access to Employment	2.000	0.000	0.000	0.000	0.000	2.000
LGFSE48	LGF00059	Ashford Spurs	0.167	9.374	5.843	-3.531	2.764	8.774
tbc1	LGF00041	Thanet Parkway	0.000	4.000	0.000	-4.000	10.000	10.000
LGFSE59	LGF00058	Dover Western Dock Revival	4.915	0.085	0.085	0.000	0.000	5.000
tbc16	LGF00060	Westenhanger Lorry Park (removed from Programme)						
LGFSE61	LGF00062	Folkestone Seafront (non-transport)	1.967	3.033	3.033	0.000	0.000	5.000
tbc24	LGF00072	A226 London Road/B255 St Clements Way	0.715	1.312	1.000	-0.312	2.485	4.200
LGFSE62	LGF00068	Coastal Communities Housing Intervention (Thanet)	0.000	0.667	0.155	-0.512	0.512	0.667
	LGF00086	Dartford Town Centre Transformation	0.000	0.200	0.000	-0.200	4.300	4.300
	LGF00088	Fort Halsted	0.000	1.530	0.000	-1.530	1.530	1.530
	LGF00092	A2500 Lower Road	0.000	0.387	0.587	0.200	0.678	1.265
	LGF00093	Kent and Medway Engineering and Design Growth and Enterprise Hub	0.000	1.120	1.620	0.500	4.500	6.120

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Project Number	SELEP number	Project Name	2015/16 and 2016/17 LGF spend	Updated Planned spend 2017/18 (As agreed in September 2017)	Updated LGF spend forecast 2017/18	Variance reported to date (planned v LGF spend forecast 2017)	LGF spend forecast (2018/19 to 2021/22)	Total LGF allocation
	LGF00096	A2 off-slip at Wincheap, Canterbury	0.000	0.354	0.000	-0.354	4.400	4.400
	LGF00094	Leigh Flood Storage Area and East Peckham - unlocking growth	0.000	0.091	0.000	-0.091	4.636	4.636
	LGF00106	Sandwich Rail Infrastructure	0.000	0.000	0.000	0.000	1.026	1.026
Total			37.797	32.236	20.913	-11.323	68.708	127.418

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Project Number	SELEP number	Project Name	2015/16 and 2016/17 LGF spend	Updated Planned spend 2017/18 (As agreed in September 2017)	Updated LGF spend forecast 2017/18	Variance reported to date (planned v LGF spend forecast 2017)	LGF spend forecast (2018/19 to 2021/22)	Total LGF allocation
Medway								
LGFSE18	LGF00018	A289 Four Elms Roundabout to Medway Tunnel Journey time and Network	0.700	2.353	0.442	-1.911	9.958	11.100
LGFSE19	LGF00019	Strood Town Centre Journey Time and Accessibility Enhancements	1.972	2.417	0.792	-1.625	6.236	9.000
LGFSE20	LGF00020	Chatham Town Centre Place-making and Public Realm Package	1.816	2.183	0.914	-1.269	1.270	4.000
LGFSE21	LGF00021	Medway Cycling Action Plan	1.378	1.121	0.985	-0.136	0.137	2.500
LGFSE22	LGF00022	Medway City Estate Connectivity Improvement Measures	0.481	0.099	0.034	-0.065	1.485	2.000
LGFSE60	LGF00061	Rochester Airport - phase 1	0.179	2.825	0.243	-2.582	3.978	4.400
	LGF00089	Rochester Airport - phase 2	0.000	0.300	0.000	-0.300	3.700	3.700
	LGF00091	Strood Civic Centre - flood mitigation	0.000	1.000	1.338	0.338	2.162	3.500
Total			6.525	12.299	4.749	-7.550	28.926	40.200

Appendix 1 - LGF Summary Position								
Project Number	SELEP number	Project Name	2015/16 and 2016/17 LGF spend	Updated Planned spend 2017/18 (As agreed in September 2017)	Updated LGF spend forecast 2017/18	Variance reported to date (planned v LGF spend forecast 2017)	LGF spend forecast (2018/19 to 2021/22)	Total LGF allocation
Southend								
LGFE5	LGFE0005	Southend Growth Hub	0.720	0.000	0.000	0.000	6.000	6.720
LGFE29	LGFE0029	TGSE LSTF - Southend	1.000	0.000	0.000	0.000	0.000	1.000
LGFE53	LGFE0045	Southend Central Area Action Plan (SCAAP) - Transport Package	0.767	2.233	1.383	-0.850	4.850	7.000
LGFE58	LGFE0057	London Southend Airport Business Park Phase 1 and 2 (including Southend	2.366	11.274	2.275	-8.999	18.449	23.090
Total			4.853	13.508	3.658	-9.850	29.299	37.810

Appendix 1 - LGF Summary Position								
Project Number	SELEP number	Project Name	2015/16 and 2016/17 LGF spend	Updated Planned spend 2017/18 (As agreed in September 2017)	Updated LGF spend forecast 2017/18	Variance reported to date (planned v LGF spend forecast 2017)	LGF spend forecast (2018/19 to 2021/22)	Total LGF allocation
Thurrock								
LGFSE30	LGF00030	TGSE LSTF - Thurrock	0.731	0.269	0.100	-0.169	0.169	1.000
LGFSE54	LGF00046	Thurrock Cycle Network	0.096	2.589	2.500	-0.089	2.404	5.000
LGFSE55	LGF00047	London Gateway/Stanford le Hope	0.663	2.837	2.000	-0.837	4.837	7.500
LGFSE56	LGF00052	A13 Widening - development	2.708	2.292	0.000	-2.292	2.292	5.000
LGFSE57	LGF00056	Purfleet Centre	0.695	4.305	4.305	0.000	0.000	5.000
	LGF00104	Grays South	0.000	0.000	0.000	0.000	10.840	10.840
Total			4.893	12.293	8.905	-3.387	20.542	34.340

Appendix 1 - LGF Summary Position								
Project Number	SELEP number	Project Name	2015/16 and 2016/17 LGF spend	Updated Planned spend 2017/18 (As agreed in September 2017)	Updated LGF spend forecast 2017/18	Variance reported to date (planned v LGF spend forecast 2017)	LGF spend forecast (2018/19 to 2021/22)	Total LGF allocation
Centrally Managed								
LGFSE1	LGFO0001	Skills	21.904	0.096	0.071	-0.025	0.000	21.975
	LGFO0071	M20 Junction 10a	0.000	8.300	8.300	0.000	11.400	19.700

Appendix 2 - LGF Summary Position

Jan-18

Project Number	SELEP number	Project Name	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	All Years
East Sussex									
LGfSE2	LGf00002	Newhaven Flood Defences	0.300	0.800	0.400				1.500
LGfSE23	LGf00023	Hailsham/Polegate/Eastbourne Movement and Access Transport scheme	0.000	0.000	0.242	0.600	1.258		2.100
LGfSE24	LGf00024	Eastbourne and South Wealden Walking and Cycling LSTF package	0.600	0.370	1.630	0.735	1.765	1.500	6.600
LGfSE35	LGf00036	Queensway Gateway Road	1.419	1.121	5.000	2.460			10.000
LGfSE49	LGf00066	Swallow Business Park, Hailsham (A22/A27 Growth Corridor)	0.505	0.895					1.400
LGfSE50	LGf00067	Sovereign Harbour (aka Site Infrastructure Investment)	0.530	1.170					1.700
LGfSE51	LGf00085	North Bexhill Access Road and Bexhill Enterprise Park	6.410	4.600	5.590	2.000			18.600
tb2	LGf00042	Hastings and Bexhill Movement and Access Package	0.000	0.000	0.384	1.973	3.195	3.448	9.000
tb3	LGf00043	Hastings and Bexhill LSTF walking and cycling package (combined with above)	-	-	-	-	-	-	-
LGfSE52	LGf00044	Eastbourne town centre LSTF access & improvement package	0.000	0.550	0.505	3.945	1.000	2.000	8.000
tb25	LGf00073	A22/A27 junction improvement package	0.000	0.000				1.000	1.000
LGfSE62	LGf00068	Coastal Communities Housing Intervention Hastings	0.000	0.000	0.667	0.000			0.667
	LGf00097	East Sussex Strategic Growth Project	0.000	0.000	3.545	4.655			8.200
	LGf00099	Devonshire Park	0.000	0.000	5.000				5.000
Essex									
LGfSE4	LGf00004	Colchester Broadband Infrastructure	0.200	0.000	0.000				0.200
LGfSE25	LGf00025	Colchester LSTF	0.911	1.489	0.000				2.400
LGfSE26	LGf00026	Colchester Integrated Transport Package	1.527	0.673	1.400	1.400			5.000
LGfSE27	LGf00027	Colchester Town Centre	0.955	2.849	0.796				4.600
LGfSE28	LGf00028	TGSE LSTF - Essex	2.131	0.869	0.000				3.000
LGfSE31	LGf00031	A414 Pinch Point Package: A414 First Avenue & Cambridge Rd junction	5.870	2.130	2.000				10.000
LGfSE32	LGf00032	A414 Maldon to Chelmsford RBS	1.000	1.000	0.000				2.000
LGfSE33	LGf00033	Chelmsford Station / Station Square / Mill Yard	0.409	0.605	1.986				3.000
LGfSE34	LGf00034	Basildon Integrated Transport Package	1.633	0.000	0.600	2.800	3.100	0.867	9.000
LGfSE36	LGf00037	Colchester Park and Ride and Bus Priority measures	6.800	-1.000	0.000				5.800
tb8	LGf00048	A131 Chelmsford to Braintree	0.000	0.000	1.500	1.750	0.410		3.660
tb9	LGf00049	A414 Harlow to Chelmsford	0.000	0.000	0.000	1.830	0.830		2.660
tb10	LGf00050	A133 Colchester to Clacton	0.000	0.000	0.000	1.370	1.370		2.740
tb11	LGf00051	A131 Braintree to Sudbury	0.000	0.000	0.000		0.900	0.900	1.800
tb19	LGf00063	Chelmsford City Growth Area Scheme	0.000	0.000	1.000	4.000	5.000		10.000
tb20	LGf00064	Chelmsford Flood Alleviation Scheme	0.000	0.000	0.000	0.000	0.800		0.800
tb22	LGf00070	Beaulieu Park Railway Station	0.000	0.000	1.250		5.750	5.000	12.000
LGfSE62	LGf00068	Coastal Communities Housing Intervention (Jaywick)	0.000	0.000	0.667				0.667
	LGf00095	Gilden Way Upgrading, Harlow	0.000	0.000	5.000				5.000
	LGf00098	Technical and Professional Skills Centre at Stansted Airport	0.000	0.000	2.000	1.500			3.500
	LGf00100	Innovation Centre - University of Essex Knowledge Gateway	0.000	0.000	1.000	1.000			2.000
	LGf00101	STEM Innovation Centre - Colchester Institute	0.000	0.000	0.100	1.900	3.000		5.000
	LGf00102	A127/A130 Fairglens Interchange new link road	0.000	0.000			3.200	3.035	6.235
	LGf00103	M11 Junction 8 Improvements	0.000	0.000			1.000	1.734	2.734
	LGf00105	Mercury Rising Theatre				1.000			1.000
Kent									
LGfSE3	LGf00003	Kent and Medway Growth Hub	0.000	0.389	1.112	1.882	1.618	1.000	6.000
LGfSE6	LGf00006	Tonbridge Town Centre Regeneration	1.833	0.799	0.000				2.631
LGfSE7	LGf00007	Sittingbourne Town Centre Regeneration	0.345	2.155	0.001				2.500
LGfSE8	LGf00008	M20 Junction 4 Eastern Overbridge	0.488	1.712	0.000				2.200
LGfSE9	LGf00009	Tunbridge Wells Jct Improvement Package (formerly - A26 London Rd/ Speld)	0.603	0.189	0.043	0.966			1.800
LGfSE10	LGf00010	Kent Thameside LSTF	2.051	0.480	0.574	0.494	0.500	0.400	4.500
LGfSE11	LGf00011	Maidstone Gyratory Bypass	0.704	3.724	0.171				4.600
LGfSE12	LGf00012	Kent Strategic Congestion Management programme	0.863	0.687	0.520	0.850	0.940	0.940	4.800
LGfSE13	LGf00013	Middle Deal transport improvements	0.000	0.800	0.000				0.800
LGfSE14	LGf00014	Kent Rights of Way improvement plan	0.193	0.056	0.150	0.200	0.200	0.200	1.000
LGfSE15	LGf00015	Kent Sustainable Interventions Programme	0.143	0.406	0.479	0.613	0.586	0.500	2.728
LGfSE16	LGf00016	West Kent LSTF	0.800	1.308	0.792	0.700	0.700	0.600	4.900
LGfSE17	LGf00017	Folkestone Seafont : onsite infrastructure and engineering works	0.533	0.008	0.000	0.000			0.541
LGfSE42	LGf00038	A28 Chart Road	0.885	0.984	3.044	2.287	2.000	1.000	10.200
LGfSE43	LGf00039	Maidstone Integrated Transport	0.000	0.265	1.000	2.485	3.000	2.150	8.900
LGfSE44	LGf00040	A28 Sturry Link Road	0.000	0.401	0.432	1.000	2.067	2.000	5.900
LGfSE45	LGf00053	Rathmore Road	1.562	2.638	0.000				4.200
LGfSE46	LGf00054	A28 Sturry Rd Integrated Transport Package	0.022	0.005	0.272				0.300
LGfSE47	LGf00055	Maidstone Sustainable Access to Employment	0.131	1.869	0.000				2.000
LGfSE48	LGf00059	Ashford Spurs	0.000	0.167	5.843	1.925	0.839		8.774
tb1	LGf00041	Thanet Parkway	0.000	0.000	0.000	1.000	5.000	4.000	10.000
LGfSE59	LGf00058	Dover Western Dock Revival	0.000	4.915	0.085				5.000

Appendix 2 - LGF Summary Position								Jan-18	
Project Number	SELEP number	Project Name	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	All Years
tbcl6	LGf00060	Westenhanger Lorry Park (removed from Programme)							0.000
LGfSE61	LGf00062	Folkestone Seafront (non-transport)	0.000	1.967	3.033				5.000
tbcl24	LGf00072	A226 London Road/B255 St Clements Way	0.000	0.715	1.000	1.950	0.535		4.200
LGfSE62	LGf00068	Coastal Communities Housing Intervention (Thanet)	0.000	0.000	0.155	0.512			0.667
	LGf00086	Dartford Town Centre Transformation	0.000	0.000	0.000	2.250	1.750	0.300	4.300
	LGf00088	Fort Halsted	0.000	0.000	0.000	0.200	1.330		1.530
	LGf00092	A2500 Lower Road	0.000	0.000	0.587	0.581	0.054	0.044	1.265
	LGf00093	Kent and Medway Engineering and Design Growth and Enterprise Hub	0.000	0.000	1.620	2.500	2.000		6.120
	LGf00096	A2 off-slip at Wincheap, Canterbury	0.000	0.000	0.000	0.354	1.388	2.658	4.400
	LGf00094	Leigh Flood Storage Area and East Peckham - unlocking growth	0.000	0.000	0.000	0.000	1.740	2.896	4.636
	LGf00106	Sandwich Rail Infrastructure	0.000	0.000	0.000	1.016		0.010	1.026
Medway									
LGfSE18	LGf00018	A289 Four Elms Roundabout to Medway Tunnel Journey time and Network	0.298	0.402	0.442	2.059	4.000	3.899	11.100
LGfSE19	LGf00019	Strood Town Centre Journey Time and Accessibility Enhancements	0.200	1.772	0.792	6.236			9.000
LGfSE20	LGf00020	Chatham Town Centre Place-making and Public Realm Package	0.870	0.945	0.914	1.270			4.000
LGfSE21	LGf00021	Medway Cycling Action Plan	0.228	1.150	0.985	0.137			2.500
LGfSE22	LGf00022	Medway City Estate Connectivity Improvement Measures	0.300	0.181	0.034	0.463	1.022		2.000
LGfSE60	LGf00061	Rochester Airport - phase 1	0.000	0.179	0.243	3.588	0.390		4.400
	LGf00089	Rochester Airport - phase 2	0.000	0.000	0.000	0.520	1.930	1.250	3.700
	LGf00091	Strood Civic Centre - flood mitigation	0.000	0.000	1.338	2.162			3.500
Southend									
LGfSE5	LGf00005	Southend Growth Hub	0.018	0.702	0.000	0.500	1.000	4.500	6.720
LGfSE29	LGf00029	TGSE LSTF - Southend	0.800	0.200	0.000				1.000
LGfSE53	LGf00045	Southend Central Area Action Plan (SCAAP) - Transport Package	0.000	0.767	1.383	2.182	2.668		7.000
LGfSE58	LGf00057	London Southend Airport Business Park Phase 1 and 2 (including Southend a	0.000	2.366	2.275	14.392	4.057	0.000	23.090
Thurrock									
LGfSE30	LGf00030	TGSE LSTF - Thurrock	0.569	0.162	0.100	0.169			1.000
LGfSE54	LGf00046	Thurrock Cycle Network	0.000	0.096	2.500	2.404			5.000
LGfSE55	LGf00047	London Gateway/Stanford le Hope	0.000	0.663	2.000	4.837			7.500
LGfSE56	LGf00052	A13 Widening - development	0.000	2.708	0.000	2.292			5.000
LGfSE57	LGf00056	Purfleet Centre	0.000	0.695	4.305				5.000
	LGf00104	Grays South	0.000	0.000	0.000		3.000	7.840	10.840
Centrally Managed									
LGfSE1	LGf00001	Skills	9.923	11.980	0.071				21.975
	LGf00071	M20 Junction 10a			8.300	11.400			19.700
Retained Schemes									
LGfSE37	LGf00079	A127 Fairglens Junction Improvements	0.000	0.000	0.000		4.750	10.250	15.000
LGfSE38	LGf00080	A127 Capacity Enhancements Road Safety and Network Resilience (ECC)	0.513	3.487	0.000	0.000	0.000		4.000
LGfSE39	LGf00081	A127 Kent Elms Corner	0.500	2.389	1.411				4.300
LGfSE40	LGf00082	A127 The Bell	0.000	0.000	0.860	3.440			4.300
LGfSE41	LGf00083	A127 Essential Bridge and Highway Maintenance - Southend	0.400	0.289	0.311	1.000	3.000	3.000	8.000
	LGf00084	A13 Widening	0.000	0.000	12.629	30.933	20.613	1.882	66.057
Total			56.975	75.895	104.069	148.666	105.254	70.802	561.662

Appendix 3 - Deliverability and Risk Assessment							
SELEP number	Project Name	Total LGF allocation	Accountability Board decision (Business Case approval status)	Project Update	Risk Assessment		
					Delivery	Financial	Reputational
East Sussex							
LGF00002	Newhaven Flood Defences	1.500	Approval for spend of full LGF allocation	Construction started in Nov 2016 and is scheduled to be completed by autumn 2019. Construction constraints in the port area have required the EA to review the final design proposals and they are consulting with ESCC on flood risk. ESCC financial contributions are now finished but monitoring of the project continues. Construction in areas 3 and 4 on the western bank are now substantively complete, with work looking to progress onto the eastern bank and the port area.	1	1	1
LGF00023	Hailsham/Polegate/Eastbourne Movement and Access Transport scheme	2.100	Approval for the spend of the full LGF allocation	Business case to unlock LGF allocation approved by SELEP Accountability Board in 16/17 Q4. Consultation on Phase 1 proposals in September 17. 17/18 allocation of £2.1m; anticipated spend in the 17/18 capital programme of local transport improvements is £0.140m. Anticipated slippage of spend whilst all schemes to be funded were assumed to have some level of construction during 2017-18, due to design complexities on all schemes construction is now not envisaged until 2018-19 at the earliest.	5	2	1
LGF00024	Eastbourne and South Wealden Walking and Cycling LSTF package	6.600	Accountability Board approval for £2m of the £8.6m allocation. Approval to be sought from future Accountability Board meeting for the remaining LGF allocation.	The programme has now been agreed for the 2017/18 year and there is strong confidence in the spend ability for this scheme including slippage from previous years. Potential for acceleration of spend in this financial year up to the approved value. Construction of the Horsey Cycle Path phase 3 is now well under way and spend in this financial year is secure.	1	1	1
LGF00036	Queensway Gateway Road	10.000	Approval for spend of full LGF allocation	Construction of the embankment has slowed due to adverse weather conditions however the overall delivery programme remains unaffected as additional works will now be incorporated into future phases. Agreement reached on the relocation of Bartletts SEAT and remaining construction phase contracts agreed with Breheny Civil Engineering. Additional funding sought through reallocation of other LGF monies	5	5	5
LGF00066	Swallow Business Park, Hailsham (A22/A27 Growth Corridor)	1.400	Approval for spend of full LGF allocation	The LGF portion of the project is now complete and the site is already home to a single occupancy unit of 3000sqm. Development of the phase 2 starter units has now begun with land clearance taking place and piling plans being drawn up.			
LGF00067	Sovereign Harbour (aka Site Infrastructure Investment)	1.700	Approval for spend of full LGF allocation	This project is now complete with all three sites fully access enabled with substantial improvements to the utility provision. There have been a number of enquiries about development on the sites with Heads of terms agreed for 1 company and planning permission in progress.			
LGF00085	North Bexhill Access Road and Bexhill Enterprise Park	18.600	Approval for spend of full LGF allocation	Phase 1 of the development now complete (with the exception of the crossing over the Combe Haven which was granted planning permission in Aug 2017). Installation of the Combe Haven culvert complete. Piling under the northern embankment complete. Construction of the northern embankment underway. Progress in construction has slowed due to prolonged poor weather in December meaning that completion is now expected in April/May rather than March. Additional LGF funding was confirmed by the Accountability Board on the 23rd Feb 2018.	3	5	3
LGF00042	Hastings and Bexhill Movement and Access Package	9.000	Approval for spend of full LGF allocation	Business case was approved at the Accountability Board meeting in Feb 2018 for the award of £9m LGF. £1.5m allocated for 17/18. Forecast spend at Q3 is 0.6m. Anticipated slippage in spend as a result of design work in a number of areas has not yet commenced and construction delayed.	1	1	1
LGF00043	Hastings and Bexhill LSTF walking and cycling package (combined with above scheme)	0.000		Merged with LGF00042 and removed from the programme			
LGF00044	Eastbourne town centre LSTF access & improvement package	8.000	Approval for spend of full LGF allocation	The project has experienced delays due to an extended consultation process regarding the placement and access to bus stops - informal consultation on bus stop locations undertaken Spring 2017 and TROs to be advertised late 2017. Detailed design completed with tenders to go out Oct 2017 and works now programmed to start March 2018 (but will need to tie into the timescales which Arndale are working to regarding the extension to the shopping centre) therefore anticipated slippage in spend compared to budget.	5	5	5
LGF00073	A22/A27 junction improvement package	1.000	Approval to be sought from future Board meeting	LGF funding reduced from £4 to £1m. The funding will be used towards the A22 GJW/A27 roundabout and A22 GJW/Dittons Road roundabout improvements as identified in the Wealden Local Plan IDP and Wealden Local Plan Transport Study. Design work to commence in 2018/19. Other junction improvements at A2270/Wannock Road/Polegate HS to be funded through HPE MAC LGF allocation and A27/A2270 signals through HE's A27 smaller scale intervention package. Scheme at Cophall dependent on outcome of A27 East of Lewes study considering more comprehensive solutions between Lewes and Polegate.	1	1	1
LGF00068	Coastal Communities Housing Intervention Hastings	0.667	Approval for spend of full LGF allocation	Grant agreement between ESCC and HBC has been signed. Property has been identified and purchased. All LGF funds have been defrayed to project partner. The housing association Optivo who have taken possession of the property are now developing a plan for full refurbishment of the property to create 16 social housing units as part of the Coastal Space programme.	2	2	1

Appendix 3 - Deliverability and Risk Assessment								
SELEP number	Project Name	Total LGF allocation	Accountability Board decision (Business Case approval status)	Project Update	Risk Assessment			
					Delivery	Financial	Reputational	
LGF00097	East Sussex Strategic Growth Project	8.200	Approval for spend of full LGF allocation	Reserved matters application for High Weald House in Bexhill has been approved. Groundworks at the site have been substatively completed and negotiations with a preferred contractor for the completion of the project are now underway. Delays in the planning process and the appointment of a main contractor have meant that there is likely to be substantial slippage of spend from this financial year in to the early months of 2018/19.	5	1	1	
LGF00099	Devonshire Park	5.000	Approval for spend of full LGF allocation	The grant agreement between ESCC and EBD has been signed and the first claim of £3.4m for works undertaken in this financial year has been settled. Accelerated spend for this project has been agreed by the SE LEP and an aditional claim for £1.6m will be expected in Q4. Ground works and piling for the welcome building have now been completed. The building is scheduled for completion Dec 2018.	1	1	1	
Essex								
LGF00004	Colchester Broadband Infrastructure	0.200	Approval for spend of full LGF allocation	Completed in 15/16.	1	1	1	
LGF00025	Colchester LSTF	2.400	Approval for spend of full LGF allocation	Completed	1	1	1	
LGF00026	Colchester Integrated Transport Package	5.000	Approval for spend of full LGF allocation	Mainly design for future packages	4	2	1	
LGF00027	Colchester Town Centre	4.600	Approval for spend of full LGF allocation	Lexden Rd remaining	2	2	2	
LGF00028	TGSE LSTF - Essex	3.000	Approval for spend of full LGF allocation	Completed.	1	1	1	
LGF00031	A414 Pinch Point Package: A414 First Avenue & Cambridge Rd junction	10.000	Approval for spend of full LGF allocation	Final packages in design/ on site	3	3	1	
LGF00032	A414 Maldon to Chelmsford RBS	2.000	Approval for spend of full LGF allocation	Completed Dec 16.	1	1	1	
LGF00033	Chelmsford Station / Station Square / Mill Yard	3.000	Approval for spend of full LGF allocation	On Site	1	1	1	
LGF00034	Basildon Integrated Transport Package	9.000	Approval for Phase 1 and 2. Approval required for remaining allocation.	Design work for tranche 2 progressing.	3	2	2	
LGF00037	Colchester Park and Ride and Bus Priority measures	5.800	Approval for spend of full LGF allocation	Completed.	1	1	1	
LGF00079	A127 Fairglen Junction Improvements	15.000	Approval to be sought from future Board meeting	In PCF Stage 1	3	2	1	
LGF00080	A127 Capacity Enhancements Road Safety and Network Resilience (ECC)	4.000	Approval for spend of full LGF allocation	Mixture of site works and design activity.	1	1	1	
LGF00048	A131 Chelmsford to Braintree	3.660	Approval for spend of full LGF allocation	Initial packages now on site	1	1	1	
LGF00049	A414 Harlow to Chelmsford	3.660	Approval for spend of full LGF allocation	All packages in detailed design	1	1	1	
LGF00050	A133 Colchester to Clacton	2.740	Approval for spend of full LGF allocation	All packages in detailed design	1	1	1	
LGF00051	A131 Braintree to Sudbury	1.800	Approval to be sought from future Board meeting	Yet to develop full programme.	2	2	1	
LGF00063	Chelmsford City Growth Area Scheme	10.000	Approval for spend of full LGF allocation	Business case due to go to Feb 18 Board	2	1	2	

Appendix 3 - Deliverability and Risk Assessment							
SELEP number	Project Name	Total LGF allocation	Accountability Board decision (Business Case approval status)	Project Update	Risk Assessment		
					Delivery	Financial	Reputational
LGF00064	Chelmsford Flood Alleviation Scheme	0.800	Approval to be sought from future Board meeting	Stalled due to legal issues.	1	1	1
LGF00070	Beaulieu Park Railway Station	12.000	Approval to be sought from future Board meeting	About to enter GRIP Stage 3.	4	5	4
LGF00068	Coastal Communities Housing Intervention (Jaywick)	0.667	Approval for spend of full LGF allocation	Discussing with legal transfer of capital to districts.	1	1	1
LGF00095	Gilden Way Upgrading, Harlow	5.000	Approval for spend of full LGF allocation	In design stages.	2	1	1
LGF00098	Technical and Professional Skills Centre at Stansted Airport	3.500	Approval for spend of full LGF allocation	Contractor Procurement	1	1	1
LGF00100	Innovation Centre - University of Essex Knowledge Gateway	2.000	Approval for spend of full LGF allocation	Developing business case	1	1	1
LGF00101	STEM Innovation Centre - Colchester Institute	5.000	Approval for spend of full LGF allocation	Two campus sites being progressed.	1	1	1
LGF00102	A127/A130 Fairglens Interchange new link road	6.235	Approval to be sought from DfT	Initial design stages.	3	2	1
LGF00103	M11 Junction 8 Improvements	2.734	Approval for spend of full LGF allocation	Currently trying to plug funding gap.	1	3	2
LGF00105	Mercury Rising Theatre	1.000	Approval for spend of full LGF allocation	Match funding all now in place.	1	1	1
Kent							
LGF00003	Kent and Medway Growth Hub	6.000	Approval for spend of full LGF allocation	<ul style="list-style-type: none"> Phase 1 agreed at I3 Approval Board and accepted by applicants to a value of £388,500 with private leverage of £418,500. Phase 2 complete with £700,000 of loans agreed, (£250,000 defrayed to Ovenden on 11th December 2017). Phase 3 complete with £450,000 of loans agreed, although only £200,000 has been defrayed to applicants to date. The remaining £250,000 is likely to be defrayed by the end of Quarter 3 2017/18. Phase 4 complete, with 3 companies completing a full application and 1 company (Betteshanger Sustainable Parks Limited - £902,500) being approved on the condition that further queries are met. Phase 5 recently opened on 25th August and closed to applicants on 11th September, with only 2 of the submissions proving successful (£500k HEM Clinical Ultrasound and £375k West Design). There is risk that if the 3 companies from Phase 4 and 5 are not able to provide the necessary security, there will again be a large underspend in 2017/18. Phase 6 has now opened and closed to applicants on 14th December 2017. 	4	4	1
LGF00006	Tonbridge Town Centre Regeneration	2.631	Approval for spend of full LGF allocation	Project Complete	1	1	1
LGF00007	Sittingbourne Town Centre Regeneration	2.500	Approval for spend of full LGF allocation	The first phase of the S278 works to divert traffic from St Michael's road onto Station Street which begun on 1st August 2017 were complete in time for the Christmas embargo. This initial phase will allow further works to be carried out in the New Year on West Street, Station Street and St Michael's Road and the adjoining car parks.	4	1	3
LGF00008	M20 Junction 4 Eastern Overbridge	2.200	Approval for spend of full LGF allocation	Project Complete	1	1	1

Appendix 3 - Deliverability and Risk Assessment							
SELEP number	Project Name	Total LGF allocation	Accountability Board decision (Business Case approval status)	Project Update	Risk Assessment		
					Delivery	Financial	Reputational
LGFO0009	Tunbridge Wells Jct Improvement Package (formerly - A26 London Rd/ Speldhurst Rd/ Yew Tree Rd, Tun Wells)	1.800	Approval for Phase 1 and Phase of works.	Construction – Phase 1 works (Yew Tree Rd junction) completed Phase 2 works - The detailed design for this scheme is progressing and the business case and funding was approved by SELEP AB on 22nd September 2017.	2	4	1
LGFO0010	Kent Thameside LSTF	4.500	Approval for spend of full LGF allocation	Barrack Row Bus Hub - Land purchase. NR confirmed they are aiming to complete land purchase no later than March 2018 (£400k funding moved in to 18/19). Arriva have agreed the revised design and Amey have completed the amended safety audit. Business and technical clearance have been approved and regulatory processes being signed off by 8th Dec. Southeastern have confirmed they are happy with the customer parking option alternatives if necessary during construction and have confirmed acceptance of the Land Disposal Proposal. NR are in receipt of the land valuation report and expect negotiations to start week beginning 11th Dec. Estimates for detail design and construction have been received from Amey. Consultation documents are being prepared in preparation. Princes Rd cycle route - route not constructed in 16/17 due to issues with the pack handed over from Amey TESC to Amey LG (failed KPI). Designs require minor updates which will be completed once SGN have moved the gas pipe. This was due to be completed by the end Nov however high voltage cables were unearthed. SGN expect to complete all works by 22nd December. Members to be re-consulted. Construction dates are on the Tracker and programmed to start in Feb 18. Burnham Rd Toucan - construction did not go ahead due to overwhelming consultation response to relocate the crossing further south on the road to cater for school children as well as cyclists. The consultation has now closed and a meeting has been set with DBC on 12th December to agree a way forward. Construction dates are on the Tracker and programmed for Feb 18 should the scheme progress. Gravesend Station to Cyclopark cycle route - outline design and consultation with internal stakeholders completed. Following a revised design a full consultation will commence in February 2018 followed by detailed design which will progressed through the framework. Construction during the summer of 2018.	5	2	1
LGFO0011	Maidstone Gyrotory Bypass	4.600	Approval for spend of full LGF allocation	Project complete			
LGFO0012	Kent Strategic Congestion Management programme	4.800	Annual approval. Approval in place for 2015/16, 2016/17, 2017/18 and 2018/19 interventions.	2015/16 schemes completed (HMC Technology Refresh - Database/CCTV and VMS). 2016/17 schemes completed (A292 Mace Lane/ Wellesley Road, and Somerset Road/ Canterbury Road junction improvements in Ashford - Complete). 2017/18 schemes in progress - A229 Blue Bell Hill CITS Scheme - Professional Contract out to tender, awaiting returns and award; Dartford Network Improvements Princess Road upgrades are complete; Barton Hill Drive, Sheerness Scheme delivered and business case submission for 18/19 submitted to ITE.	2	3	2
LGFO0013	Middle Deal transport improvements	0.800	Approval for spend of full LGF allocation	The developer is still reviewing the road alignment where a rethink in house/access positions may benefit the use of the road. Work is still progressing on the S38 agreement, the completion of which will dictate the duration of the overall program.	5	1	3
LGFO0014	Kent Rights of Way improvement plan	1.000	Approval for spend of full LGF allocation	2015/16 schemes completed (Loose Greenway) 2016/17 schemes in progress (Finberry to Ashford scheme) - work to begin on two sections of the new route to link the Finberry residential housing development at Cheesemans Green to Ashford town centre and International train station. The Landowner agreements are now finalised. (Powder Mills scheme - Leigh to Tonbridge) - Agreement with Sparrowhawk now complete and agreement with Dartford & District Angling Preservation Society also concluded.	3	3	1

Appendix 3 - Deliverability and Risk Assessment							
SELEP number	Project Name	Total LGF allocation	Accountability Board decision (Business Case approval status)	Project Update	Risk Assessment		
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LGFO0015	Kent Sustainable Interventions Programme	2.728	Approval for 2015/16, 2016/17, 2017/18 and 2018/19 interventions. Annual Business Case approval.	<p>2015/16 schemes completed</p> <p>Folkestone Town Centre - Schools to Harbour Cycle links & Thames Greenway Cycle path complete.</p> <p>2016/17 schemes in progress</p> <p>1 - Folkestone to Dymchurch Cycle improvements - Phase 1 complete. Phase 2 zebra crossing is complete. Phase 3. Further agreement from Hythe Town Council required to construct over their land for part of the cycle network - ongoing discussions. Discussions ongoing with all interested parties to find out what can be achieved and agree an alternative route for some parts.</p> <p>2 - Tonbridge Angels to Rail Station cycle improvements - Construction of cycle facility complete. Additional work required on additional footway required over small portion of land in Welland Road;</p> <p>3 - Highfield Lane/Kingsford Street, Mersham, Ashford - Designs complete, but construction in doubt following the developer not agreeing to the land being gifted.</p> <p>4 - A21 NMU via Pembury Road, Tunbridge Wells - Scheme started on site in early October 17. 2017/18 schemes</p> <p>1 - Morehall Schools Cluster to Seafront, Folkestone, Scheme taken to JTB as objections. Members had a few concerns regarding shared footway/cycleway. Meeting to take place w/c 11/12/17 between Members and designer to discuss scheme.</p> <p>2 - Morants Court Roundabout, Polhill, Sevenoaks, Scheme handed over to contractor to programme for a february start.</p> <p>3 - Kent Spa & Castle Ride cycle improvements across Tonbridge, Tunbridge Wells & Sevenoaks to be taken forward by Sustrans in Early 2018.</p>	3	1	1
LGFO0016	West Kent LSTF	4.900	Approval for spend of full LGF allocation	<p>Tunbridge Wells Phase 2 - project meeting occurred. Concerns over timescales of indicative programme provided by Amey. In talks with TWBC about ending contract after feasibility and taking up a new contractor via either ESPO or Medway Frameworks. Need this transition to happen with a matter of urgency. Feasibility nearly complete, some details about bus stop locations still required. Maidstone East station - Maidstone East Station - Network Rail legal and Invicta Law in discussions over wording of grant agreement amendment. Legal advising the matter of unspent contingency is included in legal agreement before signing - this is being resolved. Tonbridge Station - KCC Cabinet Member decision required on which scheme to formally consult on. This is imminent and consultation material to be created. Consultation pencilled in for 16th Jan 2018.</p> <p>Swanley Station - Still awaiting updated design for station. NR still to send quote to SBC to be used as part of access improvements.</p>	4	3	3
LGFO0017	Folkestone Seafont : onsite infrastructure and engineering works	0.541	Approval for spend of full LGF allocation	Main works complete (2015/16)			
LGFO0038	A28 Chart Road	10.200	Approval for spend of full LGF allocation	ECl design and site investigation works continue. All objections to the CPO were removed prior to the Public Inquiry, which resulted in the Inspector cancelling the PI the day before it was due to commence. It is likely that the CPO will be confirmed at the end of January 2018, enabling access to the land to be confirmed for the beginning of May. However, the voluntary acquisition of the plots is progressing and it is anticipated that heads of terms or legal agreements will be in place by early January 2018 allowing access to the land and a start to be made on site in February 2018.	1	1	1
LGFO0039	Maidstone Integrated Transport	8.900	Approval for Phase 1 of works only.	<p>1) M20 J5/Coldharbour R/bout - M20 J5 design nearing completion, benefits have been maximised by removing the signalisation of Coldharbour roundabout. Business case still on track to be completed in readiness for the first 2018 SELEP meeting.</p> <p>2) A274 Sutton Road j/w Willington Street – Engagement event carried out on 1st December 2017 to inform a key decision on the scheme layout at E&T on 31st January 2018 following JTB in January 2018.</p> <p>4) A20 London Road j/w Willington Street - Progressed redesign of the junction to assess the land required & capacity improvement if an enlarged scheme were to be implemented. All other schemes within the MITP are being engaged upon with County and Local Members accordingly to progress as soon as possible.</p>	5	4	4
LGFO0040	A28 Sturry Link Road	5.900	Approval for spend of full LGF allocation	Consultation Report Finalised, Detail Design Progressing. EA comments received on Flood Modelling	5	4	1
LGFO0053	Rathmore Road	4.200	Approval for spend of full LGF allocation	Site Work Progressing towards planned scheme completion in October 2017, with opening ceremony currently being arranged.	1	1	1
LGFO0054	A28 Sturry Rd Integrated Transport Package	0.300	Approval for spend of full LGF allocation	Consultation completed on 22 October and approved by Canterbury JYB on 14 December, Lane Rental bid approved, works to start early 2018.	5	3	1
LGFO0055	Maidstone Sustainable Access to Employment	2.000	Approval for spend of full LGF allocation	Main works complete (May 2017)			

Appendix 3 - Deliverability and Risk Assessment							
SELEP number	Project Name	Total LGF allocation	Accountability Board decision (Business Case approval status)	Project Update	Risk Assessment		
					Delivery	Financial	Reputational
LGF00059	Ashford Spurs	8.774	Approval for spend of full LGF allocation	Supplies delivered to Ashford MDU and works completed on track in Nov/Dec 2017	1	1	1
LGF00041	Thanet Parkway	10.000	Approval to be sought from future Board meeting.	Planning Application and Transport Assessment work continuing. Seeking advice on EIA 2017 Regs and whether they apply, if they do then there could be a delay. Commercial opportunities for funding the station are being investigated from a range of sources. Highway design has been finalised and Business Case is nearly ready for submission to SELEP again. Car park/access road/junction are being recosted now that they have a design freeze. Construction assumptions work has been commissioned, as has a revised programme.	5	5	5
LGF00058	Dover Western Dock Revival	5.000	Approval for spend of full LGF allocation.	A20 works are complete and piling work has begun on the marina pier. https://www.bing.com/videos/search?q=dover+western+docks+revival+november&&view=detail&mid=0FB7627B5CB15F5AC0B00FB7627B5CB15F5AC0B0&FORM=VRDGAR	1	1	1
LGF00060	Westhanger Lorry Park	0.000		Removed from the programme.			
LGF00062	Folkestone Seafront (non-transport)	5.000	Approval for spend of full LGF allocation	The majority of the works will be complete by Christmas and public access from the beach boardwalk onto Platform 3/Harbour Arm was opened earlier this month. The only exceptions to this are; <ul style="list-style-type: none"> • The access to the Viaduct from Harbour Square is now expected to be complete and open for use late March/early April 2018. • Glazing to the curved end roof canopies in the station is scheduled to complete in February 2018. This work can be completed when the station is open to the public by putting up barriers around the local work site. • The extension to the roof canopy north on Platform 3 towards Platform 2 will now not take place, so there are some modifications required to the new concrete ramp to the upper walkway on the Harbour Arm which are programmed to complete by late March/early April 2018. 	1	2	1
LGF00072	A226 London Road/B255 St Clements Way	4.200	Approval for spend of full LGF allocation	Jackson have been undertaking trial holes and preparing the site compound for delivery of offices before Christmas. Two public exhibitions held on 30 November and 2 December. Landscape design ongoing. Commission agreed with Amey for the NEC PM and supervisor roles up to the end of March. Update report presented to Dartford JTB and KCC Member and DBC Cllr briefings held.	1	1	1
LGF00068	Coastal Communities Housing Intervention (Thanet)	0.667	Approval for spend of full LGF allocation	A final draft of the funding agreement is being worked on by Invicta Law with a view to it being signed by both parties after Christmas. Thanet DC have also sent across evidence of spend to date on both schemes (up to the end of October 2017) which has been checked and will be paid following the signing of the funding agreement by both parties. Ethelbert Crescent tender papers were issued on 8th December 2017 and are now on the Kent Business Portal with a closing date of mid-January 2018 for returns. The Warwick Road tender papers have not yet been issued as these will follow the submission of the planning application which is scheduled for January 2018. It is likely that the planning and consultation required for the Warwick Road scheme will result in a lower spend than originally profiled in 2017/18, unless the Ethelbert Crescent scheme can be accelerated.	5	3	2
LGF00086	Dartford Town Centre Transformation	4.300	Approval to be sought from future Board meeting.	Amey have been engaged to produce Business Case. DBC have commissioned Project Centre to work up design, costs and provide information to support BC. Further information has been forthcoming from Project Centre and a great deal of work has been done but there are still a number of gaps that prevent a full submission to the Nov AB	4	3	3
LGF00088	Fort Halsted	1.530	Approval to be sought from future Board meeting.	Sevenoaks DC to meet with new owners and their advisors of the site on 14th December 2017 to discuss timescales and programme delivery. Programme of delivery to be identified by SDC to be incorporated into a business case, however, the deadline of 24th November 2017 has been missed and therefore SDC will not be able to drawdown on the 17/18 allocation.	5	4	3
LGF00092	A2500 Lower Road	1.265	Approval for spend of full LGF allocation	The detailed design for the roundabout scheme is progressing and the Steering group is now established and the first meeting held. Preparation of works information progressing and a task order for the detailed design of the widening works from Barton Hill Drive to the A249 has been issued. A public engagement event was held on 5th December 2017, with much support for the scheme. Procurement is now underway and tenders for the Barton Hill Junction and the A2500 Lower Road widening (NPIF) will be released before Christmas 2017.	1	1	1
LGF00093	Kent and Medway Engineering and Design Growth and Enterprise Hub	6.120	Approval for spend of full LGF allocation	Both the SELEP and HEFCE Funding have been approved and enabling works including trenching is now complete. Detailed design work for Building 2 is now out to tender and is scheduled to complete in the early part of 2018. The Construction tender will go out in spring 2018 with the contractor likely to start in summer 2018. A revised spend profile has been supplied by CCCU who have also responded to KCC on the draft LGF funding agreement, which once signed will allow drawdown of the project allocation in 17/18.	1	1	1
LGF00096	A2 off-slip at Wincheap, Canterbury	4.400	Approval to be sought from future Board meeting.	Further discussion with HE, Developer, KCC and CCC re scheme details, modelling and design proposals	5	3	3

Appendix 3 - Deliverability and Risk Assessment							
SELEP number	Project Name	Total LGF allocation	Accountability Board decision (Business Case approval status)	Project Update	Risk Assessment		
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LGF00094	Leigh Flood Storage Area and East Peckham - unlocking growth	4.636	Approval to be sought from future Board meeting.	Funding Agreement between KCC, EA and Tonbridge & Malling progressed and the business case (Based on the EA Outline BC) is being drafted for each individual scheme. The East Peckham element is currently being revisited and new timetable to follow, as a result of the most recent funding gap that has been identified.	3	3	3
LGF00106	Sandwich Rail Infrastructure	1.026	Approval for spend of full LGF allocation, subject to conditions being satisfied	SELEP contribution confirmed, subject to conditions being satisfied. Ongoing lobbying with SoS. Transport AND Railway steering/governance groups both met. Four options under exploration. Enablement works commissioned.	1	3	1
Medway							
LGF00018	A289 Four Elms Roundabout to Medway Tunnel Journey time and Network Improvements	11.100	Approval of £3.5m LGF in advance of full Business Case approval	Following the review of estimated costs, which identified a significant budget shortfall based on the original proposal, a number of alternative options which can be delivered to budget have been considered. Following an options appraisal process a preferred option has been identified. This option forms the basis of the revised Outline Business Case which has been submitted for consideration at February 2018 Accountability Board. Work is underway to appoint a consultant to progress the design for this scheme. It is anticipated that work on the outline design will commence before the end of Q4 2017/18.	5	5	2
LGF00019	Strood Town Centre Journey Time and Accessibility Enhancements	9.000	Approval for spend of full LGF allocation	Work has continued on the detailed design for the town centre works. Construction of phase 1 is expected to start onsite in February 2018.	4	5	1
LGF00020	Chatham Town Centre Place-making and Public Realm Package	4.000	Approval for spend of full LGF allocation	Work is progressing well onsite, with completion expected by mid 2018. Network Rail has been granted planning permission for the proposed train station forecourt improvement works and is currently reviewing procurement and delivery options.	4	5	1
LGF00021	Medway Cycling Action Plan	2.500	Approval for spend of full LGF allocation	Work has continued to construct new cycle routes as per the Cycling Action Plan document. Completion of the project has been delayed due to an extended consultation period being required for the final route to be constructed.	2	2	1
LGF00022	Medway City Estate Connectivity Improvement Measures	2.000	Approval for spend of full LGF allocation	Phase 1 of the project is complete. The new traffic signals (at the entrance to the westbound tunnel bore) are now operational and testing has identified the most effective signal timing to offer the most benefit to users of Medway City Estate whilst causing minimal disruption on the remainder of the road network. Options for the use of the funding assigned to the phase 2 works will be considered in Q4 2017/18.	4	4	1
LGF00061	Rochester Airport (phase 1)	4.400	Approval for spend of full LGF allocation	Rochester Airport Ltd have split the planning application into two parts. An amendment to the original planning application (which now only covers the hangars, car parking and fuel tank enclosure) was submitted in December 2016. The application was determined in March 2017, with planning consent being given. Rochester Airport Ltd have now submitted their planning application and the EIA required for the paved runway and the control tower/hub. A review of the documents submitted has highlighted that Rochester Airport Ltd need to provide some additional information before the planning application can be determined. It is therefore now anticipated that the planning application will be determined by Medway Council no sooner than April 2018. Rochester Airport Ltd have started preparing procurement documents for the work covered by the first planning application, with the intention that work will begin on site in Q1 2018/19.	4	5	2
LGF00089	Rochester Airport (phase 2)	3.700	Approval to be sought from future meeting	Business case approval required.	4	4	2
LGF00091	Strood Civic Centre - flood mitigation	3.500	Approval to be considered during the Board meeting	Business Case submitted for consideration at Accountability Board in February 2018. Planning consent has been granted, detailed design completed and a contractor appointed to deliver the works.	1	1	1
Southend							
LGF00005	Southend Growth Hub	6.720	Approval for spend of full LGF allocation to project	Two phases to the project. First phase on track and due to spend the full LGF allocation this financial year. The second phase of the project will require a Change Request and slippage of LGF spend.			
LGF00029	TGSE LSTF - Southend	1.000	Approval for spend of full LGF allocation to project	On track. Project due to complete by March 2017.			
LGF00081	A127 Kent Elms Corner	4.300	Approval for spend of full LGF allocation to project	Some delay to scheme due to gas works which has had a knock-on effect to other utility diversions. 85% of highways works complete with East bound works complete. Utility diversions still on going. BT Openreach have incurred delays and completion of their works expected end February 2018. New westbound lane will be constructed once all utility works are complete. it is now expected this will be June 2018. Footbridge is programmed to be installed June 18. LGF contribution will be spent 17/18.	3	3	1

Appendix 3 - Deliverability and Risk Assessment							
SELEP number	Project Name	Total LGF allocation	Accountability Board decision (Business Case approval status)	Project Update	Risk Assessment		
					Delivery	Financial	Reputational
LGFF00082	A127 The Bell	4.300	Approval to be sought from future Board meeting	Junction Improvement Options being considered including minimum impact on utilities and impact on airquality. Some Options include for a replacement footbridge	3	4	2
LGFF00083	A127 Essential Bridge and Highway Maintenance - Southend	8.000	Approval in Part	Business Case was approved at the last Accountability Board meeting. Spend in 2016/17 to support A127 Kent Elms Corner.	2	2	1
LGFF00045	Southend Central Area Action Plan (SCAAP) - Transport Package	7.000	Approval for Phase 1 and 2	Improvements to Carnarvon Road / Victoria Avenue junction, Great Eastern Avenue / Victoria Avenue junction, East Street/ Victoria Avenue junction and part of the decluttering along Victoria Avenue completed March 2017. £150,000 carried over to complete improvements to public realm and cycling facilities along Victoria Avenue service road in 2017/18. Business case for Phase 2 submitted 2017 and include improvements to layout and public realm along London Road between London Road/ Queensway roundabout and London Road/Collegeway roundabout, Phase 2 also includes streetscape works on the College Way / Queens Road / Elmer Avenue route between London Road and The Forum / South Essex College	3	3	2
LGFF00057	London Southend Airport Business Park Phase 1 and 2 (including Southend and Rochford Joint Area Action Plan)	23.090	Approval for Phase 1. Approval for Phase 2 Development funding and full business case to be submitted in 2018/19.	s.106 now agreed and Phase 1 works fully committed and on site - progressing to programme. Phase 2 Business Case passed Gate 2 assessment. Pre-approval of £815k of planned spend at Sept '17 Acc board.	4	4	2
Thurrock							
LGFF00030	TGSE LSTF - Thurrock	1.000	Approval for spend of full LGF allocation	Phase 1 complete, amendments required from S3 safety audit	4	2	3
LGFF00046	Thurrock Cycle Network	5.000	Approval for spend of full LGF allocation	Construction of Tranche 1a schemes started on 31 May. Currently procuring designs for Tranches 1b and 2. Cycle schemes to be constructed by the new highways Term Maintenance contractor, Henderson & Taylor.	3	3	3
LGFF00047	London Gateway/Stanford le Hope	7.500	Approval for spend of full LGF allocation	Preparing a collaboration agreement and Asset protection agreement. Morgan Sindall's target price submission exceeds the available budget. Looking at ways of reducing the target price. If agreement cannot be reached, we will have to consider re-tendering Stage 2.	4	3	3
LGFF00052	A13 Widening - development	5.000	Approval to spend £5m on project development work	DfT announced funding for the scheme on 12 April 2017. Land procured using powers embodied in the London Gateway Port Harbour Empowerment Order	3	4	3
LGFF00056	Purfleet Centre	5.000	Approval for spend of full LGF allocation	Land acquisition continues. The Council is aiming to purchase via negotiation wherever possible so timescales are hard to define. A report for resolution in principle to progress a CPO will be presented to Cabinet in February. Outline planning application was submitted in December.	2	4	1
LGFF00104	Grays South	10.840	Approval to be sought at future Board meeting	Two interlinked elements - (i) Underpass [design and build ~ Network Rail] and (ii) Public Realm Works [design and build ~ designer and contractor TBA]. (i) NR GRIP Stage 2 (Feasibility) complete. GRIP Stage 3 (Option Selection) underway. Currently editing a suite of NR documents re-affirming Project requirements. Potential conflict on funding for GRIP stage 3 and a joined up approach on a LX closure date. (ii) ITT docs procuring external consultants for public realm aspects is being finalised and due to be issued w/c 23rd October 2017. Land acquisition process has begun with Monatgue Evans.	4	1	3
LGFF00084	A13 Widening	66.057	Approval for spend of full LGF allocation	Awarded two separate contracts for detailed design and construction. Entered into a licence with DP World to access the land for construction. Issued licences to occupiers of adjacent land to enable them to continue using it for operations and events until needed by the contractor.	3	4	3
Managed Centrally							
LGFF0001	Skills	22.000	Final project approved on 26.05.2017	The skills project funding is fully committed and spent. Monitoring of project outcome and outputs is now ongoing,	1	1	1
	M20 Junction 10a	19.700	Approval for spend of full LGF allocation	Legal agreement is required to transfer the £8.3m LGF spend to Highways England in 2017/18. Construction works are due to start on site in January 2018.	2	3	2

RAG Rating Guidance for LEPs

The Growth Deal project RAG rating system is designed to measure progress made towards delivery of a project, and risk associated with delivery. LEPs should use this document to set their own RAG rating. It is a self-assessment, and evaluations of performance should be in comparison to previous periods.

We recommend that the initial baseline project RAG ratings should be set in consultation with your Area Lead. The RAG rating is designed to be compared to previous periods and therefore it can demonstrate progress made in addressed challenges quarter by quarter. For example, showing that a project has progressed from Amber to Amber/Green.

The RAG rating takes into account three factors to assess the impact the challenges faced by the project will have on its overall deliverability, shown in figure 2. Add the score for each section to come to a total which will determine the overall RAG rating for the project. The scores correspond to a colour, e.g. Amber/Green, as shown in figure 1. The spreadsheet will show the colour for each project and will also show an average rating for the whole LEP on the dashboard.

Where project characteristics meet the majority of the criteria, projects should be classified as such. If you are unsure your area lead will be able to advise in the first instance.

The RAG rating should reflect the stage of the project. For example, if a project has been approved and allocated funds but is yet to secure planning permission then it is high risk. If a project has delivered a high number of outputs then it is likely to be low risk.

We recognise that projects vary in size, scale and scope. These variations can be taken into account when RAG rating your project. For example, a £200,000 skills project with a 10% financial variance may recover quickly the following quarter and may not have a reputational impact. You will be given an opportunity to explain your RAG rating to your Area Lead, and should be prepared for this.

Figure 1: RAG Ratings


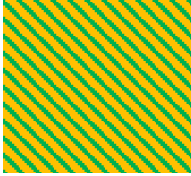

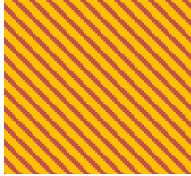

				
3	4 - 6	7 - 9	10 - 12	13 - 15

Figure 2: RAG Rating Formula for LEPs

DELIVERY	SCORE	FINANCES	SCORE	REPUTATION	SCORE
Major issues have caused significant delays (more than 3 months); processes have been interrupted or not carried out correctly (e.g. planning permission has not been secured); or significant changes have had to be made to the aims and scope of the project. Project likely to under deliver forecast project outputs.	5	A variance of over 10% against profiled financial forecast (total expenditure) or significant changes to project finances required (increases or decreases) due to poor or delayed delivery.	5	Challenges with project are undermining LEP credibility with public or key stakeholder. This negative reputation will continue longer term and be hard to recover from.	5
Issues have arisen causing longer delays to the timetable (3 months or more) but no significant changes required to overall project aims and scope. Correct processes are not yet developed. Outputs	4	A variance of between 7% & 10% against profiled financial forecast (total expenditure). Budget changes have been required due to issues with project delivery.	4	Significant damage to LEP credibility with public or key stakeholder for sustained period or at critical point.	4

may still be deliverable but challenging.					
Issues have arisen causing longer delays to the timetable (less than 3 months). Correct processes will be achieved but are not yet developed. Outputs deliverable but will require re-profiling.	3	A variance of between 5% & 7% against profiled financial forecast Some budget changes have been required.	3	Undermine LEP credibility with public or key stakeholder in short term.	3
Minor issues have arisen causing small delays. Correct processes are developed. Project is on track to deliver outputs.	2	A variance of between 2% & 5% Small re-profiling changes to budget required.	2	May lead to widespread criticism.	2
No significant problems arisen in previous quarter. Correct processes are in use. Project is on track to deliver outputs.	1	A variance of up to 2%. Spend is largely on track with any minor slippage expected to be picked up by end of next quarter.	1	May lead to minor external criticism.	1

Report to Accountability Board	Forward Plan Reference N/A
Date of Accountability Board Meeting:	16th March 2018
Date of report:	23rd February 2018
Title of report:	Thanet Parkway – Programme Update
Report by:	Joseph Ratcliffe, Transport Strategy Manager Kent County Council
Enquiries to:	joseph.ratcliffe@kent.gov.uk

1. Purpose of report

- 1.1 The purpose of this report is to make the Accountability Board (the Board) aware of the latest progress in the Thanet Parkway Railway Station Project (the Project) in Kent. The Business Case for the Project has been reviewed through Gate 1 of the Independent Technical Evaluator (ITE) process, but the award of Local Growth Fund (LGF) to the Project has not yet been considered by the Board owing to a Project funding gap of approximately £8.8m. The LGF provisional allocation is £10m.

2. Recommendations

- 2.1 The Board is asked to **note** the current work being undertaken in order to progress the Project:
- (1) That further work is being undertaken to secure additional funding to bridge the current funding gap of £8.8m;
 - (2) That the Project can still be delivered within LGF timescales subject to full funding;
 - (3) That possible alternative delivery methods are being investigated to ensure best value for money; and
 - (4) That a funding decision is intended to be sought from the Board during 2018/19.

3. Background

- 3.1 This report is to update the Board on the latest position of the Project, which was allocated £10m LGF through LGF Round 1.

4. Project Funding

- 4.1 The Project has a total estimated cost of £21.4m. Alongside the £10m LGF allocation, there is a Kent County Council (KCC) capital contribution of £2.65m, leaving a funding gap of £8.8m. KCC made a bid to the New Stations Fund 2 (run by Network Rail and the Department for Transport (DfT)) in November

2016 for the remainder of the funding but it was announced in July 2017 that the bid had been unsuccessful.

- 4.2 The KCC Project Team met with the New Stations Fund team in October 2017 to review the reasons for the bid being unsuccessful. It was a largely positive meeting with the DfT being supportive of the Project and noting that the financially positive business case should attract commercial, private sector, investment. The fortuitous timing of the new South Eastern Franchise procurement means that it is an ideal time to undertake discussions with the three prospective bidders to seek a contribution towards the Project; ultimately the increase in ticket sales revenue will be received by the train operator.
- 4.3 These discussions with the three prospective bidders are ongoing and subject to confidentiality agreements due to the commercial sensitivity of the franchise bidding process. Consequently, no further comments on their progress can be made in this report.
- 4.4 However, even if the winning bidder agrees to contribute towards the station, KCC would not know the outcome of the franchising process until late 2018 (award is expected in November 2018) before the commencement of the new franchise on 1st April 2019.
- 4.5 Therefore, alongside discussions with the franchise bidders, KCC is considering alternative methods of funding the remaining cost of project. This includes investment in the car park at the new station (with its income servicing a loan). Further, Network Rail has an interest in securing private sector investment in the railway as one of DfT's priorities for the network. Consequently, its Asset Protection Team (who are already engaged on the project from a technical approval perspective) is also looking at potential third parties who would be interested in investment in the railway network. These discussions have identified one potential investor.. Another third party investor has also expressed an interest and discussions are being pursued simultaneously. The use of developer contributions is also under consideration.
- 4.6 Another possibility is to utilise underspend from other LGF schemes, recognising that the Project is a priority not only for KCC but is shown in the Strategic Economic Plan (SEP) as a priority in the area to support investment and remove congestion from the roads. Insufficient underspend has been identified by the Kent and Medway Economic Partnership to date to bridge the funding gap but this position is being kept under review.

5. Project Programme

- 5.1 KCC has commissioned specialist railway consultants to review the programme and the Project's ability to meet the LGF spend deadline (i.e. £10m spend by 31st March 2021). This work has shown that the Project can largely be constructed by 31st March 2021, with a projected opening date of December 2021 to coincide with the planned timetable change. KCC can therefore confirm

that the LGF can be fully utilised provided the Project continues to be developed whilst additional funding is sought.

5.2 The next stage in the Project programme is to commission an outline design (using Network Rail's staged approach to project delivery – Governance for Rail Investment Projects (GRIP) – this is equivalent to GRIP 4). This will produce a more in-depth design, and include more technical surveys, as well as high-level decisions on the types of materials to be used. Therefore, the cost estimate will be refined.

5.3 Key Project milestones are set out in Table 1 below.

Table 1 Thanet Parkway key milestones

Activity	Date
GRIP 3/AiP	Completed August 2017
Public consultation	Completed January – March 2017
NSF2 Announcement	Completed July 2017
Invitation to Tender for New South Eastern Franchise issued by the DfT	Completed December 2017
DfT confirmation that Thanet Parkway must be served by the new train operator	Completed December 2017
Planning application submitted	April 2018
Secure LGF	June 2018 (TBC)
GRIP 4 commences	March 2018
Planning application determined (expected)	October 2018 – January 2019
Land acquisition complete	October 2018 – January 2019
Detailed design & build contract award	July 2020
Construction start on site (GRIP 6)	October 2020
Station open	December 2021

6. Intended delivery method

6.1 KCC is investigating two possible delivery methods:

- 1) Design and build contract awarded by KCC.
- 2) Appointing Network Rail to manage the remaining GRIP stages.

6.2 The outputs from GRIP 4 will form the basis of a design and build contract (GRIP 5 – 8), if this delivery route is chosen. This would involve an OJEU compliant tender for the railway elements of the project. It is considered that given KCC's experience of highway design, the car park, access road and new junction would be retained in-house to design and project manage.

6.3 Alternatively, KCC could appoint Network Rail to take on the project management and they would deliver the station for an agreed price (using its own construction contracts). KCC is currently seeking an estimated price from Network Rail for this delivery method. In this scenario, KCC would also retain the design and delivery of the car park, access road and new junction.

6.4 The two delivery methods will be compared to ensure that best value is achieved.

7. Financial Implications (Accountable Body comments)

7.1 The significant funding gap on this Project presents a particular challenge for delivery by the end of the LGF programme in March 2021; however, it is noted that potential solutions are being investigated to address this.

7.2 It should be noted that any future LGF funding agreed by the Accountability Board is dependent on the Accountable Body receiving sufficient funding from HM Government. Funding allocations beyond 31st March 2018 are yet to be confirmed, however, funding for this project is included in the indicative allocations provided by HM Government. It should also be noted that the Government are currently undertaking a Deep Dive review into the Governance arrangements of the SELEP; at the time of writing, it is not known whether the outcome of this review will impact on future funding allocations to SELEP.

7.3 The Board should also take into account the following in its considerations of this report:

7.3.1 The significant amount of slippage within the overall programme previously reported to be £39m, is now forecast to be £49.7m (including slippage on the retained schemes) by the end of 2017/18; this presents an increased programme delivery risk due to the high proportion of projects now due to be delivered in the final years of the programme; and it presents a reputational risk for SELEP regarding securing future funding from Government where demonstrable delivery of the LGF Programme is not as expected.

7.3.2 There is a LGF funding profile risk in 2019/20; whilst there is sufficient funding for all LGF projects across the duration of the programme, in 2019/20 there is currently a funding gap of £13.9m; it is noted that this risk is being carefully monitored by the SELEP Capital Programme Manager with potential options for mitigation being considered.

8. Legal Implications (Accountable Body comments)

8.1 There are no legal implications to this report

9. Staffing and other resource implications (Accountable Body comments)

9.1 No implications

10. Equality and Diversity implications

- 10.1 Section 149 of the Equality Act 2010 contains the public sector equality duty which requires that when a public sector body makes decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 10.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 10.3 In the course of the development of the project business case, the delivery of the Project and its ongoing commitment to equality and diversity, the promoting local authority will ensure that any equality implications are considered as part of their decision making process and where possible, identify appropriate mitigation where an impact against any of the protected characteristics has been identified.
- 10.4 The Project has an Equalities Impact Assessment in place, and this will continue to be updated as the project progresses.

Role	Date
Accountable Body sign off Stephanie Mitchener (On behalf of Margaret Lee)	08/03/2018

Report to Accountability Board	Forward Plan reference number: N/A
Date of Accountability Board Meeting:	16th March 2018
Date of report:	27th February 2018
Title of report:	A13 widening update report
Report by:	Paul Rogers, Programme Manager Major Schemes, Thurrock Council
Enquiries to:	PRogers@Thurrock.gov.uk

1. Purpose of report

1.1 The purpose of this report is to provide the Accountability Board (the Board) with an update on the A13 widening project (the Project).

2. Recommendations

2.1 The Board is asked to:

2.1.1 **Note** the current position with regards to the A13 widening Project as set out in this report.

3. Background

3.1 On 17 November 2017, the Board approved a request from the Department for Transport to accelerate spend from the retained scheme funding in advance of the LGF scheme development funding.

3.2 On 27 November 2017, the Department for Transport confirmed that it was content for the £15.915m of unspent grant paid in 2017/18 for delivery of the Project, to be retained by Essex County Council, as SELEP Accountable Body, and be used for expenditure on the Project in 2018/19.

4. A13 Project Delivery Update

4.1 The Project will widen the A13 Standford le Hope Bypass from 2 to 3 lanes in both directions, from the junction with the A128 (Orsetty Cock roundabout) in the west and the A1014 (the Manorway) to the east.

4.2 In mid-December 2017, letters were delivered to approximately 2,700 properties within a 500 metre radius of the Project, advising local residents and businesses about the start of advance works along this particular section of the A13. Newsletters were also sent to a comprehensive list of stakeholders, including business organisations, schools and colleges, community forums and

emergency services. Further information about the Project was also set out on Thurrocks website, <https://www.thurrock.gov.uk/a13-roadworks> .

- 4.3 On 18 December 2017, localised vegetation clearance started near the Orsett Cock roundabout to facilitate the ground investigation and unexploded ordnance survey.
- 4.4 On 22 December 2017, the Lot 3a Construction Contract and advance payment bond were both sealed. In accordance with clause X14 of the contract, an advance payment of £4.453m was made to Kier for variable message signs, structural steelwork, column formwork, concrete pipework, steel safety barrier, concrete central reserve barrier and street lighting.
- 4.5 At the time of drafting this report, the vegetation clearance is 95% complete and is on target to be completed by the end of February (start of the bird nesting season). The temporary fencing is 60% complete.
- 4.6 The ground investigation is due to complete in early March and once these latest results are available, the designers will use them to corroborate the soil properties and review the design as necessary.
- 4.7 In accordance with the New Roads and Street Works Act (NRSWA) code of practice for diversionary works, advance payments have been made to Statutory Undertakers as follows:
 - £278,748 to Cadent Gas Limited (low pressure and medium pressure gas mains)
 - £2,250,000 to Cadent Gas Limited (local high pressure gas pipeline)
 - £188,049 to Essex & Suffolk Water (potable water mains)
 - £245,384 to Instalcom (fibre optic cables)
- 4.8 A design study and cost estimate is due to be received from National Grid Gas by 7 March 2018. This will set out the cost of diverting a national high pressure gas pipeline known as Feeder 5 and will trigger another substantial advance payment.
- 4.9 Openreach are currently surveying their apparatus affected by A13 Widening and will be submitting detailed proposals and a C4 estimate towards the end of March.
- 4.10 In terms of detailed design, the vertical and horizontal alignments have been fixed. Approval in Principle documents have been issued for each of the four bridges. Other elements of design are progressing to programme.

5. Update on Project expenditure

- 5.1 An updated spend forecast is presented in Table 1 below.

Table 1 Spend Forecast, February 2018

Updated Spend Forecast (February 2018)							
Expenditure £M	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Total
SELEP Development Funding LGF	2.708	-	2.292	-	-	-	5.000
DfT Retained Scheme Funding LGF	-	12.629	33.224	20.613	1.197	0.685	66.057
Third Party Funding	-	-	-	-	-	7.809	7.809
Total	2.708	12.629	35.516	20.613	1.197	8.494	78.866

- 5.2 In accordance with the 17 November 2017 Board decision, Department for Transport Retained scheme funding is being spent in advance of the SELEP Development Funding contribution to the Project.
- 5.3 The third party funding contribution from London Gateway Ports Limited has been secured but will be spent later in the project delivery programme.
- 5.4 As of 26 February, 2017/18 expenditure stood at £9.638m. Allowing for the February invoices already in the pipeline, the detail design and advance works to be undertaken in March and the advance payment for the diversion of Feeder 5, expenditure is forecast to reach £12.629m by the end of March. As such, it is expected that the updated 2017/18 LGF spend profile for the Project is achievable.
- 5.5 Kier, as the appointed construction contractor, has submitted a £5.4m compensation event for delays in the Project delivery caused by diversionary works that are required to be undertaken by Statutory Undertakers (e.g. Openreach). The compensation event has occurred because the dates and durations provided by the Statutory Undertakers in their C4 returns are different to those expected by Kier when submitting their tender programme; as a result, Kier has indicated that the delivery of the Project will be delayed by up to 45 weeks, at an additional cost of £5.4m
- 5.6 The Project Manager is working closely with Aecom's quantity surveyors to review and challenge Kier's calculations. De-linking the Openreach diversion and quantifying that part of the delay that occurs when construction is in full swing would reduce the value of the compensation event to below £4m and the delay to 31 weeks. This compensation event will result in an increase in cost to the Kier construction contract but this cost escalation can be met from the £20m Project contingency fund.
- 5.7 Once discussions with Kier in relation to the compensation event have been concluded the Board will be provided with an updated spend profile and project milestones to reflect these changes. At this time it is not expected that the compensation event will impact on project spend during 2017/18, but will have implications during future years of the project delivery.

6. Financial Implications (Accountable Body comments)

- 6.1 It is noted that there is a potential cost increase to deliver this project and that there are processes in place to seek to minimise this as far as possible; the fact that the cost increase can be met from the contingency means that no additional funding will need to be sought to ensure delivery of the Project.
- 6.2 It is recommended that the next Project update to the Board should provide a greater focus on the key risks to successful Project delivery, particularly with regard to meeting the Project milestones that were set out in the report to the November 2017 meeting of the Board.
- 6.3 It should be noted that all funding agreed by the Board is dependent on the Accountable Body receiving sufficient funding from HM Government. Funding allocations beyond 31st March 2018 are yet to be confirmed. However, funding for this Project is included in the indicative allocations provided by HM Government for future years. It should also be noted that the Government are currently undertaking a Deep Dive review into the Governance arrangements of the SELEP; at the time of writing, it is not known whether the outcome of this review will impact on future funding allocations to SELEP.
- 6.4 The Board should also take into account the following in its considerations of this report:
- 6.4.1 The significant amount of slippage within the overall programme previously reported to be £39m, is now forecast to be £49.7m (including circa £16m of slippage in relation to this project) by the end of 2017/18; this presents an increased programme delivery risk due to the high proportion of projects now due to be delivered in the final years of the programme; and it presents a reputational risk for SELEP regarding securing future funding from Government where demonstrable delivery of the LGF Programme is not as expected.
- 6.4.2 There is a LGF funding profile risk in 2019/20; whilst there is sufficient funding for all LGF projects across the duration of the programme, in 2019/20 there is currently a funding gap of £13.9m; it is noted that this risk is being carefully monitored by the SELEP Capital Programme Manager with potential options for mitigation being considered.

7. Legal Implications (Accountable Body comments)

- 7.1 There are no legal implications arising from this report

8. Staffing and other resource implications (Accountable Body comments)

- 8.1 None at present.

9. Equality and Diversity implication

- 9.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when a public sector body makes decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 9.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 9.3 In the course of the development of the project business case, the delivery of the Project and their ongoing commitment to equality and diversity, the promoting local authority will ensure that any equality implications are considered as part of their decision making process and were possible identify mitigating factors where an impact against any of the protected characteristics has been identified.

10. List of Appendices

10.1 None

11. List of Background Papers

- Accountability Board Paper dated 31st March 2017 (LGF award to the Project)

(Any request for any background papers listed here should be made to the person named at the front of the report who will be able to help with any enquiries)

Role	Date
Accountable Body sign off Stephanie Mitchener (On behalf of Margaret Lee)	08.03.18

Report to Accountability Board	Forward Plan reference number: FP/AB/142
Date of Accountability Board Meeting:	16th March 2018
Date of report:	6th March 2018
Title of report: Update	2017/18 and 2018/19 Revenue Budget
Report by:	Suzanne Bennett
Enquiries to:	suzanne.bennett@essex.gov.uk

1. Purpose of report

- 1.1 The purpose of this report is to update the Accountability Board (the Board) of the current year revenue budget forecast outturn position as at the end of February 2018.

2. Recommendations

- 2.1 Board is asked to:

- 2.1.1 **Note** the current forecast outturn position for 2017/18; and
2.1.2 **Note** the information update for the budget for 2018/19.

3. Background

2017/18

- 3.1 The previously reported forecast outturn for the revenue budget for 2017/18 was an underspend of £293,000. This underspend has now increased by £171,000 to £464,000.
- 3.2 The increase is due to confirmation that none of the non-grant funded Growth Hub budget of £96,000 would be spent in year and an increase in external interest earned receipt of £80,000. This has been offset by a small uplift of £5,000 in the forecast of spend on communications for the year.
- 3.3 A £96,000 budget to support the Growth Hubs programme was established at the beginning of the year. This funding was in addition to the specific funding that is made by grant from the Department of Business, Energy and Industrial Strategy (BEIS).
- 3.4 The current grant funding for Growth Hubs ends on the 31st March 2018 and throughout the year there has been much uncertainty as to whether the funding would be extended. During this period of uncertainty officers and the Growth Hub Steering Group have been wary of instigating any activity that would result in abortive costs should the Growth Hub service either be decommissioned or cease.
- 3.5 BEIS has now informed Growth Hub leads that there will be a further two years of funding available with the 2018/19 grant being made at the same value as this year (£656,000).

- 3.6 BEIS are currently meeting with all Growth Hubs to discuss the future state of the service. Additional principles of funding will be required of each Growth Hub. The grant funding will continue to support the operational work of the Growth Hubs but it is likely that additional work that can be carried out at the Secretariat level, including improvements to the website, standardisation and automation of routine tasks that will enable service improvements and efficiencies to be made across the SELEP area. It is therefore intended to bring a request to establish a ring-fenced reserve for Growth Hubs using the £98,000 underspend from 2017/18 in the Provisional Outturn report that will be presented to Accountability Board at the end of April. The specific reserve will only be available to support pan-LEP Growth Hub initiatives and drawdowns will require approval from Accountability Board.
- 3.7 There has been further slippage to the LGF programme which has the knock-on effect of high cash balances being held. This then results in higher interest receipts. It is unlikely that the external interest receipt estimated at £525,000 in total will vary materially between now and the year-end.
- 3.8 The net movement from the previously reported position, due to the increase in interest receipts less the increase in communication spend, is £75,000, resulting in an expected overall contribution to reserves by the end of 2017/18 of £211,000. There are no additional costs arising that this funding could be used for and the surplus will default to the general reserve at year-end. Details on where this increase in funding could be applied in 2018/19 will be provided as part of the Provisional Outturn Report in April.

Table 1 – 2017/18 Revenue Budget – as at end of February

	Forecast Outturn - £000	Current Budget - £000	Variance - £000's	Variance - %
Staff salaries and associated costs	563	552	11	2.0%
Staff - non salaries	24	32	(8)	-25.0%
Recharges (incl Accountable Body)	81	74	7	9.5%
Total staffing	668	658	10	1.5%
Meetings and administration	52	45	7	15.6%
Communications	44	40	4	10.0%
Chairman's Allowance	20	20	-	0.0%
Consultancy and Sector support	1,929	2,029	(100)	-4.9%
Total other expenditure	2,045	2,134	(89)	-4.2%
Total expenditure	2,713	2,792	(79)	-2.8%
Grant income	(2,184)	(2,184)	-	0.0%
Other OLA contributions	(215)	(200)	(15)	7.5%
External interest earned	(525)	(155)	(370)	238.7%
Total income	(2,924)	(2,539)	(385)	15.2%
Net expenditure	(211)	253	(464)	-183.4%
Contributions to/(from) reserves	211	(253)	464	-183.4%
Net over/(under)spend	-	-	-	0%

2018/19

- 3.9 The Board approved the Revenue Budgets for 2018/19 at their meeting on 15 December 2017. However at that time there was uncertainty concerning the availability of Core Funding and other streams of specific grant funding.
- 3.10 It has now been confirmed that Core Funding will be available for all LEPs at the same level as 2017/18, £500,000, and requiring the same level of match, £250,000. An application for

the funding is required by 14th March and the Secretariat is working with the Accountable Body to meet that deadline. The match will be made through the £200,000 cash contribution from Local Authorities and £50,000 in Private Sector Board member time spent supporting the LEP beyond fulfilling their function as a Board member.

- 3.11 A condition of Core Funding is that all assurance framework requirements are met. Given recent communications from Government on their assessment of the SELEP Governance there is a risk that this requirement will not be met. The Secretariat is continuing dialogue with Government as to the impact of the assessment and the outcome of the Deep Dive process.
- 3.12 As mentioned above, verbal confirmation has been given that Growth Hubs grant funding will continue. Unfortunately as at time of publication, written confirmation has not been provided, nor the full details of the grant requirements. It was hoped that a recommendation for approval for the Growth Hubs could be presented at this meeting, but this is not possible. The budget will be presented to Board at April's meeting. There is a risk that the grant funding will not be forthcoming but given verbal updates and conversations with officials at BEIS the risk is judged to be low.
- 3.13 However, the Growth Hubs and the LGF grants may also be impacted by the Governance rating as mentioned above. Should funding not be forthcoming or be reduced there is a major risk to the level of delivery possible in next year.
- 3.14 The 2018/19 budget may need to be revised depending on outcomes from the LEP Review. A full review of the budget should be made for the first quarter report that will be presented to Board in June 2018.

4. Financial Implications

- 4.1 The report is authored by the Accountable Body and the recommendations made are considered appropriate.

5. Legal Implications

- 5.1 None at present.

6. Staffing and other resource implications

- 6.1 None at present.

7. Equality and Diversity implications

- 7.1 None at present.

8. List of Appendices

- 8.1 Details of specific revenue grants for the financial year.

9. List of Background Papers

(Any request for any background papers listed here should be made to the person named at the front of the report who will be able to help with any enquiries)

Accountable Body sign off

Stephanie Mitchener

On behalf of Margaret Lee

08/03/2018