

# Essex Business Board

## Monday 18<sup>th</sup> March 2019

### Agenda Item – Capital Programme Update

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**Summary:** To provide the Essex Business Board an update on the delivery of SELEP Capital Programme in Essex

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#### Introduction

To date, a total of £590.8m of Local Growth Funding has been secured by SELEP, of this £86.527m has been awarded to the Essex Federated Area.

#### LGF Project Status

There are 22 projects that have been or are supported by LGF in the federated area of Greater Essex. Appendix A includes a summary of all the projects, including current status, funding and key events for each project between now and the next EBB Board.

The RAG status reflects the current level of risk with each project. This means that:

- Green – project running to programme, and all identified risks have appropriate mitigation in place
- Amber – funding not fully secured, or there is a risk, delay or finding issue that has occurred but can be resolved
- Red – significant cost or delay issues have occurred that cannot be resolved within the project

Of the 21 projects, 18 are rated green, 1 amber and 2 red. The reasons for the amber and red ratings are summarised below.

Project (Lead Authority)	Status	Reason for Red or Amber Status	Mitigation
Beaulieu Park Station (ECC)	R	Currently a major funding shortfall. LGF funds have been successfully allocated in February Accountability Board but remains 'Red' as waiting on outcome of HIF bid.	- A HIF bid is being developed for submission on March 22 to bridge the funding gap.
A131 Braintree to Sudbury Route Based Strategy	R	Discussions ongoing as to the funding of the project. LGF is secured but ECC currently considering its capital allocations.	Meetings set with Braintree District Council to agree way forward.
Chelmsford Flood Alleviation Scheme (Environment Agency)	A	Project has been through various court hearings which have found in favour of the EA. Project can hopefully now be progressed depending on whether Land Owner wishes to appeal further. The EA have been slow to produce the required project information as costs have increased since the initial bid was made.	A business case has been produced and is currently being considered by ECC finance (for section 151 sign off) and by SELEP for quality control purposes.

## Spend and Risk Mitigation

LGF is drawn down with quarterly claims to SELEP. Quarter 1 of 2019/20 is currently going through the financial administration process. There are no variations to profile for the Board to consider at this meeting.

## GPF Project Update

Project and (Delivery Authority)	Description	Completion Year	Budget & LGF Spend	Status
Colchester Northern Gateway (CBC)	Relocation of the existing Colchester Rugby club site to land north of the A12 to unlock residential land for up to 560 homes including 260 extra care and up to 100 bed Nursing home providing in total around 35% affordable units, on site infrastructure improvements facilitating the development of the Sports and Leisure Hub.	2020-21	Budget: GPF: 2m  19/20: £1.350m 20/21: £0.650m  Total Project Cost: £24.1m	Site set up works are complete and main works for buildings and associated infrastructure start April. S278 works design is underway.  Due to delay in project, 1 <sup>st</sup> tranche of GPF expected to be drawn down in April 2019

## Future Business Case Submissions (LGF or GPF)

Only one project remains awaiting the endorsement of Accountability Board. The table below lists these projects and the Accountability Board meeting at which they will be presented:

Accountability Board Meeting	Business Cases to be submitted	Description and SELEP Ask
April 2019	Chelmsford Flood Alleviation	Approve business case for LGF Round 2 allocation of £800K – awaiting section 151 sign off.

Once the Accountability Board has signed off the business cases, the financial profile within the business case will become the baseline for financial reporting.

## Feedback from February Accountability Board

Accountability on February 15<sup>th</sup> approved:

- Beaulieu Park Station £12m LGF allocation with drawdown allowable post March 2021.
- Pause of A414 Harlow to Chelmsford project. Pause whilst ECC seeks alternative funding to take place of its own capital commitments.

Reduction in ECC contributions to A133 Route Based Strategy (RBS) project. Project will still deliver agreed outcomes.

**Appendix A: LGF Project Summary for Greater Essex**

Project and (Delivery Authority)	Description	Completion Year	Budget & LGF Spend	Status	Overall RAG	Comments	Key Events for next period	Target Outcomes (jobs/Homes)
Colchester Park & Ride (ECC)	- 1,000 space P&R facility adjacent to A12 J28, - dedicated bus priority lane to ensure bus services are reliable - signal upgrades to improve journey times - high quality infrastructure	2015 – 16	Budget: LGF: £5.8m ECC: £1.0m	Completed	Green	None.	N/A	Jobs: 546 Homes: 2341 Unlocks capacity in key growth areas.
Colchester Broadband (Colchester BC)	Business need for reliable, high speed and symmetric broadband connectivity not available from BT.	2015 – 16	Budget: LGF: £0.2m Total: £0.528m	Completed	Green	None	N/A	Jobs: 645 Businesses Supported: 192
A414 Maldon to Chelmsford Route Based Strategy	The package of works consists primarily of four junction improvement schemes, along with additional maintenance and safety enhancements.	2016 - 17	Budget: LGF: £2.0m ECC: £2.0m Total: £4m Spend: £3.6m	Completed	Green	None	N/A	Jobs: 497 Homes: 455 Reduced congestion and connectivity on the route. Safety and public transport upgrades.
Colchester Local Sustainable Transport Fund (ECC)	To significantly upgrade sustainable travel infrastructure and improve the connectivity of key attractors in the North Colchester growth area.	2016 -17	LGF & Total: £2.4m Spend: £2.4m	Completed	Green	None	N/A	Jobs: 602 Homes:655 Ensure cycle culture continues to influence travel behaviour for local trips.

Project and (Delivery Authority)	Description	Completion Year	Budget & LGF Spend	Status	Overall RAG	Comments	Key Events for next period	Target Outcomes (jobs/Homes)
Colchester Town Centre (ECC)	Deliver initiatives to encourage sustainable public transport, cycling and walking transport modes in Colchester. Particularly corridors west and east side of the town.	2018 -19	LGF & Total: £4.6m Spend: £4.6m	Completed	Green	Lexden Rd was the final package of work to complete.	N/A	Jobs: 537 Home: 1400
Colchester ITP Borough Wide (ECC)	This integrated package of schemes delivers a range of initiatives to improve access for all modes travelling in the corridor. Reduces general traffic in the town centre as an alternative.	2019 – 20	Budget: LGF: £5.0m ECC: £6.55 Sec 106: £0.45m  LGF Spend: 15/16: £1.527m 16/17: £0.673m 17/18: £1.4m 18/19: £1.4m	Final package – Ipswich Road is currently on site.	Green	Programme has shifted with the need to undertake an additional round of procurement.	Continuation of the Harwich/Ipswich Rd section of works and managing concerns over the disruption these works are causing.	Jobs: 602 Homes: 637
Harlow Projects - Pinch Pt & ETZ (ECC)	Reliable movement to / from and between the Enterprise Zones in Harlow is essential for the attraction of business investment and the creation of new high quality jobs and has been identified as a high priority for SELEP, and all associated authorities.	2018/19	Budget: LGF: £10,487 GPF: £3.5m ECC: £9.5m Sec 106: £2.6m  LGF Spend: 15/16: £5.870m 16/17: £2.130m 17/18: £2.000m	LGF works completed. Various additional projects continue that are complimentary to the PGF programme.	Green	LGF projects and spend completed.	N/A	Jobs: 2900 Homes: 1715  Significant improvements to the business base in West Essex.

Project and (Delivery Authority)	Description	Completion Year	Budget & LGF Spend	Status	Overall RAG	Comments	Key Events for next period	Target Outcomes (jobs/Homes)
Chelmsford ITP – Mill Yard (Chelmsford City Council)	Replacement of an existing tunnel with a bridge, to open up a walking and cycling route between the station and university quarter. The route will also improve the viability of commercial premises and provides a missing link in the cycleway network between the station and the north of the City.	2018/19	Budget: LGF: £3m  LGF Spend: 15/16: £0.409m 16/17: £0.605m 17/18: £1.986m	Complete	Green		Completion of the project.	Jobs: 413 Homes: 364  Improves viability of key commercial premises within new developments.
A131 Chelmsford to Braintree RBS (ECC)	The purpose of this bid is to deliver a package of schemes to provide highways capacity, passenger transport and safety improvements for the Chelmsford to Braintree corridor.	2019/20	Budget: LGF: £3.6m ECC: £3.6m  LGF Spend 17/18: £0.750m 18/19: £1.750m 19/20: £1.160m	One package in construction, all other packages at advanced stages of design.	Green	Project was advanced enough to take underspend from elsewhere in the overall SELEP programme in 17/18.	Continuing work on all packages of work.	Jobs: 1066 Homes: 1000
A133 Colchester to Clacton RBS (ECC)	Package of schemes to provide highways capacity, cycling and safety improvements for the Colchester to Clacton corridor.	2019/20	Budget: LGF: £2.740m ECC: £0.8m  LGF Spend: 18/19: £1.370m 19/20: £1.370m	In detailed design.	Green	Majority of packages in design phases.	Design development and move to procurement of initial packages for delivery.	Jobs: 1293 Homes: 1368

Project and (Delivery Authority)	Description	Completion Year	Budget & LGF Spend	Status	Overall RAG	Comments	Key Events for next period	Target Outcomes (jobs/Homes)
A414 Harlow to Chelmsford (ECC)	Package of schemes to provide highways capacity, passenger transport and safety improvements for the Chelmsford to Harlow corridor.	2019/20	Budget: LGF: £2.173m ECC: £2.173m  LGF Spend: 18/19: £1.200m 19/20: £0.973m	In detailed design.		Majority of packages in design phases.	Project paused. Decision taken at Feb Accountability Board.	
M11 J8 (ECC)	The project involves changes to M11 Junction 8 in order to improve traffic flow across the junction, improve access to Stansted Airport, the Services area and between the M11 and the A120.	2020/21	Budget: LGF: £2.7m ECC: £0.948m Other: £5.408m  LGF Spend: 18/19: £0.9m 19/20: £1.3m 20/21: £0.5m	Detailed design.	Green	Approved at the Accountability Board (Nov 17). Funding also confirmed from MAG and Cambridge Business Partnership.	STATS work being progressed. Look to release funding from Cambridge Business Partnership.	Jobs: 2550 Homes: 2500
Gilden Way (ECC)	Widening and improvements to 1.8 kms of the existing two-way, two lane, Gilden Road, Harlow to provide access for the new housing development at Harlowbury and to provide a link to the proposed new Junction 7a on the M11.	2020/21	Budget: LGF: £5.0m ECC: £6.33m Sec 106: £1m  LGF Spend: 17/18: £5.0m	Design.	Green	Project is being combined with work to create a new junction 7A. Gilden Way is an enabler for this wider piece of work. All LGF spend was accelerated and spent in 17/18 using underspend from elsewhere.	Continuation of design and early enabling works.	Job: 840 Homes: 980

Project and (Delivery Authority)	Description	Completion Year	Budget & LGF Spend	Status	Overall RAG	Comments	Key Events for next period	Target Outcomes (jobs/Homes)
Innovation Centre University of Essex Knowledge Gateway (University of Essex)	This development and the way in which it will be operated going forward is designed to have the potential to significantly increase the University's ability to realise its ambition of driving local and regional economic growth through becoming a globally recognised centre for data analytics.	2018/19	Budget: LGF: £2m ECC: £2m UoE: £6.5m  LGF Spend: 17/18: £1.0m 18/19: £1.0m	Construction	Green	Successful Round 3 bid.	The steel frame for the building is now fully constructed and progress continues well. Oxford Innovations will be the operator for the facility.	Jobs: 351 (in first 10 years)
Chelmsford Growth Strategy (ECC)	Schemes to provide additional transportation capacity through enhanced sustainable transport, highways capacity improvements and key safety and technology upgrades for Chelmsford.	2020/21	Budget: LGF: £10m ECC: £5m  LGF Spend: 17/18: £1.5m 18/19: £3m 19/20: £4m 20/21: £1.5m	All packages in various stages of design.	Green	All packages now agreed and progressing as a programme with works coming forward for construction as design and procurement activities conclude.	All projects to be progressed. Baddow bus gate is the most controversial element of the programme.	Jobs: 885 Homes: 780
A131 Braintree to Sudbury (ECC)	Schemes to provide highways capacity, passenger transport and safety improvements for the Braintree to Sudbury corridor	2020/21	Budget: LGF: £1.8m ECC: £1.8m  LGF Spend: 19/20: £0.9m 20/21: £0.9m	Detailed Design.	Red	Discussions between ECC and Braintree on its future.	Work with Highways England (HE) to devise a plan for Marks Farm which is a junction that sits on both ECC and HE network.	Jobs: 3852 Homes: 1005

Project and (Delivery Authority)	Description	Completion Year	Budget & LGF Spend	Status	Overall RAG	Comments	Key Events for next period	Target Outcomes (jobs/Homes)
Beaulieu Park Station (ECC)	Beaulieu Park Station is a proposed new railway station located on the Great Eastern Main Line (GEML) to the north east of Chelmsford. The station will serve the new development of Beaulieu Park and wider surrounding catchment. Necessary to support Chelmsford with the existing station in danger of being overcrowded at peak times.	2025.	Provision of £12m. To be confirmed	Completed GRIP Stage 2 (Options appraisal)	Red	Project being run by the Network Rail project framework (GRIP Stages). Currently a major funding shortfall. Now in GRIP Stage 3.	HIF bid submission on March 22 <sup>nd</sup> to address funding shortfall.	Jobs: 4100 Homes: 3600 Commercial Workspace: 40000m2
Chelmsford Flood Alleviation Scheme - Environment Agency (EA)	Flood defence project for Chelmsford. Being developed in nearby farmland.	To be confirmed. LGF allocation to be transferred in 2018/19.	Budget: LGF: £0.800m (Overall budget to be confirmed by Environment Agency).	To be confirmed.	Amber	Transfer of LGF money from ECC to the environment agency to enable flood defences to be built.	Business case approval with section 151 sign off and through SELEP ITE.	Jobs: 390 Homes: 780



Project and (Delivery Authority)	Description	Completion Year	Budget & LGF Spend	Status	Overall RAG	Comments	Key Events for next period	Target Outcomes (jobs/Homes)
STEM Innovation Campus (Colchester Institute)	<u>Braintree Campus:</u> provide facilities to specialise in STEM technical and professional programmes. <u>Colchester Campus:</u> Create a Vocational Centre of Excellence providing a shared service facility combining Health and Care teaching, responding to key public policy.	2019/20	Budget: LGF: £5.0m ECC: £2.5m  LGF Spend: 17/18: £0.100m 18/19: £1.9m 19/20: £3m	Detailed Design	Green	Project being delivered is now split across the Braintree and Colchester sites. Only one site in the original bid.	Sent to SELEP Accountability Board in December for approval.	4,800m" of new educational facilities. <u>STEM Innovation Campus Braintree:</u> Additional 325 learners (28%) enrolled during the 2020-21 academic year, 42% increase in apprenticeships by 2021; <u>The Centre for Health &amp; Employment Colchester:</u> Additional 140 apprentices enrolled by 2020-21.

Project and (Delivery Authority)	Description	Completion Year	Budget & LGF Spend	Status	Overall RAG	Comments	Key Events for next period	Target Outcomes (jobs/Homes)
Skills Centre at Harlow College (Harlow College)	Provide training opportunities to meet skills gaps, identified by the Essex Employment and Skills Board, in STEM, aircraft maintenance engineering; operational and plant engineering; logistics; supply chain management; asset management; business and finance; higher-level customer care service industries and the visitor economy.	2019/20	Budget: LGF: £3.5m ECC: £3.5m  LGF Spend: 18/19: £1.0m 19/20: £2.5m	Construction.	Green	Harlow College, with Anglia Ruskin University, has surveyed airport employers to establish demand and support. A curriculum model with businesses such as Ryanair, Stansted Engineering, and Harrods Aviation support pathways into engineering and airport based industries.	Completion of construction.	Construction jobs: 200 Learners 16 - 19: 300 Adult Learners: 15 Apprentices 16-18: 70 Apprentices 19+: 80 Traineeships: 65
Mercury Theatre (Mercury Theatre)	Redevelopment of the Mercury and the surrounding areas with upgraded public realm to build on the continued growth of the creative industries in the County and the growing visitor economy to Colchester.	2018/19	Budget: LGF: £1.0m	Design	Green	Approved by SELEP at November Accountability Board. Uses LGF made available from underspend on the A414 project.	ACE Stage 2 decision.	Audience Impact per annum: £1.066m  24 additional FTE.

Project and (Delivery Authority)	Description	Completion Year	Budget & LGF Spend	Status	Overall RAG	Comments	Key Events for next period	Target Outcomes (jobs/Homes)
Coastal Communities – ECC Element (Tendring)	The LFG will be used to support the delivery of Phase 1 of Jaywick's Regeneration Strategy. Transfer has taken place.	2020/21	Budget: LGF: £0.667m TDC: £3.623m  LGF Spend: 17/18: £0.667m	Construction	Green	SELEP wide project linked with similar works in Kent (Thanet) and East Sussex (Hastings). Approved Feb 2017.	N/A.	Homes: 38 affordable houses.