



Appendix A: LGF Projects spending beyond 30 September 2021 and a summary of high risk LGF projects

1. Purpose

- 1.1. This appendix provides details of the Southend Central Area Action Plan project which is seeking approval for Local Growth Fund (LGF) spend beyond the 30 September 2021 at this meeting of the Board, and details of the eight high-risk LGF projects.
- 1.2. The Board is asked to approve the spend of LGF beyond 30 September 2021 for the Southend Central Area Action Plan project (£7m LGF allocation) and an update on this project is set out in Section 2 of this appendix.
- 1.3. Eight LGF projects have been identified as being High Risk, with a risk score of 5 out of 5. These projects include:
 - 1.3.1. Queensway Gateway Road (£10.0m)
 - 1.3.2. Bexhill Enterprise Park North (£1.94m)
 - 1.3.3. A127 Fairglen Junction Improvements (£15m)
 - 1.3.4. A28 Chart Road (£2.756m)
 - 1.3.5. Maidstone Integrated Transport Package (£8.9m)
 - 1.3.6. A28 Sturry Link Road (£5.9m)
 - 1.3.7. London Gateway/Stanford-le-Hope, Thurrock (£7.5m)
 - 1.3.8. A13 Widening (£76.5m)
- 1.4. An update on all the above projects is provided in Section 3 of this report.

2. LGF spend beyond 30 September 2021

Project: Southend Central Area Action Plan	LGF award: £7m	Risk Rating:	3
Status: Construction in progress	Forecast LGF spend beyond 30 Sept 2021: £0.8902m Expected completion date: December 2021		
<u>Project description:</u> The Project is delivering a range of measures to support the continued growth and regeneration of the Southend Central Area. These measures include: <ul style="list-style-type: none">• junction improvements to better manage traffic into and out of the town centre.• improvements to streetscape, public realm and walking/cycling facilities on routes providing access to the High Street, main library, college, university and other key destinations in the town centre.• public realm and place-making measures in the heart of the town centre.			
<u>Project benefits:</u> The project will: <ul style="list-style-type: none">• improve walking and cycling journey quality as a result of reallocation of road space, renewed pavement, seating, directional signage and tree planting.• reduce severance for active modes of travel.• reduce private car use enabling the associated reductions in noise, collisions and congestion, as well as reducing greenhouse gas emissions.• improve personal security for pedestrians and cyclists (due to upgraded street lighting), enable a sense of place to be restored (townscape benefits, public art and street furniture) and reduce surface water discharge due to sustainable urban drainage system (SUDS) installation.• increase footfall and dwell times in the town centre and surrounding area creating more opportunities for businesses and a vibrant social environment for residents and tourists.• support the growth of housing, employment and local economy in the town centre.			
<u>Cause of project delay:</u> Delivery of the Project has been delayed as a result of COVID-19 and Brexit impacts on the supply chain. The Project has experienced lead-in times of up to 20 weeks when seeking to source materials and street furniture, which has impacted on the delivery programme. In addition, a major sink hole appeared in Victoria Circus (an area within the scope of the Project) which needed to be stabilised and filled before work on the Project could recommence. It is now expected that the Project will complete in December 2021.			

3. High- risk LGF projects

Project: Queensway Gateway Road	LGF award: £10m	Risk Rating:	5
Status: Project 90% complete. Final section of road connecting to the A21 outstanding	Expected completion date: TBC depending upon whether a compulsory purchase order is deemed necessary		
<u>Project description:</u> Queensway Gateway Road forms a key infrastructure investment in the Hastings – Bexhill Growth Corridor. It comprises a single carriageway road link between the A21 Sedlescombe Road North and Queensway. The road will connect with Queensway running south of its junction with the Ridge West, crossing the Hollington Stream valley on an embankment and then running south of Whitworth Road to join the A21 at a new junction north of the existing Sainsbury’s store. The road includes a roundabout junction with Whitworth Road facilitating access to employment sites to the north and south.			
<u>Project benefits:</u> The road serves a strategic purpose in linking Bexhill in the west and the A21 to the east of the Growth Corridor by relieving congestion and improving traffic flows onto the A21. Critically, Queensway Gateway Road connects Combe Valley Way (formerly known as the Bexhill Hastings Link Road) to the A21, redistributing traffic from Combe Valley Way and The Ridge heading towards the A21. By relieving congestion, the Queensway Gateway Road will improve strategic connectivity in the Growth Corridor, improving employment development potential in Queensway and employment and housing growth potential in North Bexhill. Importantly, the Queensway Gateway Road provides access to designated employment development sites within the Bexhill Hastings Growth Corridor which would otherwise not be brought forward. Specifically, the road opens up the development potential of key sites south of The Ridge, with capacity for up to 12,000 sqm of employment floorspace.			
<u>Risks:</u> Queensway Gateway Road is 90% complete and is now open for local businesses, however, it does not yet provide a through route as intended. The final section of the road, to connect the completed section with the A21 as per the design approved by Hastings Borough Council planning committee, requires the acquisition of land. Whilst the original plans to acquire the land are still being pursued, an alternative proposal is being developed which will allow a signalised connection with the A21 to be created allowing the new road to be used as a through route enabling the realisation of the forecast project benefits.			
<u>Mitigation/action required:</u> Delivery of the signalised connection is dependent upon securing a Traffic Regulation Order (TRO) to introduce parking restrictions on Whitworth Road, final technical approval from National Highways and East Sussex County Council and completion of a Section 278 agreement. Subject to these dependencies being met, it is anticipated that the signalised connection will be constructed by Summer 2022 at the earliest. As indicated delivery of the original junction proposals with the A21 are dependent upon completion of the required land acquisition. Under the preferred scenario, the required land will be secured through negotiation. If land cannot be secured through negotiation, and a Compulsory Purchase Order process is deemed necessary, completion of the project could be delayed by anywhere between 6 and 18 months to allow time for this process to be completed.			



Project: Bexhill Enterprise Park North	LGF award: £1.94m	Risk Rating:	5
Status: Work commenced onsite	Expected completion date: March 2022 (LGF funded enabling works only)		
<p><u>Project description:</u></p> <p>Bexhill Enterprise Park North is a key element in the package of developments that have been designed as a direct response to the socio-economic challenges facing the Bexhill area.</p> <p>The Project will deliver the site and servicing infrastructure required to access individual development plots within the business park from the North Bexhill Access Road. Delivery of this infrastructure will directly enable development on the site to proceed with the benefit of access and enable private sector investment.</p> <p>The delivery of the enabling infrastructure will unlock the site and will allow delivery of the first light industrial units which are essential to address the local jobs deficit in the area. In the first instance 8,000sqm of light industrial (B1) space will be brought forward, with the potential for 8,000sqm of manufacturing (B2) space to follow.</p>			
<p><u>Project benefits:</u></p> <p>The wider Bexhill Enterprise Park North site has the capacity to support 493 net FTE jobs when fully delivered. Modelling of the take-up and occupancy of new development at the site suggests that the delivery of the wider project has the potential to generate £341m of GVA towards the economy by 2038.</p>			
<p><u>Risks:</u></p> <p>East Sussex County Council reported that the required Third Party Grant Agreement between themselves and Sea Change Sussex, as delivery partner, had not yet been completed. The Grant Agreement was delayed due to ongoing discussions regarding the terms of the agreement. No funding can be released to support delivery of the Project without a Third Party Grant Agreement being in place.</p>			
<p><u>Mitigation/Action required:</u></p> <p>In September 2021, Accountability Board agreed that the Third Party Grant Agreement must be completed by 19 November 2021 or the project would be removed from the LGF programme and the funding reallocated to alternative projects on the prioritised project pipeline.</p> <p>Accountability Board were advised in November 2021 that the Third Party Grant Agreement had been completed at the end of October 2021 and that construction contractors had been appointed and had mobilised on 1 November 2021. It is expected that the LGF funded enabling works will be delivered by March 2022.</p> <p>Assuming the project progresses to programme, the level of risk attached to the project will be reduced in future updates.</p>			



Project: A127 Fairglen Junction Improvements (DfT retained scheme)	LGF award: £15m	Risk Rating:	5
Status: Awaiting decision from Department for Transport	Expected project completion: TBC		
<p><u>Project description:</u></p> <p>The project is designed to increase the capacity of the Fairglen Interchange, reduce travel times, address existing safety concerns and improve pedestrian and cycling connectivity. It involves:</p> <ul style="list-style-type: none">• widening the A127 Westbound diverge slip road onto Fairglen Roundabout.• constructing additional and longer slip lanes on the A127 Eastbound on slip.• providing a third lane southbound between Fairglen Roundabout and Raleigh Spur Roundabout.• improving the Rayleigh Spur Roundabout, including signal control.• removal of the existing bypass lane at Rayleigh Spur Roundabout.• constructing a new bridge for pedestrians and cyclists to the south of Fairglen Roundabout.• improving the geometric design of the Interchange generally, providing improved lines of sight and visibility for motorists.• updating signage and speed limits.			
<p><u>Project benefits:</u></p> <p>The project is expected to:</p> <ul style="list-style-type: none">• reduce congestion.• reduce travel times through the junction and improve journey time reliability.• improve safety at the junction.• reduce pollution.			
<p><u>Risk:</u></p> <p>The Business Case has been submitted to the Department for Transport for consideration, but the project has not yet been approved by the Secretary of State for Transport.</p> <p><u>Mitigation/action required:</u></p> <p>No mitigation available. No timetable has been provided by Government for the decision at this stage.</p>			



Project: A28 Chart Road	LGF award: £2.756m	Risk Rating:	5
Status: Project on hold	Expected project completion: TBC		
<u>Project description:</u> The project involves the dualling of the existing A28 Chart Road with two lanes being provided in each direction between the Matalan (Brookfield Road) and Tank (Templer Way) roundabouts, separated by a central island. A new bridge over the railway line is proposed to take the southbound carriageway with the existing bridge carrying the northbound carriageway. The existing carriageway between the Matalan and Tank roundabouts is currently single carriageway with limited capacity.			
<u>Project benefits:</u> The project is linked to the Chilmington Green development which will provide 5,750 new homes. The delivery of the project is required to unlock the site for full development.			
<u>Risk:</u> The project has been placed on hold, as the local funding contributions were not forthcoming within the timescales required to enable the project to proceed. The unspent portion of the £10.2m LGF award was reallocated but there remains a risk that the £2.756m LGF spent to date will become an abortive cost if the project is unable to proceed through delivery by the private sector.			
<u>Mitigation/action required:</u> The project will remain on hold whilst waiting for the Chilmington Green developer to reach their planning obligation to provide funding for the project, under the terms of the Section 106 agreement. This planning obligation will be reached once 400 homes have been occupied on the site. It is currently expected that this obligation will be reached in 2023 or 2024. In the meantime, the project will remain under review.			



Project: Maidstone Integrated Transport Package	LGF award: £8.9m	Risk Rating:	5
Status: Three separate phases at different stages of delivery	Expected project completion: Autumn 2024		
<u>Project description:</u> The project consists of a package of transport interventions aimed at reducing congestion and easing traffic movements at pinch point locations within Maidstone. The project consists of three phases: Phase 1 – A20 Ashford Road junction with Willington Street The works delivered through this phase of the Project will include an upgrade to the traffic lights at the junction to include a pedestrian crossing, the creation of a new lane for vehicles turning left into Ashford Road from Willington Street, the creation of a new lane for vehicles turning right into Willington Street from Ashford Road and a rebuild of the current ragstone boundary wall of Mote Park so it is 4 metres closer to the park. Phase 2 – Coldharbour Roundabout and A20 London Road, Aylesford The Coldharbour roundabout element of this phase will enlarge the roundabout to allow 3 lanes of traffic to circulate it. In addition, the existing traffic signals will be removed and replaced with give way markings. The proposed works are expected to improve capacity of the roundabout by 60% in the morning peak and 40% in the evening peak. The A20 London Road/Hall Road, Aylesford scheme will remove the current signalised crossroads junction and replace it with a non-signalised roundabout. The works will also include bus stop improvements, cycle and pedestrian facilities and sustainable drainage. The new roundabout has been designed to accommodate the potential increase in traffic over the next 30 years, including local residential development and will deliver journey time improvements and improved junction safety. Phase 3 – A229 Loose Road corridor, Maidstone The A229 Loose Road corridor is made up of 4 junction improvements on the strategic route leading in and out of Maidstone Town Centre. The route suffers from existing congestion and poor journey time reliability.			
<u>Project benefits:</u> These improvements are expected to deliver the following benefits: <ul style="list-style-type: none">• journey time savings.• improved journey time reliability.• reduced rat-running on unsuitable routes.• enabling planned housing and employment growth. It is expected that these improvements will deliver journey time improvements, air quality improvements, improved safety and a reduction in accidents and will support the delivery of 3,900 houses which are to be built in the area adjacent to the junctions.			
<u>Risk:</u> The three phases of the project are all at different stages of development. Consent to relocate the ragstone boundary wall of Mote Park, required to enable delivery of Phase 1, has not yet been granted. An indicative programme has been provided but this remains subject to change as road space has not yet			



been booked.

Mitigation/action required:

Consent to relocate the ragstone wall is expected to be in place by February 2022.

Accountability Board will continue to receive regular updates on project delivery, including an updated delivery programme once it has been possible to book the required road space.



Project: A28 Sturry Link Road	LGF award: £5.9m	Risk Rating:	5
Status: Planning permission granted. Land acquisition in progress	Expected project completion: Summer 2025		
<u>Project description:</u> The Project involves the delivery of a new link road between the A291 and A28, to the south west of Sturry, Canterbury. The LGF is due to contribute to the cost of constructing a bridge over the railway line and the Great Stour river, to enable traffic to avoid the Sturry level crossing and the congested road network in the area.			
<u>Project benefits:</u> The overall objective of the project is to tackle the existing congestion problem which currently exists at the Sturry level crossing and at the A28/A291 junction. Queuing traffic affects adjacent junctions and can extend 1km in peak periods. The A28 road currently carries 20,000 vehicles per day, but with 6 trains passing per hour, the level crossing is closed for up to 20 minutes/hour during peak times, causing severe congestion to trips along the A28. This level of congestion is a major constraint on development to the north east of Canterbury. Through tackling this congestion pinch point and increasing the capacity of this part of the network, the Project is expected to unlock new development sites to the North East of Canterbury, delivering 4,220 new homes and 1,700 jobs.			
<u>Risk:</u> Required land acquisition needs to be completed before project construction can commence. There are five landowners affected by the project and, whilst it is hoped that much of the land needed can be acquired through negotiation, there remains a risk that a Compulsory Purchase Order (CPO) may be needed to secure acquisition of the remaining land. A CPO will therefore be progressed alongside the negotiations to reduce the risk of this leading to further delays in project completion.			
<u>Mitigation/action required:</u> Efforts are continuing to secure the required land by negotiation, and it is expected that these negotiations will conclude by May 2022. If a CPO is required, it is anticipated that the acquisition of the land will be completed by August 2023.			



Project: London Gateway/Stanford le Hope	LGF award: £7.5m	Risk Rating:	5
Status: Phase 1 – procurement. Phase 2 – concept design	Expected project completion: Summer 2024		
<u>Project description:</u> The project aims to ensure that high quality accessibility is provided by sustainable travel modes via improved bus facilities in Stanford le Hope and high-quality rail/bus integration to attract potential employees to DP World and Thames Enterprise Business Park and other commuters through: <ul style="list-style-type: none">• a new station building with passenger toilets, widened platform, level access to building and station platforms, real time customer information systems (Phase 1).• creating a mobility hub – a new multi-modal interchange and station buildings with car drop off positions, taxi rank, cycle parking and bus shelter (Phase 2).			
<u>Project benefits:</u> The Project is expected to support the creation of 756 new jobs (net) at DP World London Gateway and Thames Enterprise Business Park over a 15-year period, through providing the infrastructure to support modal shift to sustainable modes of travel.			
<u>Risk:</u> The project costs have increased significantly compared to those set out within the original Business Case, with procurement of a contractor to deliver the Phase 1 works currently underway. Proposals for Phase 2 of the project are at an early stage of development meaning that there is uncertainty regarding the affordability and deliverability of the works. In addition, planning consent has not yet been granted and public consultation is yet to be conducted. Full realisation of the expected project benefits is dependent upon the successful delivery of Phase 2 of the project and therefore at this stage there is a risk that the project will not realise the anticipated benefits.			
<u>Mitigation/action required:</u> Work to develop concept designs for Phase 2 of the project is ongoing and a further update on the project will be provided to the Accountability Board in February 2022. A revised value for money assessment will be required to demonstrate that the project continues to offer High value for money. This assessment will be brought forward once the procurement has been completed for Phase 1 and more detailed proposals developed for Phase 2. This will ensure that a more accurate indication will be available of total project costs and the benefits that are expected to be realised as a result of Phase 2 of the project. This value for money assessment must be accompanied by a revised Business Case which as a minimum addresses the increased costs, any amendments to the scope of Phase 2 of the Project compared to the original Business Case and should revisit the benefits to realised as a result of the project and provide an updated profile for the realisation of these benefits.			



Project: A13 Widening	LGF award: £76.5m	Risk Rating:	5
Status: Construction in progress	Expected project completion: March 2022		
<u>Project description:</u> The Project involves widening the A13 Stanford le Hope Bypass from 2 to 3 lanes in both directions, from the junction with the A128 (Orsett Cock roundabout) in the west to the A1014 (the Manorway) in the east. Once the Project is completed, there will be a continuous three-lane carriageway from the M25 to Stanford le Hope.			
<u>Project benefits:</u> The project will reduce congestion thereby delivering environmental benefits in terms of reduced noise and air pollution and improved journey times. It will also provide a significant contribution in supporting much needed economic recovery and growth not only on a regional and national platform but given the proximity to significant ports, logistics and industry, also on an international basis.			
<u>Risk:</u> The project programme and costs have differed from those set out within the original project Business Case, with the cost of delivering the project rising significantly. According to the Business Case it was expected that the project would be delivered by September 2019. It is now expected that the project will complete by the end of March 2022. Due to the nature of the contract with the construction contractor there remains a risk to the total project cost due to the potential for compensation events to be submitted by the contractor.			
<u>Mitigation/action required:</u> Work is ongoing to conclude as many of the outstanding compensation events as possible, which will help to provide more certainty on the total project cost. Commercial discussions will remain ongoing with the contractor throughout the remainder of the delivery programme to manage project costs.			