

		AGENDA ITEM 7
		PSEG/26/14
Committee:	Place Services and Economic Growth Scrutiny Committee	
Date:	24 July 2014	
ESSEX COUNTY COUNCIL'S LOCAL TRANSPORT PLAN (2011 – 2025); STRATEGY AND PRIORITY PROJECTS FOR STIMULATING ECONOMIC GROWTH		
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At its last meeting the Committee agreed its work programme for the coming year, which includes a proposal for a briefing on the topic of the Local Transport Plan and stimulation of economic growth. A scoping document to underpin the planning of the briefing was attached to report PSEG/19/14.

The terms of reference for the briefing were identified as:

‘To receive a briefing to investigate the links between employment and growth and the highways infrastructure, which will contribute to identifying a scrutiny role in the future development of any proposed activity.’

The document also sets out the key lines of enquiry for the Committee as:

- What are the various strategies and plans relating to the county's infrastructure that have been adopted to stimulate economic growth, and what is their significance?
- Who are the Council's partners in the delivery of the strategies?
- What do we mean by economic growth?
- How does transport drive/inhibit economic growth?
- The assessment of economic impact.
- The affect a focus on economic growth has on the type and location of programmed schemes.

At this meeting the Committee will receive a presentation on the topic and will have the opportunity to seek clarification around the relationship between economic growth and infrastructure.

A briefing paper that provides some background on the topic is attached to this report.

Action required by the Committee:

The Committee will receive a briefing on the topic as set out above. The inclusion of any in depth scrutiny that is linked to the topic will be investigated as part of the topic selection process that will be undertaken when the Committee's work programme is reviewed.

Essex County Council's Local Transport Plan (2011 – 2025); Strategy and Priority Projects for Stimulating Economic Growth

Briefing Paper prepared by Alastair Southgate, Transportation Strategy Manager, Place Commissioning (Transport and Infrastructure); and Chris Stevenson, Head of Commissioning: Integrated Transport, for the Place Services and Economic Growth Scrutiny Committee meeting on 24 July 2014

1 INTRODUCTION

In February 2014, Essex County Council (ECC) adopted seven new Corporate Outcomes that would guide its activity to 2018. Economic growth is important and ECC and our partners have key roles to play in its creation. The importance of economic growth is reflected in the adoption of a specific economic outcome; **“Sustainable Economic Growth for Essex Communities and Businesses”**.

Essex County Council has a strategic role to play in ensuring the economic prosperity of the county. This encompasses a breadth of activities to enable the infrastructure, skills and technology improvements that our businesses need to grow, promote jobs and housing growth and to support people into employment.

Since the adoption of the current Local transport Plan in 2011, the Council has adopted a number of strategies to promote economic growth in the wider context; the Integrated County Strategy, the Economic Growth Strategy and more recently the Essex Plan for Growth and the South East Local Enterprise Partnership's Strategic Economic Plan. These cross cutting plans and strategies will support and stimulate the delivery of economic development across the county and all acknowledge the key role played by investment in transport infrastructure in supporting and stimulating the economy.

Given the significance of the topic it is important to raise awareness and understanding of the issues, and encourage support across the whole community at the same time as managing those expectations.

Members have shown an interest in undertaking a scrutiny review that links economic growth and transport infrastructure issues given the need to provide good infrastructure and transport networks to support access to businesses and jobs.

2 LOCAL TRANSPORT PLAN 2011

The County Council's statutory umbrella transportation strategy is contained in its third Local Transport Plan (LTP3) that was adopted formally in July 2011.

The LTP is our long-term approach for transport in Essex. It sets out our aspirations for improving travel in the county, demonstrating the importance of meeting these aspirations to achieving sustainable long-term economic growth in Essex and enriching the lives of our residents.

Our Vision is for a transport system that supports sustainable economic growth and helps deliver the best quality of life for the residents of Essex.

Achieving this will require us to make best use of the transport infrastructure we have, to invest wisely to deliver the greatest benefits to Essex residents and the local economy and to encourage and enable changes in travel behaviour.

The Local Transport Plan provides a framework for the effective and efficient delivery of all transport services provided by or on behalf of the Council. It informs and guides our work with other organisations and local communities across Essex, ensuring that transport services are delivered in ways which effectively respond to local needs and offer good value for money to local taxpayers.

Our approach to addressing these challenges and delivering the strategy outcomes is guided by 15 County Council transport policies.

Our policies set out how we will fulfil our responsibilities for managing and improving transport in Essex; ensuring that in so doing we support the long-term well-being of Essex residents and the integrity of our local environment. It is the intention that the policies are treated as a coherent whole that will be applied together to address a range of issues. These policies also provide clear guidance on how the County Council will work with local partners to deliver transport investments needed to support housing and employment growth in the county.

<http://www.essexhighways.org/transport-and-roads/highway-schemes-and-developments/local-transport-plan.aspx>

3 SELEP SEP

Since the adoption of LTP3 Government has announced that future funding for transport infrastructure improvements will be routed via Local Enterprise Partnerships.

Essex is a partner within the South East Local Enterprise Partnership (SELEP) alongside other public and private sector organisations within Essex, Southend, Thurrock, Kent, Medway and East Sussex.

<http://www.southeastlep.com/about-us/what-is-the-south-east-local-enterprise-partnership>

In response to the Heseltine Review the Government tasked each Local Enterprise Partnership to develop a new multi-year local growth strategy called a Strategic Economic Plans (SEP).

Substantial devolved funding has been pledged by Government through the establishment of a Local Growth Fund (LGF) amounting to up to £2bn per annum across England from 2015/16 to 2020/21. Approximately 75% of funding made available by Government to support the delivery of SEPs is either new or reallocated transport funding. The allocation of funds to LEPs will be based upon the strength and ambition of their Strategic Economic Plans.

The SELEP SEP identifies five key growth corridors across Essex:

- A120 Haven Gateway,
- A12 and Great Eastern Mainline,
- M11 West Anglia Mainline: London-Harlow-Stansted-Cambridge,
- A127 London-Basildon-Southend,
- A13 London-Thurrock-Canvey Island.

These corridors connect our key growth locations to each other and the wider UK and World economies. The SEP includes programmes of transport infrastructure improvements focussed on key growth locations along these corridors for which SELEP is seeking funding.

<http://www.southeastlep.com/about-us/activities/262-developing-a-growth-strategy-and-prioritising-investment-in-the-south-east>

The following methodology was applied to develop the Essex transport programme within the SELEP SEP.

4 ECONOMIC PLAN FOR ESSEX

The Economic Plan for Essex articulates Essex partners' collective long-term plan for unlocking economic growth. The Plan aims to;

- improve skills across the Essex workforce by closing the gap between the needs of employers and the choices learners make.;
- focuses a £1bn pipeline of infrastructure investment on our four strategic growth corridors (the A120, A12, M11 and A13/A127). This pipeline of enabling investments will deliver the transport, property and skills infrastructure that will secure growth in jobs and homes to 2021 and beyond; and

- enhance productivity within the Essex economy, focusing support for business on five growth sectors.

A key component of the EPfE is the identification and delivery of transport infrastructure improvements that support economic growth.

The draft EPfE was discussed by Cabinet on 22nd April.

<http://cmis.essexcc.gov.uk/essexcmis5/CalendarofMeetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/2883/Committee/36/SelectedTab/Documents/Default.aspx>

5 TRANSPORT STRATEGY

The Local Transport Plan Strategy to Support Economic Growth has been developed to strengthen and emphasise those parts of the LTP3 which support the ECC outcome of sustainable economic growth for Essex's communities and businesses, the delivery of the new Economic Plan for Essex (EPfE) and the delivery of the priorities identified by SELEP within its SEP.

There is clear evidence that a comprehensive and efficient transport system is an important enabler of sustained economic prosperity. Transport achieves this by:

- enabling businesses to reduce their costs by moving their people and goods more quickly, easily and reliably.
- providing access to markets and suppliers
- getting people to work, creating more job opportunities and a wider and more flexible labour market;
- supporting the productivity and success of urban areas and their catchments allowing businesses within the area to reap the benefits of agglomeration;
- supporting exports by improving national and international links and attracting inward investment, by making the UK an attractive place to live and do business;
- supporting the transport sector and related industries that makes a significant contribution to employment and growth in their own right.

Delays and unreliability on the network have direct costs to people and businesses, affecting productivity and innovation. The key economic challenge is therefore to improve the performance of our transport networks.

The physical nature of transport infrastructure presents challenges in terms of both optimising the use of current infrastructure and strategically planning new provision.

Essex is applying an incremental approach to ensuring that our infrastructure networks are fit for purpose and support economic growth. This entails:

- prioritising the maintenance and smarter use of our existing infrastructure networks;
- making targeted investments to address local network stress points and local network development; and
- promoting larger scale projects where these are required to most effectively underpin economic growth.

Within the county much of the travel vital to the economy takes place or is influenced by transport assets of a national nature. These not only attract large numbers of journeys but also act as economic drivers in their own right. These include the following:

- Stansted Airport and Southend Airport
- Ports at Harwich, Tilbury and London Gateway
- Nationally important trunk road networks in the form of the M25, M11, A12, A120 and A13
- Nationally important rail networks including Great Eastern Main Line; West Anglia Main Line; Essex Thameside and the London Underground Central Line.

Investment in these National transport assets has a huge significance on the future movement of goods and people throughout Essex and a major impact on our growth locations.

Alongside the National transport networks are some 5000 miles of roads for which Essex County Council is the Highways Authority. These support the diverse and growing number of journeys needed to maintain vital connectivity and afford accessibility to employment opportunities and a range of other essential services. Essex is also the local Transport Authority responsible for planning the provision of transport by a range of modes.

Essex comprises of 12 District planning authorities each with responsibility for producing Local Plans. In order to plan holistically across an area as diverse as Essex, the four sub-areas identified in the Local Transport Plan have been retained. These sub areas or planning quadrants comprise:

- Haven Gateway comprising the District and Borough areas of Braintree, Colchester and Tendring
- Heart of Essex comprising the Borough, City and District areas of Brentwood, Chelmsford and Maldon
- Harlow Stansted Gateway comprising the District areas of Epping Forest, Harlow and Uttlesford

- Thames Gateway comprising the District areas of Basildon, Castle Point and Rochford closely allied to these District groupings are the Unitary Council areas of Southend on Sea and Thurrock

These four areas influence strongly the patterns of transport usage and future focus of population growth, housing provision and job creation, and need to be supported with appropriate infrastructure that will give firms the confidence to invest.

A copy of the Local Transport Plan Strategy to Support Economic Growth is available via:

<http://cmis.essexcc.gov.uk/essexcmis5/CalendarofMeetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/2881/Committee/36/Default.aspx>

5.1 Transport Programme Development

The County Council has worked with partners across the four areas to identify investment requirements that support economic growth covering both strategic interventions that unlock economic potential along our growth corridors and more local Interventions to foster growth at specific locations

A long list of potential transport projects was identified based upon projects contained within Local Development Frameworks and Local Plans and work used to identify priorities for inclusion in a suite of existing strategies and plans developed to drive economic growth across Essex including the Economic Growth Strategy (EGS) and the Integrated County Strategy. Public and private sector partners were also consulted and invited to identify investment priorities.

The long list was assessed using a ranking matrix that examined the contribution each project makes to the following criteria;

- Strategic Fit
- Economic Impact
- Value for Money
- Deliverability

The assessment criteria have been selected so that they reflect outcomes being sought by SELEP, ECC and other partners, DfT criteria contained within EAST (Early Assessment Sifting Tool) and an assessment of value for money and deliverability. Each of these four criteria is equally weighted and accounts for 25% of the maximum score available.

The process was applied to all potential projects including strategic projects on the trunk road and rail networks. Generally speaking projects have been classified as follows:

- Named National Network measures on trunk road and rail networks or at Ports or Airports
- Pinch Point Schemes or packages representing concentrated expenditure at a single location or specific locations on a route corridor
- Local Route Based Strategies representing a mixture of small improvements and asset renewal along a named highway in the PR1 network
- Integrated Urban Packages: often representing a range of traffic and public transport interventions in and around town centres
- Local Sustainable Transport measures: a package of interventions to improve walking, cycling or passenger transport usage

6 TRANSPORT FUNDING

When LTP3 was adopted formally in 2011 funding sources from government were limited to the un-ringfenced block funding grants made to Transport Authorities for Major Maintenance and Integrated Transport augmented by the small amount of unallocated major project funding still available from the Department of Transport

Since 2011 ECC programmes of work have utilised a mixture of funding from block allocations by government, augmented by government challenge funding, loan guarantee schemes, section 106 funding and County and District direct funding.

Following the advent of Local Enterprise Partnerships and their Strategic Economic Plans, substantial devolved funding has been pledged by Government through the establishment of a Local Growth Fund (LGF) amounting to up to £2bn per annum across England from 2015/16 to 2020/21. Approximately 75% of funding made available by Government to support the delivery of SEPs is either new or reallocated transport funding. The allocation of funds to LEPs will be based upon the strength and ambition of their Strategic Economic Plans and funding for transport infrastructure will be more focussed on a range of projects and programmes which can deliver economic growth.

Allied to this is the more joined up towards transport provision which obliges National Agency providers and the private sector to join together with local authorities to jointly plan and invest in transport provision with the overriding intention to do so in a way that directly supports the economy in the form of stimulating growth in the form of housing and jobs.

7 POTENTIAL AREAS FOR DISCUSSION.

- What do we mean by economic growth?
- How does transport drive/inhibit economic growth?

- The assessment of economic impact.
 - The affect a focus on economic growth has on the type and location of programmed schemes.
 - Working with partners including Essex districts, the Highways Agency, Network Rail and the private sector to deliver growth.
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