

Report to Accountability Board	Forward Plan reference number: FP/AB/041, FP/AB/042, FP/AB/043, FP/AB/040
Date of Accountability Board Meeting:	10th June 2016
Date of report:	27th May 2016
Title of report:	Business Case Approvals
Report by:	Adam Bryan
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1. Purpose of report

- 1.1 The purpose of this paper is to make the Board aware of the value for money assessment of business cases for schemes having been through the Independent Technical Evaluator (ITE) process to enable funding to be devolved to scheme sponsors (county and unitary councils) as part of our capital programme management.

2. Recommendations

- 2.1 The Board is asked to **approve** the business cases for the following schemes which have been assessed as presenting high value for money and demonstrate medium to high certainty of achieving this:
- Purfleet Centre (£5.0m)
 - Rochester Airport (£4.4m)
 - A127 Kent Elms Corner Junction (£4.3m plus £0.8m vired from A127 Essential Highways Maintenance)
 - Southend Central Area Transport Scheme (S-CATS) (£1.0m)
- 2.2 The Board is asked to **note** that the following schemes are due to be considered at the next Accountability Board on 24th June 2016:
- Sturry Link Road (£5.9m)
 - Tunbridge Wells Junction Improvement Package (previously A264 / Hall's Hole Road / Blackhurst Lane Junction Improvement) (£1.2m)
 - Westenhanger Lorry Park to Ashford Spurs reallocation (£3.0m)
- 2.3 The Board is asked to **approve** a minor change to the project approvals made at the April Accountability Board.

£4.2m was approved for West Kent LSTF when the correct figure should be £4.1m (in addition to the £0.8m approved for 15/16 – a £4.9m programme overall).

Conversely, £0.7m was approved for Kent Strategic Congestion Management, where £0.8m is documented through the ITE material. In seeking approvals for a £100k decrease to the West Kent LSTF profile and a corresponding £100k increase for Kent Strategic Management, it is evident that the changes have nil overall impact on the Kent programme, and therefore also the overall SELEP capital programme. This amendment is therefore recommended for approval.

3. Background

3.1 This report brings forward, for release of funding, projects that have successfully completed the Independent Technical Evaluation process, a condition of our Assurance Framework agreed with Government. The projects are, according to the scheme promoters:

- **Purfleet Centre**

The Purfleet Centre project seeks to secure the comprehensive redevelopment of a 140 acre site to provide a new town centre for Purfleet featuring : c.2,500 new homes a 600,000 sq ft film and television studio complex, and supporting infrastructure including a new primary school, health centre, supermarket and community spaces within a high quality public realm. In total it is anticipated that the development will create around 2,700 new jobs (direct and indirect, but excluding construction jobs).

- **Rochester Airport**

“This project provides airport improvement works, which will release land in Medway Council’s ownership for development. Additional funding will provide enabling infrastructure for Phases 2 and 3, which represents the principal land development opportunity allowing for significant employment creation. This will lead to large productivity gains in Medway, supported through concerted inward investment activity to promote Rochester Airport Technology Park as a prime business location.

- **A127 Kent Elms Corner Junction**

The A127/A1015 Kent Elms Junction currently carries 44,000 vehicles (between 7am - 7pm), serves London Southend Airport, Airport Business Parks, a proposed development site adjacent to the Airport and the Town Centre and eastern Southend. The improvements will provide greater capacity through the junction as well as providing improved cycling and walking facilities.

It should be noted that this scheme is funded under a separate Local Growth Fund (LGF) grant agreement from the Department for Transport (DfT) rather than from the wider LGF grant which is allocated by the Department for Communities and Local Government (DCLG).

The business case for this project requires an additional £0.8m of funding than had originally been allocated by the DfT; it is proposed to vire this funding from the A127 Essential Highway Maintenance Scheme (also funded by the DfT grant

agreement). Whilst this virement is within the tolerance level set out in the Assurance Framework for local partner decision making, the Secretariat and the Accountable Body will need to confirm approval for this change from the DfT.

- **Southend Central Area Transport Scheme (S-CATS)**

The package of transport measures includes junction improvements to support the wider objective of delivering an improved and appealing gateway to the centre of Southend-on-Sea for residents and tourists, and to unlock a housing site at the South East Essex College Site, and for the expansion of the library car park.

4. Financial Implications

- 4.1 Approval can be provided to the four schemes in principle as they meet the requirements of the agreed SELEP Assurance Framework.

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 In support of this paper is the Report of the Independent Technical Evaluator.

9. List of Background Papers

- Purfleet Centre Business Case
- Rochester Airport Business Case
- A127 Kent Elms Corner Junction Business Case
- Southend Central Area Transport Scheme (S-CATS) Business Case

(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	
Lorna Norris	02/06/16

On behalf of Margaret Lee	
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