

**Forward Plan reference number:** FP/286/11/23

<b>Report title:</b> Delivery Agreement and Preferred Option for the Colchester Levelling Up Funded scheme: St Botolph's Circus regeneration	
<b>Report to:</b> Councillor Lee Scott, Cabinet Member for Planning a Growing Economy	
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<b>Date:</b> 5 February 2024	<b>For:</b> Decision
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<b>County Divisions affected:</b> Abbey	

## 1. Everyone's Essex

- 1.1 Everyone's Essex, our organisational strategy, sets out four strategic aims and 20 commitments. Within the commitments there are strategic aims for a strong inclusive and sustainable economy, for Essex to be a good place for children and families to grow, a high-quality environment, and for health, wellbeing and independence for all ages. Everyone's Essex also makes a commitment to supporting people to switch to more sustainable travel options so that we can reach our targets for achieving net zero carbon emissions.
- 1.2 Aligned with delivering these benefits to residents, the recommendations in this report will enable ECC to use Levelling Up Funding (LUF) that Colchester City Council (CCC) and ECC were jointly successful in applying for to commence works on St Botolph's Circus, a strategically significant project. St Botolph's Circus is a key gateway into Colchester's historic centre and the improvements proposed will make the area safer, more accessible and will utilise the current footprint of the roundabout more sustainably with potential for new public realm, making the area more attractive and welcoming. It is also a key first step in improving future transport provision as set out in the newly drafted Colchester City Centre Masterplan. The funding is held with CCC as the Accountable Body for the LUF and approval of the delivery agreement referred to in this report will enable ECC to draw down this funding for the delivery of the St Botolph's Circus project.
- 1.3 The project aims to make walking and cycling in this key locality safer and more accessible to those travelling from the east and south of the city, ensuring that residents and visitors have more travel choices.

## **2 Recommendations**

- 2.1 Agree to enter into the agreement at Appendix A with Colchester City Council, which relates to the delivery of the St Botolph's Circus element of the Colchester LUF programme.
- 2.2 Agree that the Executive Director of Climate, Environment and Customer in consultation with the Cabinet Member for Planning a Growing Economy is authorised to agree any changes of scope to the project within the existing financial envelope as detailed in this paper.
- 2.3 Note the outcome of the public consultation on the A134 St Botolph's Circus scheme and agree to adopt the elliptical roundabout option, as set out in Appendix C, as the preferred option supported by the technical work and consultation response.
- 2.4 Agree to progress the elliptical roundabout proposal through design, planning (permitted development approval) and preparing works information for tender.

## **3 Background and Proposal**

- 3.1 The LUF was initially announced at the 2020 Spending Review and details of the first round were provided in the UK Budget in March 2021. The £4.8bn fund is targeted at capital investment in local infrastructure, particularly focusing on local transport projects that make a genuine difference to local areas; town centre and high street regeneration; and support for maintaining and expanding cultural and heritage assets. It is jointly managed by His Majesty's Treasury (HMT), Department for Levelling Up, Housing and Communities (DLUHC) and Department for Transport (DfT).
- 3.2 The LUF constitutes part of the wider Levelling Up agenda, set out in the UK Government's Levelling Up White Paper. The White Paper contains a package of complimentary UK-wide interventions, including the UK Shared Prosperity Fund (UKSPF) and Town's Fund programme, both of which Colchester has benefitted from in recent years.
- 3.3 Round 2 of the LUF was announced as part of the 2022 Spring Statement and Colchester developed a bid alongside ECC, which was submitted in August 2022. The bid originally consisted of three primary elements focusing on the regeneration of the south-east gateway to the City Centre, and these included:
  - housing and public realm, which CCC will be leading on at the Britannia Yard and Vineyard Street<sup>1</sup> sites;

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<sup>1</sup> It should be noted that since the bid was submitted, the Colchester-led elements are to be varied from the original brief as the mixed-use scheme at Vineyard is now unlikely to come forward at this stage. Consequently, as the public realm (which LUF was paying for) was integral with the housing, this means that CCC are seeking to remove this element of the LUF programme and redeploy the funding to the Kerbleless Streets scheme. This is subject to formal approval from DLUHC, which is currently in train. However, the LUF will still enable archaeological investigation of the Vineyard site pending a future potential mixed-use scheme.

- workspaces and shopfronts also being led by CCC in partnership with the Colchester BID, which included a shopfront improvement grant and better accessibility up to Queen Street from Colchester Town Station; and
- walking and cycling infrastructure and routes, which included elements of a Kerbless Streets project and cycle hub led by CCC, but much of the funding will be to deliver the regeneration of St Botolph's Circus.

3.4 The ECC-led St Botolph's Circus project will aim to make better use of highway land through reconfiguration, which will notably improve the walking and cycling links to the city centre as well as key heritage assets and the creation of public realm that will make the space more inviting and safer for residents and visitors whilst improving the connection to the city centre train station (Colchester Town), bus station, future Rapid Transit System (RTS) and wider cycling network for improved onward travel by sustainable modes. The project (based on the elliptical design) is currently estimated to cost £11.8m and this includes an appropriate standard level of contingency at this stage of the design to account for risks, including inflation. Should further inflationary pressures arise then value engineering and scope management techniques can be used to address cost overruns, whilst recognising that core objectives of the scheme need to be retained.

### **Background to the Proposed Scheme**

3.5 The St Botolph's Circus scheme included in the original bid was the result of several years of discussion and development between the county and borough councils regarding junction improvement options for the existing roundabout, which is a central location in Colchester, near Colchester Town station and the bus station area. It forms a gateway for people to access the city centre from the south. It is currently a roundabout with underpasses. It is not considered to be an attractive area and the facilities for pedestrians and cyclists are not considered to be good.

3.6 We have had repeated consultation on proposed designs for this area. There is a strong desire from some residents to have more public space and better walking and cycling facilities but in a way that maintains traffic flows for vehicles.

3.7 The objectives of the scheme are:

- Create a Key 'Gateway' Access Point
- Improve Air Quality at the junction
- Provide Safer, Greener Healthier infrastructure (replacing 'Improve Traffic Flow')
- Support Regeneration and Economic Growth
- Create a place to help stimulate economic growth, reflect the heritage of the area, and design out the fear of crime.
- Reduce Anti-Social Behaviour

3.8 Round 2 of the LUF provided an opportunity to apply for funding that would enable the delivery of this proposed vision and a business case for a staggered

crossroads layout incorporating the proposed plaza was prepared for inclusion in the bid.

- 3.9 As part of the bid, it was proposed that the ECC match funding contribution towards this scheme would use £2,513,969 in existing Section 106 funds secured by ECC and CCC from the Garrison development. The allocation of S106 funds to the project and approval to submit the LUF bid and delegate authority to the relevant Cabinet Member to agree the terms of a delivery agreement with LUF grant recipients and progress the scheme, was approved in a decision taken by the Leader on 22 June 2022 (FP-470-07-22). The Leader agreed:

*'Agree that with respect to any successful bids, the Cabinet Member for Economic Renewal, Infrastructure and Planning<sup>2</sup> is authorised to agree the terms of agreement with the relevant local authority for the transfer of funding to enable the delivery of projects that are being delivered by ECC.*

*Agree that any decision relating to any necessary public consultation or statutory process or procurement of the delivery of any scheme will be taken by the Cabinet Member for Economic Renewal, Infrastructure and Planning<sup>3</sup> or the Cabinet Member for Highways Maintenance and Sustainable Transport, as appropriate.'*

### **The 2023 Consultation on a proposed crossroads**

- 3.10 Following the announcement in January 2023 that the LUF bid had been successful, ECC further developed the crossroads concept into a design suitable for public consultation in June 2023. This design allowed for current road space to be repurposed, with the development of public realm space, whilst also tackling issues at the junction and improving accessibility and connectivity without impacting significantly on traffic. The approach also aligned with the Colchester Future Transport Strategy, supporting and encouraging alternative modes of transport in the city centre area. A copy of the public consultation brochure with the details of the crossroad design consulted on is included at Appendix D.
- 3.11 The St Botolph's Circus crossroads proposal went out to public consultation for six weeks (19 June to 31 July 2023) alongside the Colchester City Centre Masterplan proposals using a shared portal to enable consultees to access information through links via both authorities' websites. It also included online access, hard copies (available through the Library and Town Hall) and in person events, including focus groups, councillor briefings, a resident's group, a sixth form college student group and attendance at various special interest group scheduled meetings. In total there were 532 responses to the St Botolph's specific consultation section, with 88% of responders living in Colchester. Written responses were also received from Historic England, Walk Colchester, Colchester Civic Society, Colchester Cycling Campaign, Essex

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<sup>2</sup> Now known as the Cabinet Member for Planning a Growing Economy.

<sup>3</sup> As above.

Police and Colchester Business Improvement District (BID). A copy of the consultation report can be found at Appendix D.

- 3.12 There was a good response to the consultation surveys and events with most responses being constructive and considered in nature. From quantitative feedback provided, 50% of respondents agreed that improving St Botolph's was important, 54% agreed (or neutral) that the proposals would make St Botolph's safer and 48% supported the proposed crossroads layout. Those opposed to the scheme tended to provide more detailed qualitative feedback and the key themes of questioning priority, the perceived need to maintain a roundabout for traffic flow and the impact on congestion were reoccurring throughout.
- 3.13 This feedback demonstrated the challenge of rethinking a highways-dominated junction into one that caters better for different types of users. This was amplified by the bus station not being a direct part of the plans.
- 3.14 Many of the responses were nuanced and not simply opposed or supportive. For example, some supported the principle but opposed impacts on traffic / air quality or issues with specific design elements, or felt other things are a higher priority. Of those who indicated support for the proposals, most came from the areas to the immediate south of the junction mostly likely to consider that there would be benefit from improvements to support easier, safer access and improved public realm, while those from other areas of the city tended to oppose the changes where the regeneration improvements were less likely to be as directly impactful on their local surroundings, but would have an impact to vehicular movements passing through the location that could affect them.
- 3.15 Comments were received by a range of organisations: Historic England were very supportive of the aims of the scheme, reversing the dominance of the car in favour of a more pedestrian-friendly environment to enhance the setting and character of important city landmarks and designated heritage assets. Colchester Business Improvement District (BID) were supportive of the investment but were concerned about the impact to the local economy (including offers of incentives to attract people into the city centre during the construction work) of a prolonged construction period and therefore wanted this to be minimised, wanting more details and assurance over air quality improvements, needing to maintain vehicle access to businesses and also concerns over how cars will exit car parks. Colchester Civic Society supported the crossroad design in principle as well as the replacement of the subways and the ambition to expand public realm. There were concerns that the loss of the roundabout would result in more traffic routing through Osborne St/Stamwell St and that large scale developments (e.g. Monkwick) need to be taken into account. Further comments also related to the quality of active travel provisions needing to be designed in accordance with ECC's local transport note LTN1/20, should be of good quality (access/aesthetics) and that the existing murals within the subway should be carefully looked after and not lost. Colchester Cycle Campaign and Walk Colchester also commented and were supportive of the investment, replacement of the roundabout/underpass, but needed further convincing that the measures reflected latest design standards (i.e. segregation) to reflect improvement benefits for walking, cycling and movement

for all abilities. Comments also reflected a need to provide crossings on all four arms of the crossroads and ideally reflect single stage crossings (rather than two-stage), more consideration of onward journeys and the need for green space/landscaping so that the area did not feel like a large expanse of tarmac and paving.

### **Development of the Current Scheme**

3.16 Considering the constructive feedback from the engagement responses alongside further technical work, it was felt that there were additional improvements that could be made to address the concerns raised.

3.17 It was also recognised that any revisions would need to reflect a balanced approach to achieving the objectives of the scheme in providing a layout that regenerates the location in support of the Colchester City Centre Masterplan, provides the foundations to build a better transport interchange, improve accessibility for all modes of travel, create a good quality urban realm (and gateway to the city centre) and support future economic growth, while still providing a solution that maintains a sensible level of capacity for vehicle movements and, crucially, remains within budget (£11.8m). It was therefore identified that the key aspects needing to be addressed were:

- impact on traffic from a crossroad layout
- traffic movement (for example, the need to use Stanwell St to return westbound)
- layout of crossing points/cycleways (improving accessibility for all modes of travel)
- impact on environment (reduction of green space/removal of trees)
- construction duration/disruption
- value for money
- lack of focus on the bus station

3.18 As a result of the consultation feedback and subsequent buildability and cost review, the design was further evolved into a new proposal for an elliptical roundabout. An elliptical roundabout requires less land than a traditional roundabout, enabling land to be returned as public space.

3.19 This would retain the crossing facilities for pedestrians and cyclists, increase the availability of public space and have a less adverse impact on traffic. This also had the effect of reducing the projected build time compared to the crossing and reducing the cost, the project remained in budget as well as addressing the public concerns raised through past consultations.

3.20 The technical report at Appendix C extensively details the background to this proposed project, including the evolution of the proposed elliptical design, how it compares with the crossroad option consulted on and how the revised design responds to the consultation responses, including demonstrating how, when applying the same scoring matrix used for the original option assessment, the elliptical roundabout scored higher than the crossroad option (Sections 6 and 7).

3.21 Although there has not been any public consultation on the elliptical roundabout scheme, we believe that this is not necessary because:

- There has been engagement with councillors.
- Engagement events were held with key stakeholders in November 2023. This audience included the Colchester BID, Local Members, Colchester Civic Society and Active Travel groups. Additionally, a public open event was held, which provided the general public with an opportunity to view the evolved design and offer any further comments.
- In our assessment overall, the scheme is as good as or better than the previous proposal for every category of road user.

3.22 The November 2023 engagement was both useful and productive, providing an opportunity to discuss any concerns raised by stakeholders and giving the reassurance as to how these would be addressed by the project approach. This included how the elliptical roundabout design would reduce construction timescales in comparison with the crossroad option and highlighting the importance of reducing impact on local businesses where possible.

3.23 Conversations with the public re-emphasised a number of points that were highlighted in the original consultation. Overall, there was more support for the elliptical roundabout option than the crossroads option.

3.24 One specific concern about the benefits to cyclists of an elliptical roundabout was raised; however, the work undertaken to date has clearly shown that the proposed layout will offer significant improvements over the existing arrangement as well as shorter crossing time phases compared to the consulted crossroads option.

3.25 If the recommendations in this report are approved, the scheme design will be developed, and we will seek to further improve the design taking account of approved design guidance.

3.26 The revised elliptical scheme has the potential to deliver several benefits overall as well as specifically for different modal users that align well with the strategic priorities in ECC's Organisational Strategy.

- It is an enabler of regeneration in the locality, creating new opportunities for growth and investment through improved access to the city centre, release of underutilised land for enhancement, and improving the aesthetics of a key gateway and transport interchange into the city.
- The additional space and public realm will provide the opportunity for more greening to help improve air quality and improved wayfinding and access to heritage assets with works to overcome current severance issues. Responding to comments related to retention of current trees and retaining more green space for enhanced biodiversity/ecologically rich planting, the retention of an inner island will also increase the amount of area available to provide enhanced biodiverse/ecologically rich planting over the consulted option. It is intended that the planting

and landscaping design will be progressed under the design stage to maximise the potential of this area as a green space.

- Planned removal of underpasses will also improve safety by supporting the reduction/perception of crime and anti-social behaviour through better natural surveillance. Continuing to remove the existing pedestrian subways and steps in favour of modern surface crossing provisions designed to the appropriate standards for safety will improve accessibility to a consistent standard for all users and abilities.
- The design also responds to consultation comments relating to the impact on traffic flow, with the elliptical roundabout performing better than the crossroads option as well as not requiring Stanwell St to be utilised for western return traffic movement (and the associated risk of induced vehicle movements through Osborne St), which would have been necessary with the crossroads option. Work will continue through the next stage of design development to continue to optimise the traffic signal design for further improvements, but modelling has already shown that the elliptical roundabout has the ability to shorten queues and reduce delays at the junction compared with the crossroads option that was consulted on.
- It will create a new improved active mobility-friendly junction promoting walking, cycling and shared mobility, connecting to existing cycleway networks and providing important links to future planned enhancements identified under the Local Cycling and Walking Improvement Plan (LCWIP). Detailed design of the active travel measures will be progressed as part of the next stage and reference LTN1/20 and inclusive mobility guidance in support of their design. Although at this stage in striking a balance between maintaining traffic movement and providing improved crossing provisions, it is still believed crossing will need to be two-stage rather than the single-phase, the new layout improves the active traffic movements over the consulted option, by shortening traffic signal cycle times. The elliptical roundabout design has shown the ability to enable improvements over the consulted option. As part of the preliminary and detailed design stages Active Travel England will be consulted on the scheme, with the first meeting already arranged.
- Responding to comments relating to the bus station/interchange: the scope of the works afforded within the funding available from the successful LUF bid award is focused on laying the initial foundations for an improved bus provision under the future phases of the masterplan through the regeneration and improvement of connectivity between all modes of travel within the immediate junction area and the wider surrounding area. It is acknowledged that the engagement material provided during the June 2023 consultation could have made this more evident and therefore going forward the communication strategy will look to be clearer on this point.
- Responding to comments concerning air quality: improvements to the consulted option has achieved no modelled exceedances of the annual mean NO<sub>2</sub> Air Quality Objective (AQO) of 40 ug/m<sup>3</sup> with the elliptical roundabout in place. Modelling of the elliptical roundabout shows a reduction in annual mean NO<sub>2</sub> concentrations along Mersea Road compared to the existing junction and the replacement of the existing



junction with the elliptical roundabout also leads to the removal of two modelled exceedances of the AQO on Mersea Road.

- Better accessibility across the new junction for all users will improve access to jobs, training and services within the city centre for residents and visitors.
- The scheme will create a new attractive gateway to the city centre and support car-lite development on the adjoining areas of land, which will be redeveloped by CCC.
- Responding to comments relating to concerns over the disruption caused by the construction of the new layout, the elliptical roundabout design has a shorter construction period than the crossroads option, reducing the overall duration by 3 months.
- In terms of value for money, the elliptical roundabout option continues to remain within the original LUF and S106 funding available. This means that no additional funding is required from any additional borrowing or reallocation of any funding allocated to capital or revenue highway improvements already in the programme. Additionally, these funds will actually allow ECC to undertake maintenance improvements to the existing infrastructure assets at this location that otherwise would not be possible to fund, resulting in repairs, improvements and asset renewal that would otherwise not have been possible.

### **Other Benefits**

3.27 The St Botolph's Circus scheme is also an enabler to a wider phased approach to improving public transport interchange in central Colchester as demonstrated in the Colchester City Centre Masterplan. The Colchester Masterplan aims to be the overarching strategic document for all city centre work including LUF, Town Deal projects and wider interventions in the longer term.

3.28 Following conclusion of the public consultation held in Summer 2023, the review of the subsequent feedback received and implementation of revisions to the original crossroads design resulting in the proposed elliptical layout, the decision in this report to enter into a delivery agreement with CCC and progress the project can now be taken. The ECC Transportation team have secured the internal governance required to progress the project to the next detailed design stage. Additional governance will be required ahead of further formal decisions regarding the tender process and awarding contracts, which it is anticipated will occur in circa May 2025 and both CCC and DLUHC have been advised of this timescale. Overall, it is expected that the duration of construction will be approximately 18 months, meaning that the project is likely to be completed by January 2027.

### **Levelling Up Fund**

3.29 CCC as the Accountable Body and grant recipient have signed a Memorandum of Understanding (MoU) with DLUHC that sets out the terms, principles and practices that will apply to their working relationship regarding the administration and delivery of the LUF project. This agreement helps form the basis of the Delivery Agreement needed between CCC and ECC. This includes

CCC as the Accountable Body for LUF being empowered to take delegated decisions within the confines of the project change process set out by DLUHC and they are responsible for providing assurance to Government on the financial management, procurement, decision-making and governance processes they have in place to support delivery of the LUF funded projects via quarterly monitoring returns.

- 3.30 The Delivery Agreement between CCC and ECC (Appendix A) follows a similar framework to the previous Service Level Agreement (SLA) approved by both councils to deliver Towns Fund projects in August 2022. The Delivery Agreement covers project monitoring requirements, issue escalation and the dispute resolution process. It also sets out what would happen if the continued delivery of the project became financially unviable to ECC due to escalating costs that cannot be met by the funding available.
- 3.31 It should be noted that the LUF bid originally submitted to DLUHC specified a programme-wide delivery date of March 2025 in line with the terms of the funding award criteria. Following subsequent discussions and project planning between CCC, ECC and DLUHC at the appropriate project governance level, it has been agreed between the two authorities that due to the size, scope and associated complexities of this project, a request to extend the defrayment date to March 2026 would be made to DLUHC and this is currently being undertaken by CCC, either through delegated change processes or via a Project Adjustment Request (PAR), which DLUHC will confirm.
- 3.32 Following guidance issued by Government in 2023, Colchester as the Accountable Body (and in consultation with ECC as the delivery partner for the St Botolph's Circus scheme) now has more flexibility to change projects. They can make decisions locally on project changes that relate to up to 30% change in funding profile and up to 30% change in output and outcomes, provided that the project remains materially the same. Additionally, other conditions include the need to inform DLUHC before any change takes place, show that the S151 Officer is content that the change will still provide value for money and show necessary local engagement has been conducted. Changes which exceed these thresholds will need to be referred to DLUHC through the usual PAR process. The PAR also needs to be approved by the local MP before it can be submitted to DLUHC. Whilst DLUHC do not normally expect projects to undergo multiple amendments, there may be occasions when this is necessary. It should be noted that the 30% threshold is an accumulative metric (over the lifespan of the project) and based on the mutually agreed metrics in the MoU.
- 3.33 Should there be an increase in costs during the delivery of the project, the project team will be required to work within the existing financial envelope (as shown in section 6.1) for the project and will need to identify where cost savings can be made to help mitigate impact, for example, through measures like value engineering, other funding streams and adjustments in scope. The Delivery Agreement allows ECC to notify CCC if it considers that delivery of the project has become unviable due to the additional financial burden and to cease delivery. Should ECC cease delivery in these circumstances, any uncommitted balance for the project from the DLUHC funding would be returned to CCC.

Should the project have an underspend at the end of project delivery, any remaining funds must be returned to CCC as the Accountable Body.

## **4 Links to our Strategic Ambitions**

4.1 This report links to the following aims in the Essex Vision:

- Develop our County sustainably; and
- Connect us to each other and the world.

4.2 Approving the recommendations in this report will positively impact on the Council's ambition to be net carbon neutral by 2030 by providing:

- safer, greener and healthier infrastructure promoting more walking and cycling;
- more greening to help improve air quality; and
- improved Surface Water Drainage Systems (SUDs) to reduce the risk of flooding.

4.3 This report links to the following strategic priorities in ECC's Organisational Strategy 'Everyone's Essex':

- A strong, inclusive and sustainable economy.
- A high-quality environment.
- Health wellbeing and independence for all ages.
- A good place for children and families to grow.

## **5 Options**

**5.1 Option 1: Enter into the Delivery Agreement with CCC and adopt the 'elliptical roundabout' design as the preferred option for A134 St Botolph's Circus regeneration scheme to progress delivery of the LUF funded scheme (Recommended).**

5.1.1 The recommended option, which supports the delivery of the Essex Local Transport Plan vision for a transport system that helps deliver the best quality of life for the residents of Essex by providing connectivity for Essex communities to support sustainable economic growth and regeneration, will involve ECC entering into an agreement with CCC whereby ECC will deliver the ECC-led St Botolph's Circus project as the preferred design option (elliptical roundabout) referenced in this report and the LUF monies allocated to ECC will be released to ECC by CCC on the terms set out in the Delivery Agreement. This funding will be used to deliver the project and would help regenerate a key gateway area into the city centre, supporting sustainable travel options to mitigate climate change impacts and addressing and promoting a high-quality environment, which contributes to positive health and wellbeing.

5.1.2 There is a risk that cost inflation may impact on the delivery. However, contingencies have been factored into the costs of the updated design to ensure that a large enough tolerance is in place to mitigate this and robust project management practices throughout the delivery phase will aim to ensure that such issues continue to be mitigated.

## 5.2 Option 2: Do nothing (Not Recommended).

5.2.1 The consequences of doing nothing would result in ECC not being in receipt of £9.286m of funding to deliver the project referred to in this report. This would mean that the intended outcomes, including improved connectivity to retail, leisure, jobs and services, increased physical activity and reduced health inequalities would not be achieved and ECC would not be able to deliver this project. This may also damage the Council reputationally given its involvement to date in the future aspirations for the city centre, which in turn could affect relationships with CCC, other local partners and the trust of the public.

## 6 Issues for consideration

### 6.1 Financial Implications

6.1.1 The profiling and funding of the £11.8m project are shown in the table below:

Project Financial Statement									
Please select: Business Case Type		Invest to Grow							
Asset Category		Highways Infrastructure							
£000		£000	£000	£000	£000	£000	£000	£000	£000
Please only input into those cells shaded yellow		5 Year Total	2023/24	2024/25	2025/26	2026/27	2027/28	Future Years (ongoing per annum)	Prior Year Costs
Capital Costs excluding Contingency		9,643	943	351	3,729	4,620	-	-	-
Contingency		2,157	49	85	904	1,119	-	-	-
Total Capital Costs (for Capital Programme)		11,800	992	436	4,633	5,739	-	-	-
Capital Funding									
Levelling Up Funding		9,286	992	436	4,633	3,226	-	-	-
s106 Funding		2,337	-	-	-	2,337	-	-	177
Other (Please Specify)		-	-	-	-	-	-	-	-
Identified External Capital Funding		11,623	992	436	4,633	5,563	-	-	177
Gap - ECC Borrowing Required		177	-	-	-	177	-	-	-
Revenue Costs									
Furniture & Equipment		-	-	-	-	-	-	-	-
Other (Please Specify)		-	-	-	-	-	-	-	-
Total Revenue Costs (excluding borrowing)		-	-	-	-	-	-	-	-
Borrowing Costs									
Estimated interest cost of borrowing		9	-	-	-	3	6	6	6
Estimated MRP (Minimum Revenue Provision)		6	-	-	-	-	-	-	6
Total Borrowing Costs		15	-	-	-	3	12	12	12
Total Revenue Impact		15	-	-	-	3	12	12	-
Revenue Affordability Assessment (funded by)									
Existing allocation in MTRS		15	-	-	-	3	12	12	-
New funding required		-	-	-	-	-	-	-	-
Total Revenue Budget		15	-	-	-	3	12	12	-
Cost Avoidance (non cashable)		-	-	-	-	-	-	-	-

6.1.2 The total current estimated capital cost for the project is £11.8m which will be funded by £9.3m Levelling Up funding and £2.5m match funding from Essex County Council from s106 contributions already received. Since there has been a prior year use of some of the s106 funding rather than use ECC funding, as shown above, there will be a requirement for ECC funding to be used in the final year instead. This funding is already included in the MTRS and there would be no additional borrowing costs as a result.

- 6.1.3 There is no additional funding sought from the capital programme beyond that which is already included in the MTRS.
- 6.1.4 The cost estimates have been provided by Jacobs and independently reviewed by Gleeds.
- 6.1.5 A risk contingency of £2.2m has been included in the costs above.
- 6.1.6 The costs include estimates for inflation (£749,000) based on 6.93% tender inflation to construction commencement and 1.39% construction inflation from construction commencement to the midpoint of construction.
- 6.1.7 Any revenue overhead requirement to deliver the project will come from existing service budgets.
- 6.1.8 Borrowing costs are already included within the MTRS.
- 6.1.9 It is assumed that Levelling Up funding will be used prior to ECC match funding.
- 6.1.10 In the event of the project becoming unviable due to cost overruns, ECC will retain the right to cease the project under the terms of the Delivery Agreement. This would only occur once all other options, such as value engineering and scope review, had been completed.

## **6.2 Legal Implications**

- 6.2.1 Under the proposed Delivery Agreement, Colchester does not have any obligations to meet any cost overruns. Equally, ECC is not legally required to complete the scheme if there are insufficient funds. The agreement with Colchester has been set up so that ECC does not have an obligation to provide additional funding should the project become undeliverable due to exceeding the existing financial commitment.
- 6.2.2 That said, ECC must ensure that it can deliver the requirements of the Delivery Agreement and the DLUHC reporting requirements. Non-compliance may lead to withheld project payments.
- 6.2.3 Whilst there has been no specific consultation on the proposal there has been engagement with the public and the engineering assessment shows that it is better or the same as the scheme, which was subject to extensive consultation in summer 2023. Furthermore, the engagement does seem to show the benefits. On that basis it is low risk to proceed without a further full public consultation.

## **7 Equality and Diversity Considerations**

- 7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful.
  - (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.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 7.3 The Equalities Comprehensive Impact Assessment (Appendix B) indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic. The proposed projects are likely to benefit those with protected characteristics in several ways, including directly supporting ECC's Priority places, as set out in the ECC LUF White Paper. These places experience high deprivation and are often geographically isolated and the proposed initiatives identified will help create a new active mobility-friendly junction that supports travel by various modes to retail, leisure, job, training and services. Additionally, proposals put forward will look to minimise pollution and create safer, more attractive and accessible environment.

## **8 List of Appendices**

Appendix A – Delivery Agreement between ECC and CCC

Appendix B – Equalities Comprehensive Impact Assessment (ECIA)

Appendix C – St Botolph's Circus Technical Report

Appendix D – St Botolph's Circus Public Consultation Report & Promoter's Response (Summer 2023)

## **9 List of Background papers**

- Colchester City Centre Masterplan, March 2023
- Colchester Future Transport Strategy

<b>I approve the above recommendations set out above for the reasons set out in the report.</b>	<b>Date</b>
Cllr Lee Scott, Cabinet Member for Planning a Growing Economy	

**In consultation with:**

<b>Role</b>	<b>Date</b>
Tom Walker, Executive Director for Economy, Investment & Public Health	20/02/24

<b>Executive Director, Corporate Services (S151 Officer)</b>	08/02/24
Daniel Tooke, Head of Finance Major Projects on behalf of Nicole Wood	
<b>Director, Legal and Assurance (Monitoring Officer)</b>	05/02/24
Paul Turner	