

Forward plan reference number: FP/AB/565

Report title: Local Growth Fund – London Gateway/Stanford le Hope Update Report	
Report to: Accountability Board	
Report author: Howard Davies, SELEP Capital Programme Officer	
Meeting date: 23 September 2022	For: Decision
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SELEP Partner Authority affected: Thurrock	

1. Purpose of report

- 1.1. The purpose of this report is for the Accountability Board (the Board) to receive an update on the delivery of the London Gateway/Stanford le Hope Local Growth Fund (LGF) project (the Project), which has been identified as High risk.
- 1.2. The report also provides an update on the revised Business Case submitted in relation to the Project and sets out the outcome of the Independent Technical Evaluator (ITE) review. The Board are asked to consider whether the Project continues to meet the requirements of the SELEP Assurance Framework and to decide whether the LGF should remain allocated to the Project.

2. Recommendations

- 2.1. The Board is asked to:

2.1.1. Agree **one** of the following two options with regard to the Project:

Option 1

- 2.1.1.1. **Agree** that as, following review of the submitted Business Case, it cannot be confirmed that the Project meets the requirements of Section V3.2 of the SELEP Assurance Framework, the £7.5m LGF allocation should be removed from the Project. Thurrock Council should return this funding to Essex County Council (as Accountable Body for SELEP) within 4 weeks of this meeting.
- 2.1.1.2. **Note** that, subject to receipt of the funding from Thurrock Council, the reallocation of the £7.5m LGF will be considered at the November 2022 Board meeting.

OR

Option 2

2.1.1.3. **Agree** that, despite the submitted Business Case not providing the required assurances on deliverability and value for money, the £7.5m LGF funding can be retained against the Project, in accordance with Section V3.4 of the SELEP Assurance Framework, to:

- 2.1.1.3.1. Allow time for further work to be undertaken to strengthen the Business Case to ensure it secures a higher level of certainty following a further review by the Independent Technical Evaluator;
- 2.1.1.3.2. Allow time for Thurrock Council to address and mitigate the risks to delivery of the Project outlined in this report; and
- 2.1.1.3.3. Allow time for Thurrock Council to develop their plans for Phase 2 of the Project enabling them to confirm that a full funding package is in place to deliver the full scope of the Project as set out in the Business Case

Noting that if these points are not adequately addressed in advance of the first Board meeting of 2023/24, the LGF funding will be removed from the Project and will need to be returned to Essex County Council (as Accountable Body for SELEP) within 4 weeks by Thurrock Council for reallocation to alternative projects.

2.1.1.4. **Agree** that retention of the LGF funding against the Project is subject to Thurrock Council paying for all further work completed by the Independent Technical Evaluator in relation to the review of the Project and its' Business Case.

2.1.1.5. **Note** the update on delivery of the Project as detailed in this report.

2.1.1.6. **Note** that the required extension to the completion date for the Project will be brought forward for Board consideration once the programme for delivery of Phase 2 of the Project has been developed.

3. Background

3.1. The main aims of the Project are to:

- 3.1.1. Develop an interchange that will connect bus, rail, cycle, taxi, and pedestrian modes of transport at Stanford le Hope station.
- 3.1.2. Expand capacity at Stanford le Hope Station.
- 3.1.3. Implement a package of works that meets the requirements of travel plans for London Gateway and unlocks the next phase of development at London Gateway.
- 3.1.4. Provide improvements to public transport infrastructure and service reliability to new housing developments and to the major employment growth sites at London Gateway/Coryton.

Local Growth Fund – London Gateway/Stanford le Hope Update Report

- 3.1.5. Help curb traffic growth and minimise growth in transport emissions in the area through this new transport interchange.
- 3.2. To assist with delivery of this complex regeneration project, the works as set out in the original Business Case have been split into 2 phases:
 - 3.2.1. Station building - with passenger toilets, widened platform, level access to building and station platforms, real time customer information systems (Phase 1).
 - 3.2.2. Multi-modal interchange – 2 car passenger drop off positions with landing island, 2 taxi rank positions with landing island and shelter, 84 secure cycle parking spaces, 2 drop off positions and 1 pickup position for a bus with waiting facilities, protected pedestrian walking routes and desire lines (Phase 2).
- 3.3. The original Business Case demonstrated High value for money with a Benefit Cost Ratio (BCR) of 9.4:1. The Project supports the creation of an estimated 756 new jobs at DP World London Gateway and Thames Enterprise Park over the period up to 2031 through provision of infrastructure that will improve accessibility by sustainable modes of travel.
- 3.4. The Board approved an LGF allocation of £7.5m of the estimated £12.05m project cost in February 2017. This allocation has been spent in full supporting design development, ground investigation, site de-risking, planning process and demolition works.
- 3.5. The costs associated with the scheme have increased from £12.05m to £29.09m, as the Project has progressed. Costs initially increased as a result of significant changes being made to the design of the station following completion of site investigations, consideration of environmental constraints and the practicalities of construction. To expedite delivery of the station, land was acquired to the north of the station site (former Daybreak Windows site). This was intended to assist with the development of a more strategic approach to area-wide regeneration including the opportunity for future improvements to sustainable movement and access. This land will also assist the construction of the new station facilities whilst maintaining operability of the station. In addition to the complex nature of the site, costs have also been affected by inflationary pressures and the wider impacts of Covid-19.
- 3.6. The current cost estimate of £29.09m is the working budget for both phases of the Project. The estimate will be subject to confirmation of future costs through tender processes and final completion audits of the Project.
- 3.7. In February 2019, Thurrock Council increased their capital funding contribution from £1.15m to £5.15m in recognition of their commitment to regeneration of the area. Furthermore, at a meeting of their Cabinet in July 2021, Thurrock Council agreed to increase their funding contribution to the Project by a further £10m, bringing their total commitment to more than £15m.
- 3.8. At recent meetings, the Board have been asked to agree 2 extensions to the Project completion date. The first extension to December 2023 was agreed at the September 2021 Board meeting. Subsequently in November 2021, the Board were advised of the need for a further extension to July 2024. This extension was agreed subject to submission of an updated Business Case which set out the updated Value for Money and benefits offered by

the Project for consideration by the Board in April 2022 at the latest. The April 2022 Accountability Board meeting was subsequently postponed to May 2022.

- 3.9. Updates on the status of the Business Case have been provided at the last two Board meetings (27 May 2022 and 15 July 2022) but as the Business Case was not forthcoming by the May 2022 Board meeting, the requested extension to July 2024 has not been agreed.
- 3.10. At the July 2022 meeting, the Board agreed that although an updated Business Case had not been provided, as set out in the report presented to the Board at the May 2022 meeting, the LGF funding should remain allocated to the Project on condition that an updated Business Case was submitted for consideration at this Board meeting. In accordance with this decision, an updated Business Case has now been submitted and evaluated, the outcome of which is considered in section 4 below.

4. Summary Position - Updated Business Case

- 4.1. To allow consideration of the Business Case at this meeting, the deadline for submission by Thurrock Council was late July 2022, in accordance with the agreed lead in times for submission of a Gate 1 Business Case to the ITE. This deadline was set to allow time for the ITE review process to be completed in advance of the meeting and for any remaining queries to be addressed prior to the publication of the Board agenda pack.
- 4.2. Whilst an updated Business Case was submitted by Thurrock Council on 24 July 2022, the SELEP Capital Programme Team identified some outstanding issues and the document was returned to Thurrock Council, with a revised submission deadline of 12 August 2022. This deadline is in line with the lead-in times for Gate 2 Business Case submission and allowed the ITE sufficient time to complete their review but did not provide any scope for any further work to be undertaken to address any remaining queries on the Business Case prior to preparation of the Board agenda pack.
- 4.3. Despite ongoing dialogue between SELEP Capital Programme Officers and Thurrock Council, the updated Business Case and supporting information were not received by SELEP until the 17 August 2022. This reduced the amount of time for the ITE to complete their review and put pressure on the Accountable Body and SELEP to produce a complete report with robust recommendations within a very tight window.
- 4.4. The Business Case sets out the updated position of the Project, although there are some anomalies with regard to Phase 2 where the Business Case is contradictory due to a recent change in approach for that phase of the Project. There is mention of an existing shuttle bus service which currently operates away from the station which it is expected will be integrated into the mobility hub, alongside the cycle parking, passenger drop off and taxi rank. This is as set out in the original Business Case. However, there are also several references to a dedicated DP World shuttle bus service, some 0.2 miles from the station, in Kings Street. This is discussed further at section 6.
- 4.5. The original Business Case set out the Phase 2 element as set out in section 3.2.2 above, this is amended in the updated Business Case to include a bus interchange capacity. However, this omits the proposal to include protected pedestrian walking routes and desire lines. The revised scope also includes an electric bike hire scheme and charging points.

Despite these changes to scope, the benefits offered by the Project remained unchanged in the updated Business Case.

- 4.6. Since the original Business Case was considered by the Board, Thurrock Council have seen the creation of the Thames Freeport. The Freeport has not been considered within the updated Business case, other than to add that it is expected that it will create more than 21,000 new and indirect jobs on its estate. Work to understand how delivery of the Project will help to encourage the use of sustainable travel modes to the Freeport has not been undertaken at this stage. Based on the planning requirements for DP World and Thames Enterprise Park there are likely to be targets around achieving certain levels of use of sustainable modes of travel by their workforce. The delivery of the Project may play a key role in achieving these targets in the future but, at this stage, the Freeport is still in a relatively early stage of development so the connection cannot be confirmed.

5. Phase 1 Station Upgrade - Progress Since Last Report

- 5.1. Previously the Board have been advised that Thurrock Council have procured the services of VolkerFitzpatrick in a joint venture with AECOM for the detailed design, delivery, testing, commissioning and handover of the Phase 1 works, which will deliver the new station and associated infrastructure. The contract value is £10.4m.
- 5.2. The appointment of VolkerFitpatrick was made on 3 March 2022 with initial work being progressed under a Letter of Intent arrangement until the signing of a contract.
- 5.3. The contract is a fixed price design and build contract using NEC Engineering and Construction Contract (ECC) Option A. NEC ECC Option A is a priced contract with an activity schedule where the risk of carrying out the work at an agreed price is largely borne by the contractor.
- 5.4. During Phase 1 VolkerFitzpatrick will undertake the necessary platform widening; demolish the existing footbridge and replace it with a Network Rail approved footbridge with stairs and lift module; construct a new, but very much simplified, station building and canopy, taking into consideration the void that existed under the old building and avoiding access ramps if possible; construct a new forecourt with provision for a small retail outlet; and associated hard and soft landscaping.
- 5.5. In order to deliver this scheme, the former Daybreak Windows site which may form part of the Phase 2 site (subject to discussions around the scope of this element of the works, as set out in section 6 of this report) will be made available for the contractor's compound and site offices for the duration of the Phase 1 works. As a result, it is most likely that Phase 2 will follow Phase 1 when the site has been vacated and released for development.
- 5.6. The Phase 1 contract discussions between Thurrock Council, VolkerFitzpatrick, Network Rail and c2c continue with a view to getting clarity on the risks associated with any potential scope change and rail possession availability. These areas are the primary factors which are impacting the timetable for the signing of the construction contract. Current discussions are focussed on VolkerFitzpatrick's rail possession requirements in order to maintain the construction schedule, whilst also considering the need to keep the station open and operating during the construction period. This includes ensuring an understanding of the

Local Growth Fund – London Gateway/Stanford le Hope Update Report

Network Rail/c2c design process and ensuring required changes to design, for example, have an agreed protocol in place.

- 5.7. As discussions regarding the contract have now been ongoing for 6 months, an extension to the Letter of Intent is required. This is currently being progressed and a verbal update on this will be given at the Board meeting.
- 5.8. Thurrock Council have advised that although enabling works have been delayed, areas of work that can be accelerated have been identified which will allow the programme to remain as previously reported (Table 1), however, this is subject to confirmation once the contract is signed.
- 5.9. The continued delay to the signing of the contract is a risk to project delivery and at this stage, other than the Letter of Intent which is currently under negotiation to roll forward, there is nothing stopping VolkerFitzpatrick withdrawing from the project. Should this happen, Thurrock Council may need to reprocure for the works which could expose them to the risk of increased costs given the rising materials costs, supply chain delays, labour shortages and high inflation levels.
- 5.10. The Board has previously agreed a project extension to December 2023. A further request to extend the project completion date to July 2024 was submitted as set out in 3.8 of this report, but the conditions specified by the Board were not met and therefore the extension was not granted. It is likely that a further extension to the project completion date will be required if the LGF funding remains allocated to the Project, and this will be brought forward alongside the next iteration of the Business Case.

Table 1 – Update Programme Phase 1

Project Programme – Phase 1	
Task	Date
Phase 1 - Governance of Railway Investment Project (GRIP) 4 – awaiting final sign off from NR and c2c	February 2022
Phase 1 - Contractor Appointed (currently progressing works under Letter of Intent, prior to signing of contract)	March 2022
Phase 1 - Design and Build Contract (GRIP) 5-6	May 2022 to October 2023
Phase 1 - Project Completion (GRIP) 7-8	October 2023 to December 2023

6. Phase 2 Multi-Modal Interchange – Progress Since Last Report

- 6.1. The original Business Case proposed the new station buildings and the interchange, complete with cycle parking, taxi rank positions, drop off and pick up position for a bus all on the same site. This was deemed impractical by Thurrock Council officers on such a constrained site.
- 6.2. Previously the Board have been advised that land has been acquired, across London Road, to the north of the station, as set out in 3.5, to help delivery. Although this increased the area of land available for delivery of Phase 2, the Board have also been advised that previous proposals put forward, have been unacceptable to planning/highway officers at Thurrock Council adding additional risks to delivery of the Project.

- 6.3. Thurrock Council have indicated that they are committed to delivering the outputs as set out in the original project Business Case and it is recognised that the majority of the benefits associated with the LGF funding are linked with the successful delivery of Phase 2 of the Project.
- 6.4. Thurrock Council have recently taken the decision to relook at options for this phase of the Project to try and ensure that the forecast benefits are realised and have provided an indicative timeline which sets out a route to submission of a planning application for the preferred Phase 2 option by early 2023, as set out in Table 2. A stakeholder group has been established to support this work which includes DP World and the SELEP Capital Programme team, as well as c2c and Network Rail, alongside Thurrock Council Officers and the design team.

Table 2 – Phase 2 timeline

Proposed Timeline – Phase 2	
Task	Date
Review Options	August 2022
Appoint Designer	September 2022
Stakeholder Workshops	October – November 2022
Scheme/option Development	October – January 2023
Single Option Selection	January 2023
Submit Planning Application	February 2023

- 6.5. As Phase 2 is at a very early stage of development there are considerable risks to the delivery of this element of the Project. Any option that is considered must be acceptable to DP World, in order to secure their S.106 contribution of £550,000 toward the Project. In addition to this the Business Case sets out that DP World have a Travel Plan target, aiming towards 10% of all employees using non-car modes of travel to work (see Table 3), representing a figure of at least 1,455 in total. In order to achieve this target, it is assumed that most non-car users will need to travel via Stanford le Hope station, as this is the main hub for public transport in the area. The Business Case states that Thames Enterprise Park have a Travel Plan target of 30% for non-car use. The updated Business Case does allude to the station and interchange as being a vital component in providing access to the jobs being created but did not consider the Thames Enterprise Park numbers in its appraisals.

Table 3 – Employee/Visitor mode share targets

Development Year	% Development	Car Occupancy	% Non-Car Use
Year 1	14	1.2	5
Year 6	50	1.25	7
Year 12	100	1.3	10

- 6.6. It is understood there is no penalty for failure to achieve the numbers above, however the Transport Assessment work is based on these levels, so failure to achieve them may well impact any future assessment, potentially leading to additional obligations.
- 6.7. It is clear that provision of sustainable transport options is a key part of the development at Stanford le Hope and although some forward movement is being made with regard to the

station itself, major concerns remain about the key onward journeys that are available from the station.

- 6.8. Phase 2 of the project is crucial to the delivery of the project benefits as set out in the original and updated Business Case, and these are based upon the employment benefits included within the DP World Travel Plan and have not been derived from previous proposals for the design of Phase 2. The revised timescales for this phase, along with uncertainty regarding the funding available for this phase of the project, therefore pose a risk to the delivery of the full project scope as set out in the Business Case. The updated Business Case provided to SELEP simply states a budget that is available for this work following consideration of the costs associated with the delivery of Phase 1 and is not based on design proposals for Phase 2, meaning that there is a risk that an interchange that delivers the total benefits expected may not be possible within budget. A full programme for delivery of Phase 2 is required, complete with confirmation of a full funding package, to provide assurances regarding the delivery of project benefits.
- 6.9. A report submitted to the Planning, Transport and Regeneration Scrutiny Committee at Thurrock Council in July 2022 set out that additional funding may be required for Phase 2, depending on the option selected. This also presents a risk to delivery of the Project in accordance with the Business Case as, given their current position, Thurrock Council may be unable to commit further funding to the Project. Furthermore, any additional funding committed may adversely impact on the BCR offered by the Project. If the LGF funding remains allocated to the Project, any further changes to the Project budget will be closely monitored and Board approval will be sought, if required, in accordance with the SELEP Assurance Framework.
- 6.10. The updated Business Case, as set out at Section 4.4 is not clear around the location of the proposed DP World shuttle bus stop. If this is located at King Street, then there will likely need to be additional measures to encourage potential bus users to choose the option of walking the 0.2 miles to this stop, rather than continuing to travel by car. It is not clear whether this would be the responsibility of Thurrock Council, or the employment sites concerned. However, it is clear that this needs to be considered as part of the forthcoming Phase 2 discussions.
- 6.11. If the LGF funding is retained against the Project, scrutiny by the Board will be required as this phase of the Project progresses and therefore regular update reports will be provided to the Board.

7. Costs and Funding Package

- 7.1. The funding profile set out in Table 4 has been supplied as part of the updated Business Case. This differs from previous funding profiles presented to the Board. Following a review by the Thurrock Council finance team, it has been confirmed that the updated funding profile is an accurate reflection of the funding position of the Project. If the LGF funding is retained against the Project, further information will be requested for the next meeting.
- 7.2. At the September 2021 meeting, the Board noted that as part of a further update on the Project the following information would be supplied at the February 2022 meeting:

Local Growth Fund – London Gateway/Stanford le Hope Update Report

- 7.2.1. Confirm that the tender process for the Station Upgrade (Phase 1) has been successful. Provide an updated delivery programme and confirmation that a full funding package is in place to deliver the works.
 - 7.2.2. Confirm the design progress for Phase 2, including planning application progress along with an outline delivery programme, forecast costs and confirmation that a full funding package is in place to deliver the Phase 2 works.
- 7.3. At the February 2022 meeting, the information was unavailable and the Board were advised this was due to timings and commercial sensitivity around the procurement for Phase 1, and the reconsideration of options for delivery of Phase 2.
- 7.4. The tender process for Phase 1 is now complete, with a contract value of £10.4m, and discussions are ongoing about the signing of the contract as discussed in this report. However, Thurrock Council have only been able to provide a timeline to submission of a planning application for Phase 2, complete with a budgeted figure of £2.6m, which is available for the delivery of this phase. As a design for Phase 2 has not yet been determined, it cannot be confirmed if this represents a full funding package to support delivery of the proposed transport interchange or if additional funding will need to be secured at a later date.
- 7.5. This risk is further compounded by the widely reported increases in construction costs and high inflation levels which have the potential to lead to inflated construction costs for Phase 2, which is still subject to procurement of a construction contractor. An increase in total project cost, and the need to secure additional funding to support project delivery, will likely lead to a reduction in the BCR offered by the Project.
- 7.6. Additional detail has been sought in relation to historic spend, particularly in relation to the spend of the £7.5m LGF allocation. It is understood to date that work on the Project has been limited and has included demolition of the former station buildings, site survey works and design works, as set out in Section 3.5. Spend to date of £12.6m seems high when considering these activities and therefore confirmation has been sought from Thurrock Council with regard to the potential inclusion of abortive revenue costs within the funding profile.
- 7.7. Requests to Thurrock Council have been made to set out how historic spend has been allocated through the Project but this information has not been provided either directly or within the updated Business Case. Thurrock Council have advised that this is a live project which is still in the development phase. Thurrock Council have indicated that, in accordance with Chartered Institute of Public Finance (CIPFA) guidance, these costs have been capitalised as they relate to overall design development. In relation to the LGF funding, Thurrock Council have indicated that this forms part of the overall project budget and again in accordance with normal CIPFA guidance, initial design costs have been applied to the budget and initially taken from available grant funding whether this be SELEP or S106 funds. Thurrock Council have indicated that this is standard practice to reduce the cost to the Local Authority of increased borrowing costs. Thurrock Council have noted that the LGF funding was not specifically allocated to the purchase of a specific item of the delivery programme but was a contribution to the delivery of the overall scheme outputs, outcomes and impacts that are set out in the Business Case.

Table 4: Current Funding Profile

Source of Funding	Financial Profile (£m)				
	Spend to end 2021/22	2022/23	2023/24	2024/25	Total
Thurrock Council	2.873	3.854	7.05	1.943	15.72
LGF	7.5				7.5
c2c/NSIP	0.74	1.4	1.647		3.787
S.106	1.533		0.55		2.083
Total	12.646	5.254	9.247	1.943	29.09

8. Independent Technical Evaluator Comments

- 8.1. The ITE has undertaken a review of the updated Business Case produced by Thurrock Council. This Business Case demonstrated a BCR of 4.9:1, which represents Very High Value for Money. However, the ITE has indicated that due to major uncertainties around the benefit cost analysis (amongst other issues), they cannot assure this value for money categorisation. As such, the ITE has concluded that, based on the information provided, there is a Very Low certainty of the Project achieving Very High value for money. This is the lowest level of certainty that can be attributed to a Business Case.
- 8.2. The strategic case for the Project exhibits strong alignment with the objectives of the LGF, with the Project aiming to improve transport infrastructure in a nationally significant economic zone that acts as a key point of interaction between the United Kingdom and the global economy.
- 8.3. The ITE has concluded that a robust qualitative justification for the Project has been provided in terms of evaluating benefits. The forecast project outputs and outcomes include:
- 8.3.1. 1,898 FTE jobs created and/or safeguarded (1,025 after additionality assumptions);
 - 8.3.2. 8% reduction in car passenger traffic and 7% reduction in single occupancy passenger traffic to/from the employment sites;
 - 8.3.3. New station buildings, a footbridge, platform extensions and 8 new gate-line gates; and
 - 8.3.4. Development of an interchange that will connect rail, cycle, taxi, and car drop off modes opposite the station, as well as a shuttle bus service to London Gateway.
- 8.4. However, significant uncertainties are still present in the Business Case, as set out below:
- 8.4.1. Uncertainty as to whether SELEP investment is needed for the benefits to materialise, with further information required to explain the dependency of the jobs on the proposed works and the ability of the Project to generate the stated benefits;
 - 8.4.2. A lack of consideration of inflation, which is a significant concern given the current high inflation levels;

- 8.4.3. Inadequate information on costs and funding spent to date;
- 8.4.4. Non-compliant treatment of sunk costs. Sunk costs represent spend on delivery of the Project to the point of Business Case submission and are not normally included within the Economic Case analysis. Spend to date has been included within all cases of the Business Case as it stands.
- 8.5. Due to these uncertainties, the ITE is unable to provide the required assurance that the Project continues to offer High value for money and, as a consequence, it cannot be confirmed that the Project complies with the requirements of Section V3.2 of the SELEP Assurance Framework.
- 8.6. Section V3.2 of the SELEP Assurance Framework sets out the requirements that projects should meet in order to receive a recommendation for approval. These requirements are as follows:
 - 8.6.1. a clear rationale for the interventions linked with the strategic objectives identified in the Economic Strategy Statement or other Strategy approved by Strategic Board;
 - 8.6.2. clearly defined outputs and anticipated outcomes, with clear additionality, ensuring that factors such as displacement and deadweight have been taken into account;
 - 8.6.3. consideration of deliverability and risks appropriately, along with appropriate mitigating action (the costs of which must be clearly understood); and
 - 8.6.4. a benefit to cost ratio of at least 2:1 or comply with one of the two exemptions listed within the Assurance Framework.
- 8.7. As indicated above, the ITE is unable to provide satisfactory assurance that the Project offers a BCR of at least 2:1 and the Project does not comply with either of the exemptions listed in the Assurance Framework. In addition, there remains uncertainty around the dependence of the stated jobs outcomes on the Project and the ability of the Project to generate the stated benefits. Furthermore, there are a number of risks outlined in this report which are not reflected in the Business Case.

9. Options Available to the Board

- 9.1. As set out in this report, whilst an updated Business Case has been provided in accordance with the decision taken by the Board in July 2022, there are still a significant number of outstanding risks and uncertainties both relating to the contents of the Business Case and the delivery of the Project itself.
- 9.2. The purpose of seeking an updated Business Case was to provide the Board with greater assurance regarding the ongoing delivery of the Project, the benefits that would be realised, the Value for Money offered by the Project and to provide confirmation that a full funding package was in place to deliver both phases of the Project. The updated Business Case has not provided these assurances, and significant uncertainty remains.
- 9.3. As has been indicated in previous updates to the Board, the majority of the benefits stated within the Business Case stem from the delivery of Phase 2 of the Project. Contrary to

updates provided at previous Board meetings, there is not currently a plan for Phase 2. The decision has recently been taken by Thurrock Council to return to the Options Development stage for this element of the Project.

- 9.4. Whilst this may result in a more robust design for Phase 2 being developed, it presents a significant risk to delivery of the Project as set out in the Business Case and realisation of the stated project benefits. In addition, due to the current status of Phase 2, it is not currently possible for Thurrock Council to provide confirmation that a full funding package is in place for both phases of the Project. This is further compounded by the fact that the DP World S106 contribution to the Project is dependent upon them reaching agreement with Thurrock Council on the design for Phase 2. Should additional funding be required to enable delivery of Phase 2 of the Project, this will present a further risk given Thurrock Council's current position, and may adversely impact on the BCR offered by the Project.
- 9.5. Whilst procurement of a construction contractor for Phase 1 of the Project was completed in March 2022, the contract remains unsigned. Limited work is being progressed under a Letter of Intent whilst negotiation of the contract continues, however, a significant delay to the signing of the contract will likely impact on the delivery programme. In addition, there remains a risk that Thurrock Council may need to reprocure for the work which would expose them to the risk of increased construction costs given the current nature of the construction market.
- 9.6. As outlined in the Report of the ITE (Appendix A), there remain a significant number of concerns in relation to the contents of the Business Case, as set out in Section 8.4 of this report. The Business Case has been updated to a degree, however, the mechanism for calculating the Value for Money offered by the Project has not been revisited. The BCR has been calculated on the basis that the Project supports the creation of new jobs at the named employment sites. It is understood that the jobs will be created regardless of whether the Project is delivered, particularly in light of the development of the Thames Freeport, and that the focus of the Project is to secure the Travel Plan targets for sustainable travel agreed by both DP World and Thames Enterprise Park, as part of their planning consent. In light of this, it is unclear why the Project was treated as a transport scheme in the Economic Case within the Business Case.
- 9.7. As a result of these factors, and other concerns highlighted in the report, it is not possible to provide the Board with the required assurances at this time and therefore the Board are asked to consider whether the LGF funding should remain allocated to the Project.
- 9.8. Two options are available to the Board at this meeting, as set out below.

Option 1

- 9.8.1. **Agree** that as, following review of the submitted Business Case, it cannot be confirmed that the Project meets the requirements of Section V3.2 of the SELEP Assurance Framework, the £7.5m LGF allocation should be removed from the Project. Thurrock Council should return this funding to Essex County Council (as Accountable Body for SELEP) within 4 weeks of this meeting.
- 9.8.2. **Note** that, subject to receipt of the funding from Thurrock Council, the reallocation of the £7.5m LGF will be considered at the November 2022 Board meeting **OR**

Option 2

9.8.3. **Agree** that, despite the submitted Business Case not providing the required assurances on deliverability and value for money, the £7.5m LGF funding can be retained against the Project, in accordance with Section V3.4 of the SELEP Assurance Framework, to:

9.8.3.1. Allow time for further work to be undertaken to strengthen the Business Case to ensure it secures a higher level of certainty following a further review by the Independent Technical Evaluator;

9.8.3.2. Allow time for Thurrock Council to address and mitigate the risks to delivery of the Project outlined in this report; and

9.8.3.3. Allow time for Thurrock Council to develop their plans for Phase 2 of the Project enabling them to confirm that a full funding package is in place to deliver the full scope of the Project as set out in the Business Case.

Noting that if these points are not adequately addressed in advance of the first Board meeting of 2023/24, the LGF funding will be removed from the Project and will need to be returned to Essex County Council (as Accountable Body for SELEP) within 4 weeks by Thurrock Council for reallocation to alternative projects.

9.8.4. **Agree** that retention of the LGF funding against the Project is subject to Thurrock Council paying for all further work completed by the Independent Technical Evaluator in relation to the review of the Project and its' Business Case.

9.8.5. **Note** the update on delivery of the Project as detailed in this report.

9.8.6. **Note** that the required extension to the completion date for the Project will be brought forward for Board consideration once the programme for delivery of Phase 2 of the Project has been developed.

9.9. In light of the ongoing concerns regarding the robustness of the Business Case and the deliverability of the Project, Option 1 seeks the removal of the Project from the LGF programme and the return of the £7.5m LGF funding from Thurrock Council. This option has been included as it is not currently possible to confirm that the Project meets the requirements of Section V3.2 of the SELEP Assurance Framework (as set out in Section 8.6 of this report), as primarily it cannot be confirmed with any certainty that the Project continues to offer High value for money. In addition, further work is needed to provide greater assurance around the forecast outcomes and their dependence on the Project, along with provision of an updated Risk Register which takes into account the deliverability risks outlined in this report.

9.10. It is acknowledged that the LGF funding has already been spent in full, and therefore removal of the funding will present a financial challenge for Thurrock Council – both in terms of returning the funding to Essex County Council (as the Accountable Body for SELEP) and in progressing delivery of the Project.

Local Growth Fund – London Gateway/Stanford le Hope Update Report

- 9.11. Whilst Option 1 seeks the return of the LGF funding, it is acknowledged that the Project continues to be strategically important for the local area and for the impacted employment sites, particularly in the context of the new Thames Freeport. Without delivery of the Project, it is unclear how the sustainable travel targets set out within the agreed travel plans for DP World and Thames Enterprise Park will be realised.
- 9.12. If the Board agree Option 1, Thurrock Council will be required to return the funding to Essex County Council (as Accountable Body for SELEP) within 4 weeks of this meeting for reallocation to alternative projects. The removal of the funding from the Project will need to be formalised through the completion of a Variation Agreement .
- 9.13. Subject to the return of the funding by Thurrock Council, reallocation of the funding will be considered at the November 2022 Board meeting. The additional funding sought through the remaining LGF prioritised project pipeline is lower than £7.5m and therefore alternative options for the reallocation of the remaining funding will need to be considered by the Strategic Board in December 2022.
- 9.14. Option 2 provides Thurrock Council with one final opportunity to address and mitigate the identified risks to project delivery and to undertake work to strengthen the Project Business Case.
- 9.15. As indicated within the Report of the ITE (Appendix A), the Business Case indicates that the Project offers Very High value for money, based on the BCR calculations undertaken. However, the ITE has not been able to assure this value for money categorisation due to major uncertainties around the benefit cost analysis. This uncertainty stems from inadequate or missing information and non-compliant treatment of costs.
- 9.16. Section V3.4 of the SELEP Assurance Framework indicates that where projects do not perform well in the ITE review, that recommendations will be made back to SELEP Ltd and the promoting authority (in this case Thurrock Council) to either further develop the Business Case for the Project or to consider alternative options. Option 2 provides Thurrock Council with the opportunity to undertake additional work to further develop the Business Case.
- 9.17. Option 2 would allow Thurrock Council additional time to address the identified uncertainties and to provide the missing/incomplete information, with a view to securing a higher level of certainty from the ITE on the value for money categorisation following a further review of the Business Case. This option would require a more comprehensive update of the Business Case than has been undertaken to date and would require provision of more detailed information by Thurrock Council.
- 9.18. Option 2 would also provide Thurrock Council with a further opportunity to address the key deliverability risks identified in this report, including completion of the contract for Phase 1 of the Project, development of proposals for Phase 2 which are acceptable to DP World and all other key stakeholders and confirmation that a full funding package is in place to deliver the full scope of the Project.
- 9.19. It is acknowledged that Thurrock Council will not be in a position to provide all required assurances immediately and therefore it is proposed that the updated Business Case is brought to the first Board meeting of 2023/24. This will allow time for the options for Phase 2

to be developed and the construction contract for Phase 1 to be signed and work commence onsite. This will enable Thurrock Council to give greater assurances regarding the affordability of the Project, the realisation of the forecast benefits and deliverability of the wider project.

- 9.20. Under Option 2 it is recommended that, if these points are not adequately addressed by the first Board meeting of 2023/24, the LGF funding will be removed from the Project and that no further decisions from the Board will be required. Given that the LGF programme officially ended on 31 March 2021, it is important that the remaining LGF projects are delivered in a timely manner and therefore it is critical that difficult decisions are not continuously delayed, allowing the reallocation of the funding, if applicable, at the earliest opportunity.
- 9.21. As has been indicated in this report, the ITE has undertaken a two stage review of the updated Business Case. The cost of this review has been funded through the SELEP Ltd. budget, however, given the limited financial resources available to SELEP at the current time, it is recommended that the cost of any further ITE reviews of the Business Case are covered by Thurrock Council.
- 9.22. As the Board are aware, Thurrock Council sought approval for an extension to the completion date for the Project in November 2021. This request was approved, subject to conditions including the provision of an updated Business Case by May 2022 which provided assurances regarding the value for money offered by the Project, the realisation of the forecast benefits and the deliverability of the Project. As the updated Business Case was not provided in accordance with this timeline, the conditions were not met and the extension to the project completion date has not been agreed.
- 9.23. Given the current status of Phase 2 of the Project, Thurrock Council are unable to provide a robust delivery programme for the full scope of the Project. In light of this, it is not currently possible for the Board to agree an extension to the project completion date. A request to extend the project completion date will be brought forward for Board consideration alongside the updated Business Case, as was originally intended.
- 9.24. If the Board agree Option 2, the SELEP Capital Programme Team will continue to engage regularly with Thurrock Council to seek provision of the required assurances at the earliest opportunity, and by the first Board meeting of 2023/24 at the latest. In the meantime, the Board will continue to receive updates on delivery of the Project at each meeting.

10. Financial Implications (Accountable Body comments)

- 10.1. There continue to be a number of challenges to completion of the London Gateway/ Stanford le Hope Project, albeit that the LGF has already been spent supporting delivery; this presents risks on assuring delivery of the expected outcomes and value for money, especially given the increase in Project costs and delivery challenges of the original business case.
- 10.2. It is a requirement of the SELEP Assurance Framework for all business cases to undergo a review of their value for money assessment by the SELEP ITE; the outcome of the ITE assessment of the updated business case for the Stanford le Hope LGF Project has been given the lowest assurance rating as not all of the required information has been provided

and not all that has been provided meets the requirement to support a recommendation for approval.

- 10.3. Should the Board agree to support Option 2, the proposed revised business case will need to clarify future proposals for phases 1 and 2, including costs, benefits and risks; further the value for money assessment within the revised business case will again be subject to independent technical evaluation, in order to provide the Board with the necessary assurances in this respect. The business case should also set out what the investment to date, including the LGF investment of £7.5m, has delivered and confirmation that all investment made to date continues to comply with the terms of the SLA in place.
- 10.4. Any updates to the business case should also take into account the wider possible risks which may impact delivery of this LGF project arising from the current uncertain economic climate and increasing inflation, together with ongoing impacts experienced following the Covid-19 pandemic and Brexit.
- 10.5. An essential component of the revised business case will be confirmation of expected costs and the full funding package being in place for both Phases.
- 10.6. Essex County Council, as the Accountable Body, is responsible for ensuring that the LGF funding is utilised in accordance with the conditions set out by Government for use of the Grant.
- 10.7. All LGF is transferred to Thurrock Council, as the Project's Lead Authority, under the terms of a Funding Agreement (SLA) which makes clear that funding can only be used in line with the agreed terms. It is also clear that ensuring sufficient funding is available to support delivery of the Project is the responsibility of Thurrock Council.
- 10.8. Should the Board want to consider option 1, the SLA sets out the circumstances under which the Council must repay all or part of the LGF allocated to the Council, if the Accountability Board so requires because:
 - 10.8.1. The Council fails to deliver the Project in accordance with the approved Business Case;
 - 10.8.2. A Project is Changed and the Accountability Board declines to agree the Change; or
 - 10.8.3. The Project can no longer meet the Grant Conditions which set out that the LGF may only be used for purposes that meet the requirements for Capital expenditure.
- 10.9. Should the Board choose to agree for funding to be recovered from Thurrock Council, Essex County Council will work with the Council to enable the funding to be returned within the agreed timescale.

11. Legal Implications (Accountable Body comments)

- 11.1. The grant is administered in accordance with the terms of the Grant Determination Letter between the Accountable Body and Central Government and is required to be used in accordance with the terms of the Service Level Agreement (SLA) between the Accountable

Body and the Partner Authority. The SLA provides for changes to the project to be considered by Accountability Board for approval. The SLA also sets out that Accountability Board has the option to require all or part of the grant to be repaid if the Partner Authority fails to deliver the Project in accordance with the approved business case or the project can no longer meet the grant conditions.

12. Equality and Diversity Implications

12.1. Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when a public sector body makes decisions it must have regard to the need to:

12.1.1. Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act.

12.1.2. Advance equality of opportunity between people who share a protected characteristic and those who do not.

12.1.3. Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

12.2. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.

12.3. In the course of the development of the project business case, the delivery of the Project and the ongoing commitment to equality and diversity, the promoting local authority will ensure that any equality implications are considered as part of their decision-making process and where possible identify mitigating factors where an impact against any of the protected characteristics has been identified.

13. List of Appendices

13.1. Appendix A – Report of the Independent Technical Evaluator

13.2. Appendix B - London Gateway/Stanford Le Hope Project Background

(Any request for background papers listed here should be made to the person named at the top of the report who will be able to help with any enquiries)

Role	Date
Accountable Body sign off Stephanie Mitchener (on behalf of Nicole Wood, S151 Officer, Essex County Council)	21/09/2022

Report
September 2022

Independent Technical Evaluator - Business Case Assessment – Q2 2022/23 Report

Report
September 2022

Independent Technical Evaluator - Business Case Assessment – Q2 2022/23 Report

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Contents

1	Independent Technical Evaluation of Local Growth Fund Schemes	1
	Overview.....	1
	Method.....	1
	Local Growth Fund	3

Tables

	Table 1.1: Gate 1 & 2 Assessment of Local Growth Fund Business Case(s) for Q2 2022/23.....	4
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1 Independent Technical Evaluation of Local Growth Fund Schemes

Overview

- 1.1 Steer was reappointed by the South East Local Enterprise Partnership in April 2022 as its Independent Technical Evaluator. It is a requirement of Central Government that every Local Enterprise Partnership subjects its business cases and decisions on investment to independent scrutiny.
- 1.2 Recommendations will be made for funding approval by the Accountability Board in line with the South East Local Enterprise Partnership's own governance.

Method

- 1.3 The review provides commentary on the business cases submitted by scheme promoters, and feedback on the strength of business case, the value for money likely to be delivered by the scheme (as set out in the business case) and the certainty of securing that value for money.
- 1.4 Our role as Independent Technical Evaluator is not to purely assess adherence to guidance, nor to make 'go' / 'no go' decisions on funding, but to provide evidence to the South East Local Enterprise Partnership Board to make such decisions based on expert, independent and transparent advice. Approval will, in part, depend on the appetite of the Board to approve funding for schemes where value for money is not assessed as being high (i.e. where a benefit to cost ratio is below two to one and / or where information and / or analysis is incomplete).
- 1.5 The assessments are based on adherence of scheme business cases to Her Majesty's Treasury's *The Green Book: Central Government Guidance on Appraisal and Evaluation*¹, and related departmental guidance such as the Department for Transport's TAG (Transport Analysis Guidance, formerly WebTAG) or the DLUHC Appraisal Guide. All of these provide proportionate methodologies for scheme appraisal (i.e. business case development).
- 1.6 Pro forma have been developed based on the criteria of *The Green Book*, a 'checklist for appraisal assessment from Her Majesty's Treasury, DfT's TAG, DLUHC's Appraisal Guide, and other departmental guidance.

¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/685903/The_Green_Book.pdf

- 1.7 Individual criteria are assessed and given a 'RAG' (Red – Amber – Green) rating, with a summary rating for each dimension. The consistent and common understanding of the ratings are as follows:
- **Green:** approach or assumption(s) in line with guidance and practice or the impact of any departures is sufficiently insignificant to the Value for Money category assessment.
 - **Amber:** approach or assumption(s) out of line with guidance and practice, with limited significance to the Value for Money category assessment but should be amended in future submissions (e.g. at Final Approval stage).
 - **Red:** approach or assumption(s) out of line with guidance and practice, with material or unknown significance to the Value for Money category assessment, requires amendment or further evidence in support before gateway can be passed.
- 1.8 The five dimensions of a government business case are:
- **Strategic Dimension:** demonstration of strategic fit to national, Local Enterprise Partnership and local policy, predicated upon a robust and evidence-based case for change, with a clear definition of outcomes and objectives.
 - **Economic Dimension:** demonstration that the scheme optimises public value to the UK economy as a whole, through a consideration of options, subject to cost-benefit analysis quantifying in monetary terms as many of the costs and benefits as possible of short-listed options against a counterfactual, and a preferred option subject to sensitivity testing and consideration of risk analysis, including optimism bias.
 - **Commercial Dimension:** demonstration of how the preferred option will result in a viable procurement and well-structured deal, including contractual terms and risk transfer.
 - **Financial Dimension:** demonstration of how the preferred option will be fundable and affordable in both capital and revenue terms, and how the deal will impact on the balance sheet, income and expenditure account, and pricing of the public sector organisation. Any requirement for external funding, including from a local authority, must be supported by clear evidence of support for the scheme together with any funding gaps.
 - **Management Dimension:** demonstration that the preferred option is capable of being delivered successfully in accordance with recognised best practice and contains strong project and programme management methodologies – this includes the need for a Monitoring and Evaluation Plan and Benefits Realisation Plan.
- 1.9 In addition to a rating across each of the five dimensions, comments are provided against Central Government guidance on assurance – **reasonableness** of the analysis, risk of error (or **robustness** of the analysis), and **uncertainty**. Proportionality is applied across all three areas.
- 1.10 Assessments are conducted by a team of transport and economic planning professionals, and feedback and support are given to scheme promoters throughout the process via workshops, meetings, telephone calls and emails.

Local Growth Fund

1.11 One business case has been assessed for schemes seeking a Local Growth Fund allocation. Below are our recommendations to the Accountability Board, including key findings from the evaluation process and details of any issues arising.

1.12 With the scheme not yet at full business case stage, there remains some residual risk to value for money and deliverability until all contractor costs are confirmed.

Very High value for money, Very Low certainty

1.13 The following scheme(s) is estimated to achieve **Very High value for money**. However, due to major uncertainties around the benefit cost analysis (and other issues), we cannot assure this outturn value for money categorisation. Therefore, our recommendation is that there is a **Very Low certainty** of achieving Very High value for money (NB. The lowest assessment that can be given to a scheme business case).

Stanford le Hope Transport Package (£7.5m)

1.14 The scheme is a phased transport intervention for the London Gateway port on the Thames Estuary. It aims to develop new buildings and facilities at the nearby Stanford le Hope rail station to support passenger growth. The scheme will also create a new mobility hub/interchange opposite the station providing cycle parking, electric pedal bike hire/charging, car drop-off points and a taxi rank. A park and ride shuttle bus will run between the port and the car park.

1.15 The strategic case exhibits strong alignment with the LGF objectives. The scheme aims to improve transport infrastructure in a nationally significant economic zone that acts as a key point of interaction between the UK and the global economy. It is identified within the business case the scheme will provide opportunities for workers across the South East by safeguarding over 1,000 jobs with the provision of adequate rail capacity. The scheme promotes 'Green Recovery' by encouraging the use of more sustainable modes, primarily rail and bus, to London Gateway. It will also enable future investment in London Gateway by helping it meet its S106/Travel Plan obligations, helping to ensure the port's continued expansion post-Covid.

1.16 A robust qualitative justification for the scheme is provided in terms of evaluating benefits. A quantification of benefits is also provided. Key outputs/outcomes are as follows:

- 1,898 FTE jobs created and/or safeguarded (1,025 after additionality assumptions);
- 8% reduction in car passenger traffic and 7% reduction in single occupancy passenger traffic to/from the site;
- new station buildings, a footbridge, platform extensions and 8 new gate-line gates; and
- development of an interchange that will connect rail, cycle, taxi and car drop-off modes opposite the station, as well as a shuttle bus service to London Gateway.

1.17 Significant uncertainties are still present in the business case, including questions around whether SELEP investment is needed for benefits to materialise (i.e. the dependency of the jobs on the scheme and the ability of the scheme to generate the benefits); a lack of consideration of inflation; inadequate information on costs and funding spent to date; non-compliant treatment of sunk costs; and several other less fundamental issues.

1.18 This has prevented the scheme from being recommended as having higher than 'Very Low' certainty despite a reasonably strong strategic rationale, particularly for Phase 1, and sizeable monetised benefits.

Table 1.1: Gate 1 & 2 Assessment of Local Growth Fund Business Case(s) for Q2 2022/23

Scheme	SELEP Allocation	Benefit to Cost Ratio ('x' to 1)	Strategic Dimension Rating	Economic Dimension Rating	Commercial Dimension Rating	Financial Dimension Rating	Management Dimension Rating	Assurance of Value for Money		
								Reasonableness of Analysis	Robustness of Analysis	Level of Overall Uncertainty
Local Growth Fund										
Stanford le Hope Transport Package	£7.5m	4.9	Amber / Green	Red / Amber	Amber	Red / Amber	Amber / Green	Strategic Case is reasonable overall but there is a lack of clarity on whether it is a current or future challenge/opportunity informing the need for the scheme; identified measures of success are in some cases imprecise; and there is no detail on the findings of stakeholder engagement to date. Commercial Case has a lack of clarity on timings for procurement between phases (they appear to have changed) and not enough detail of the relevant experience of the contractor/the criteria for appointing contractors.	Economic and Financial Cases suffer from a lack of application of inflation to the scheme costs and a lack of clarity on the scheme costs in general. Although this is an update of a 2017 business case, not enough consideration has been made of the changes that have taken place since 2017. Sunk costs should arguably not be included in an appraisal. Not enough consideration has been given to deadweight, i.e. the potential for some benefits to materialise even without the scheme / the dependency of the jobs outcomes to the scheme.	As outlined opposite, overall uncertainty is significant. The full set of issues are expounded upon in detail within the Gate 2 review.

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22790513

Client contract/project number

-

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Distribution

Client: SELEP

Steer: Project team

Version control/issue number

V1.0 Draft for Internal Review
V2.0 Draft for Client
V2.1 Final Version for Internal Review
V2.2 Final for Client
V2.3 Revised Final for Client

Date

1 September 2022
2 September 2022
5 September 2022
8 September 2022
14 September 2022

Appendix B – LGF Project Background Information

Name of Project	London Gateway/Stanford Le Hope Thurrock Council
Local Growth Fund (LGF) allocation	£7.5m (awarded February 2017)
Description of what Project delivers	<p>On the north banks of the Thames Estuary in Stanford-le-Hope, Essex, London Gateway is the U.K's newest and most technologically advanced deep sea container port catering for global shipping. Once fully developed, London Gateway shall comprise six deep sea shipping berths alongside the logistics park. The London Gateway Logistics Park offers convenient, modern warehousing space on a campus the size of 400 football pitches, the largest of its kind in Europe, with 9.25 million sq ft of available warehousing space. Adjoining the London Gateway port, the Thames Enterprise Park project aims to refurbish part of the closed Coryton oil refinery. This will provide over 3.7 million sq. ft of development space for manufacturing, energy and logistics operations creating new jobs for the local area.</p> <p>In total, London Gateway and the Thames Enterprise Park are anticipated to generate approximately 18,982 direct jobs (on-site) with a further 14,183 indirect jobs created within supply chains. (Source – Thurrock Council).</p> <p>Currently, three port berths are operational at London Gateway, however DP World announced in September 2021 that works were to begin on a new fourth berth to increase supply chain resilience and create more capacity for the world's largest vessels.</p> <p>DP World London Gateway is remote from the Thurrock Urban Area and accessibility will be an issue for prospective employees without access to a car. Ensuring a sufficient labour supply and good job/skills matching will be critical for not only realising the growth but sustaining the jobs in the long term by maximising productivity. It is therefore necessary to ensure that high quality accessibility is provided by non-car means through better bus facilities in Stanford-le-Hope and high-quality rail/bus integration to attract employees. In addition, good quality passenger transport facilities and bus/rail integration will be necessary to achieve the modal split targets for the development.</p> <p>Since the original business case submission in 2017, the Thames Freeport has been created in December 2021, this is an economic zone connecting Ford's Dagenham engine plant to the global ports at London Gateway and Tilbury. The Freeport can secure more than £1 billion in new port infrastructure and more than 21,000 new direct and indirect jobs on its estate</p> <p>The original business case scope included a new multi-modal Interchange on the station forecourt though this did not proceed due to feasibility and cost constraints. An alternative multi-modal interchange is</p>

	<p>being considered on the opposite side of London Road in the existing station car park and land adjacent to it.</p> <p>This included car passenger drop off positions, taxi rank positions, 84 secure cycle parking spaces, 2 drop off positions and 1 pickup position for a bus with waiting facilities.</p> <p>Due to the complexities of delivery the project as set out in the Business Case has been split into 2 phases:</p> <p>Phase 1 - Station buildings – The development of new station buildings providing the following key facilities to support passenger growth.</p> <ul style="list-style-type: none"> • Modular canopy structures covering prefabricated station buildings • Passenger toilets • Commercial retail facility • Widened Platform 1 • Passenger footbridge with lifts • Level access from London Road to both station buildings and to the platforms • Real-time Customer Information System <p>Phase 2 - Mobility Hub and Shuttle Bus</p> <p>A new mobility hub is to be constructed on the opposite side of London Road to the station, integrated into the existing station car park and adjacent vacant Council owner site. The new hub is to include the following key facilities to support transport interchange.</p> <ul style="list-style-type: none"> • 84 secure cycle parking spaces • Provision for electric pedal bike hire scheme and charging points • Car passenger drop off positions • Bus interchange capacity • Taxi rank positions <p>Initial feasibility studies have identified a number of space and traffic issues that will need to be addressed in the design process to accommodate the integration of the dedicated DP World shuttle bus stop into the mobility hub design. It is anticipated that the future integration of the adjacent development sites will provide a long term design solution.</p>
<p>Project benefits</p>	<p>The scope of the project is to provide new station buildings including a footbridge with lifts, mobility hub on London Road opposite the station including and a dedicated DP World shuttle bus stop, that will:</p> <ul style="list-style-type: none"> • Provide additional passenger capacity at the station to accommodate local growth in jobs and housing • Provide a mobility hub and dedicated shuttle bus interchange to support the existing London Gateway Travel Plan and future Thames Enterprise Park Travel Plan. • Provide a new station building that improves the perceptions of Stanford-le-Hope station
<p>Project constraints</p>	<p>1. Planning Permission is not in place for all elements of the project (Phase 2).</p>

	<p>2. Work is ongoing to confirm that a full funding package is in place.</p> <p>3. An updated Business Case has been requested by SELEP to confirm Value for Money and delivery of benefits as set out in the original Business Case, due to a substantial increase in project costs. An updated Business Case has been provided but, based on the information provided, the ITE is unable to assure that the project offers High value for money.</p>
Link to Project page on the website with full Business Case	<p>https://www.southeastlep.com/project/london-gateway-stanford-le-hope/</p>