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<b>Report title:</b> Local Growth Fund Capital Programme Update	
<b>Report to:</b> Accountability Board	
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<b>Meeting date:</b> 16 February 2024	<b>For:</b> Decision
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<b>SELEP Partner Authority affected:</b> East Sussex, Essex, Kent, Medway, Thurrock and Southend	

## 1. Purpose of Report

- 1.1. The purpose of this report is for the Accountability Board (the Board) to consider the overall position of the Local Growth Fund (LGF) capital programme, as part of SELEP's Growth Deal with Government.

## 2. Recommendations

- 2.1. The Board is asked to:

- 2.1.1. **Agree** the reported LGF spend on project delivery in Q1, Q2 and Q3 2023/24 of £1.422m excluding DfT retained schemes and increasing to £1.552m including DfT retained schemes, as set out in Table 1 and Appendix A of the report.

- 2.1.2. **Agree** the updated completion dates for the following projects which have experienced a delay of more than 6 months:

- 2.1.2.1. Eastbourne Town Centre LSTF Access and Improvement Package – project completion delayed from May 2024 to May 2026.

- 2.1.3. **Note** the intention for East Sussex County Council to bring forward a change of scope for the Eastbourne and South Wealden Walking and Cycling Package and note that, following the dissolution of SELEP, this change will be managed through East Sussex County Council governance processes.

- 2.1.4. **Note** the deliverability and risk assessment, as set out in Appendix B.

- 2.1.5. **Note** the list of outstanding post scheme completion Monitoring and Evaluation reports, as set out in Appendix D of the report.

## 3. Summary position

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- 3.1. The £578.9m SELEP LGF allocation received from the Ministry of Housing Communities and Local Government (MHCLG) (now named the Department for Levelling Up, Housing and Communities (DLUHC)) has been fully awarded to support delivery of projects.
- 3.2. In order to satisfy the commitment made to Government to secure the final tranche of LGF funding in 2020/21, and in accordance with decisions made by the Board, the majority of the remaining unspent LGF funding was transferred to Local Partners in March 2021 in accordance with the official end of the Growth Deal period. The remaining funding was transferred to Local Partners before the end of March 2022.
- 3.3. Delivery of the ongoing LGF projects and spend of the funding transferred to local partners at the end of 2020/21 and during 2021/22 has continued to be monitored by the Board. However, in light of the decision by Government to not provide any further core funding to LEPs and their expectation that LEP activities should transition to Upper Tier Local Authorities by the end of March 2024, responsibility for monitoring ongoing delivery and spend of the LGF funding will be transferred to the relevant Upper Tier Local Authorities. In addition, responsibility for completing the required 6 monthly reporting submissions to Government on all projects within the LGF programme will also transfer to the relevant Upper Tier Local Authorities.
- 3.4. It is intended that the transfer of responsibility for the LGF programme will be formalised through a Transition Agreement which is currently being drafted by Essex County Council (as Accountable Body for SELEP). The Transition Agreement will be accompanied by a Position Statement, which sets out the most up to date position in respect of each of the LGF projects. A draft Position Statement is provided at Appendix E. The Position Statement will be subject to a full review by the SELEP Secretariat following this meeting and will be shared with Upper Tier Local Authorities for their consideration prior to being formalised as part of the Transition Agreement.

## **4. Award of Local Growth Fund**

- 4.1. The Board has approved the award of the full £578.9m SELEP LGF allocation to 106 projects, including DfT retained schemes. The A127 Fairglens junction improvements project, a DfT retained scheme with an LGF allocation of £15m, is still awaiting approval by the DfT (as detailed under Agenda Item 10). Despite this, £1.5m of the LGF allocation has been spent to date following a request from Government to accelerate partial release of the funding.
- 4.2. At the Strategic Board meeting on 11 December 2020, a pipeline of LGF projects was agreed by SELEP Ltd. This pipeline has been used to facilitate the reallocation of LGF funding which has been returned to Essex County Council (as Accountable Body for SELEP).
- 4.3. There are two projects remaining on the LGF project pipeline – University of Essex – Parkside Phase 3 and Dartford Town Centre Improvements. It should be noted that, due to an identified Value for Money risk, there is a requirement

for the Dartford Town Centre Improvements project to provide an updated Business Case demonstrating that the project continues to comply with the requirements of the SELEP Assurance Framework prior to the award of any further LGF funding. To meet this requirement, the scheme promoter would have been required to develop a revised Business Case at risk, without any certainty of further LGF funding becoming available. This step has not been taken and a revised Business Case has not been received and therefore, given the impending dissolution of SELEP, there will no longer be an opportunity for any further LGF funding to be awarded to the project.

- 4.4. Whilst the Board will be presented with updates on all remaining High risk LGF projects during the course of this meeting, there are no recommendations with respect to the removal of LGF funding from these projects. It is therefore expected that no further LGF funding will become available for reallocation at this meeting. However, should the Board choose to propose alternative recommendations in respect of any of the projects which result in the return of LGF funding, an additional Board meeting will need to be scheduled to facilitate the reallocation of the funding. Should the value of any funding returned to Essex County Council (as Accountable Body for SELEP) exceed the value of the funding sought by the project remaining on the LGF pipeline, the GBF prioritised project pipeline will be used to facilitate the reallocation of the remaining funding.
- 4.5. No concerns have been raised regarding the deliverability of the projects remaining on the pipeline, as local partners or the relevant third-party delivery partners plan to meet the increase in project costs if required. It is therefore expected that delivery will continue in accordance with the Business Case if additional LGF funding is not awarded.

## **5. Local Growth Fund spend position**

- 5.1. LGF spend in 2023/24 to the end of Q3 (April to December 2023) is reported to total £1.422m excluding DfT retained schemes, increasing to £1.552m including DfT retained schemes.
- 5.2. The reported 2023/24 spend has been taken from the latest round of LGF quarterly reporting and demonstrates that reported spend in 2023/24 to date is £4.088m (excluding DfT retained schemes) or £3.915m (including DfT retained schemes) below the level forecast at the start of the financial year. This change is shown in Table 1 below.
- 5.3. It should be noted that LGF quarterly reporting was not provided by Medway Council or Thurrock Council in time for inclusion within this report and therefore the information set out within the report and accompanying appendices may not reflect the latest position. However, given that full spend of the LGF funding awarded to Medway Council was reported prior to the last Board meeting, and that Thurrock Council have previously reported full spend of the LGF funding awarded to all their projects, excluding Grays South, and that the Board have agreed that LGF spend on the Grays South project should be placed on hold, it is considered that the LGF spend figures reported

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at previous Board meetings remain an accurate reflection of the position for both Medway and Thurrock.

**Table 1: 2023/24 spend position**

LGF (£m)							
	Reflects position shown in Q3 reporting submissions				Reflects forecast position at start of 2023/24		
	Forecast LGF spend 2023/24	Reported Actual spend Q1 to Q3 2023/24	% of Forecast LGF spend achieved in Q1 to Q3 2023/24	Forecast LGF spend Q4 2023/24	Forecast LGF spend 2023/24	Forecast LGF spend Q1 to Q3 2023/24	Variance between forecast LGF spend (Q1 to Q3 2023/24) and Actual spend
East Sussex	0.540	0.384	71.1%	0.156	3.452	1.996	-1.612
Essex	1.270	0.270	21.2%	1.000	1.886	1.257	-0.988
Kent	3.058	0.768	25.1%	2.289	3.719	2.256	-1.488
Medway	0.000	0.000	-	0.000	0.000	0.000	0.000
Southend	0.000	0.000	-	0.000	0.000	0.000	0.000
Thurrock	0.000	0.000	-	0.000	0.000	0.000	0.000
<b>LGF Sub-Total</b>	<b>4.867</b>	<b>1.422</b>		<b>3.445</b>	<b>9.057</b>	<b>5.510</b>	<b>-4.088</b>
Retained	0.131	0.131	100.00%	0.000	0.086	-0.042	0.173
<b>Total Spend</b>	<b>4.998</b>	<b>1.552</b>		<b>3.445</b>	<b>9.142</b>	<b>5.467</b>	<b>-3.915</b>

- 5.4. There are a number of factors which are impacting on the level of LGF spend, including ongoing COVID-19 and Brexit impacts on project delivery. There has been a widespread increase in materials costs which has adversely affected the majority of the ongoing projects and has in some cases resulted in the need for works to be reprocurd. This issue has been further compounded by delays in key material supply chains which have been affected by both the COVID-19 pandemic and Brexit, and labour shortages.
- 5.5. In addition, East Sussex County Council have advised that their previous Highways Contract expired in April 2023, with a new contractor taking over from 1 May 2023. As a result, there has been a need for the new contractor to review all schemes, including costings, prior to construction commencing onsite. This has impacted on a number of the ongoing transport schemes within East Sussex County Council's LGF programme, including the Eastbourne Town Centre LSTF Access and Improvement Package project which is considered in more detail in Section 7.7 of this report.
- 5.6. Thurrock Council has faced well documented challenges which have resulted in a complete review of their Capital Programme being undertaken. This review has particularly impacted on the Grays South project, which continues to hold unspent LGF funding. An update on the status of the Grays South project is provided under Agenda Item 9.
- 5.7. Table 2 below sets out the updated LGF spend forecast for future years.

*Table 2: Summary LGF spend forecast – all years*

LGF (£m)							
	Actual LGF spend to end of 2021/22	Actual LGF spend 2022/23	Actual LGF spend Q1 to Q3 2023/24	LGF forecast spend Q4 2023/24	LGF forecast spend 2024/25 onwards	Total	% LGF allocation spent by 31 December 2023
East Sussex	71.874	3.448	0.384	0.156	6.158	82.020	92.3%
Essex	93.130	5.786	0.270	1.000	13.806	113.991	87.0%
Kent	119.802	1.717	0.768	2.289	4.079	128.656	95.0%
Medway	32.440	0.000	0.000	0.000	0.000	32.440	100.0%
Southend	32.218	1.496	0.000	0.000	0.000	33.715	100.0%
Thurrock	30.142	0.000	0.000	0.000	5.699	35.840	84.1%
Skills	21.975	0.000	0.000	0.000	0.000	21.975	100.0%
M20 Junction 10a	19.700	0.000	0.000	0.000	0.000	19.700	100.0%
<b>Sub-total</b>	<b>421.279</b>	<b>12.447</b>	<b>1.422</b>	<b>3.445</b>	<b>29.742</b>	<b>468.335</b>	<b>92.9%</b>
DfT retained	96.862	0.107	0.131	0.000	13.500	110.600	87.8%
<b>Total spend forecast</b>	<b>518.141</b>	<b>12.554</b>	<b>1.552</b>	<b>3.445</b>	<b>43.242</b>	<b>578.935</b>	<b>91.9%</b>

5.8. Table 2 shows that 91.9% of the total LGF allocation (including DfT retained schemes) had been reported as spent by the end of December 2023. A further 0.6% of the LGF allocation is forecast for spend in Q4 2023/24, leaving 7.5% unspent as at 1 April 2024.

5.9. Table 2 demonstrates a slight increase in LGF spend since the last Board meeting and a significant reduction in the forecast level of LGF spend to be achieved by the end of 2023/24. As a consequence, an additional £6.08m LGF (1.1%) is now forecast for spend in 2024/25 and future years. Following the dissolution of SELEP, the onus will be on the Upper Tier Local Authorities to ensure that spend of the LGF funding is completed as soon as possible in line with the agreed business cases.

5.10. Delivery of the ongoing LGF projects and spend of the funding transferred to local partners at the end of 2020/21 and during 2021/22 should continue to be monitored until all projects have reached completion. Following the closure of SELEP, responsibility for on-going monitoring will be managed under locally agreed arrangements led by the responsible Upper Tier Local Authority.

## 6. Deliverability and Risk

6.1. Appendix B sets out a delivery update and risk assessment for all projects included in the LGF programme. This provides a detailed breakdown of the delivery progress for each LGF project, relative to the expected completion dates, as set out in the original Business Cases. In addition, the risk assessment takes into account whether required post scheme completion Monitoring and Evaluation reports have been submitted and whether spend of the match funding set out in each of the project Business Cases has been achieved (in the case of completed projects) or forecast (in the case of ongoing projects).

6.2. Changes to the structure of Appendix B have previously been made to ensure that it is possible to differentiate between those projects which have

completed their LGF spend but which are continuing to deliver against their agreed Business Case and those projects which have completed both LGF spend and delivery in accordance with their agreed Business Case. This change in approach has meant that a small number of projects which were previously reported as complete, due to their LGF allocation having been spent in full, are now being shown as ongoing including North Bexhill Access Road, East Sussex Strategic Growth Package and Bexhill Enterprise Park North.

- 6.3. The North Bexhill Access Road project has achieved practical completion, with construction works complete and the full length of the road opened for use by the public in March 2019. As has been reported previously, ancillary works which are not being funded through the LGF are being undertaken alongside the new road by Sea Change Sussex.
- 6.4. The East Sussex Strategic Growth project was intended to develop strategic business space and utilise its generated income as flexible recyclable investment funding to ensure the continued growth of quality employment space throughout East Sussex. The LGF funding awarded to the project was designed to be seed funding for multi-phase development. Therefore, only a portion of the development outlined within the Business Case was due to be funded through the LGF, with the remaining works being funded by income generated through letting or selling the assets delivered through the initial phase of the project.
- 6.5. The initial works delivered through the LGF funding have been delivered, however, a completion date for the remaining works outlined within the East Sussex Strategic Growth Business Case is not yet known as the timeline for delivery of the later phases of development has been adversely affected by the economic impacts of the COVID-19 pandemic and Brexit which have reduced the income achieved to date through the delivery of the initial phases of development.
- 6.6. Responsibility for monitoring delivery of the remaining works required as per the agreed project Business Case will sit with East Sussex County Council following the dissolution of SELEP.
- 6.7. LGF funding was awarded to the Bexhill Enterprise Park North project to bring forward enabling site and servicing infrastructure which will release the site for development. As outlined in the Business Case, it is expected that private sector investment will be forthcoming to fund the delivery of the planned commercial workspace on the site. Whilst the LGF funded enabling works have now been delivered, commercial workspace is yet to come forward on the site. East Sussex County Council have reported that required utility diversion works are in progress, and that it is understood that the developer will take steps to bring forward the first phase of the commercial workspace following completion of these works.

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- 6.8. As the Value for Money offered by the project was calculated based on the existence of the commercial workspace, the project continues to be marked as being in progress.
- 6.9. The summary project risk assessment position is set out in Table 3 below. A score of 5 represents high risk (red) whereas a score of 1 represents low risk (green).
- 6.10. The risk assessment has been conducted for LGF projects based on:
- 6.10.1. **Delivery** – considers project delivery delays and delays in submission of the required post scheme completion Monitoring and Evaluation reports. SELEP has considered the delay between the original expected project completion date (as stated in the project Business Case) and the updated forecast project completion date.
  - 6.10.2. To ensure consistency with Government guidance on the assessment of LGF project deliverability risk, all projects with a greater than 3 month delay are shown as having a risk of at least 4 (Amber/Red), unless the project has now been delivered and there is no substantial impact on the delivery of expected project outcomes.
  - 6.10.3. **Finances** – considers changes to project spend profiles, project budget, certainty and spend of match funding contributions and amount of LGF spend forecast beyond 31 December 2023.
  - 6.10.4. **Reputation** – considers the reputational risk for the delivery partner, local authority and SELEP Ltd. This also considers delays in submission of required post scheme completion Monitoring and Evaluation reports.

*Table 3: Summary of LGF project risk*

Risk Score	Number of projects	LGF allocation to projects (£m)	LGF spend beyond 31 December 2023 (£m)
Low risk - 1	39	165.370	0.000
Low/Medium risk - 2	24	171.324	0.000
Medium risk - 3	20	83.156	2.806
Medium/High risk - 4	14	96.871	20.566
High risk - 5	9	62.215	23.316
<b>Total</b>	<b>106</b>	<b>578.935</b>	<b>46.687</b>

- 6.11. In total, £23.316m LGF is forecast for spend on high-risk projects beyond the end of Q3 2023/24.

6.12. Updates on 6 of the high-risk projects are provided under Agenda Items 9 and 10. In summary, the position regarding the other 3 high-risk projects is as follows:

- 6.12.1. Innovation Park Medway (2 projects with total LGF investment of £5.219m) – As the Board will be aware, a total of £11.447m of SELEP capital funding has been awarded to enable the delivery of Innovation Park Medway (including the reconfiguration of Rochester Airport and development of both the northern and southern sites) including a total LGF allocation of £9.62m. All SELEP funding has been spent supporting project delivery but limited benefits have been realised to date. Whilst this was identified as a risk, it was acknowledged that Medway Council were taking steps to bring forward development on the site which would facilitate realisation of the forecast benefits.
- 6.12.2. Whilst Medway Council did not provide an update on their LGF programme in time for inclusion within this report, a Medway Council Cabinet paper has been published in respect of the Innovation Park Medway project as a whole. The report sets out the challenges faced by the project, particularly in relation to the current financial climate (both in terms of the impact on borrowing costs for the Council and the financial position of potential occupiers of the site) and the changes to how businesses operate following the COVID-19 pandemic.
- 6.12.3. In June 2019, Medway Council Cabinet agreed that a direct delivery approach should be adopted for both Innovation Park sites. However, there is a concern that this is no longer the most appropriate route through which to develop the site. Therefore, the recommendation set out in the Cabinet paper is that development at Innovation Park Medway should be paused whilst work is undertaken to explore the best options for its future delivery.
- 6.12.4. The Cabinet paper indicates that this review is required to ensure the most sustainable future for Innovation Park Medway and to ensure that the outcomes envisaged (including 60,000sqm of commercial space and 3,000 High GVA jobs) are achieved. Whilst the rationale for this recommendation is understood, it does significantly increase the level of uncertainty with respect to how and when the forecast project benefits will be realised.
- 6.12.5. Queensway Gateway Road (LGF investment: £10m) – an update on the Queensway Gateway Road project was provided at the last Board meeting. An Outline Delivery Plan was provided for Board consideration, but East Sussex County Council were still not in a position to be able to confirm the delivery programme, total project cost or funding package. It was confirmed that East Sussex County Council and Sea Change Sussex (delivery partner) remain



committed to completing delivery of the project and that discussions between the parties continue.

- 6.12.6. The Board agreed that, given the importance of the project to the local area, it should be retained within the LGF programme. Noting that further work was required to confirm the total project cost, full funding package and construction programme and acknowledging the intention to agree with DLUHC that they will have ongoing oversight of the project following the closure of SELEP.
  - 6.12.7. Since the last Board meeting, East Sussex County Council have continued to engage with Sea Change Sussex in order to secure completion of the project. Given the limited amount of time which has passed since the last Board meeting, there are no significant developments to report at this meeting.
- 6.13. It should be noted that the letter detailing the outcome of SELEP's 2022/23 Annual Performance Review with Government expressed concern regarding the ongoing High risk LGF projects and the apparent lack of progress towards delivery. This feedback was, in part, due to the approach taken to reporting on LGF spend to Government but it is considered important that outstanding issues associated with High risk projects are addressed as soon as possible. Following the dissolution of SELEP, the onus will be on each Upper Tier Local Authority to ensure that the High risk projects continue to progress and that required updates are provided to Government in a timely manner.

## **7. Local Growth Fund project delivery beyond September 2021**

- 7.1. In April 2020, the Strategic Board agreed to extend the delivery of the Growth Deal period by six months to 30 September 2021. Any further extensions beyond this date must be considered by the Strategic Board and the Board on a case-by-case basis.
- 7.2. Based on the latest LGF reporting provided by local partners, 30 projects forecast LGF spend beyond 30 September 2021 totalling £76.77m. This included the three Kent County Council projects identified at the September 2022 Board meeting where full LGF spend was achieved prior to 30 September 2021 but could not be reported due to a delay in processing internal Kent County Council charges.
- 7.3. 27 of these projects have been considered and approved for spend beyond 30 September 2021 by both the Board and Strategic Board. The three Kent County Council projects have not sought approval for spend of the LGF funding beyond 30 September 2021 as the reporting of spend in 2022/23 is a reflection of a delay in completing required accounting processes, rather than a delay in spending the funding.
- 7.4. If any of the approved projects report a project completion date which is delayed by more than 6 months, there has been a long-standing requirement for a further decision to be taken by the Board to grant this extension. This

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requirement is in line with the change management process set out in the Assurance Framework and Service Level Agreements between SELEP Ltd, Essex County Council (as Accountable Body for SELEP) and the Upper Tier Local Authorities.

- 7.5. At this meeting the Board are asked to consider one project which is reporting delays to its completion date of more than 6 months. The project has previously received Board approval for LGF spend beyond September 2021 and at that time was reporting an expected completion date of March 2022. The Board subsequently in July 2022 agreed an updated completion date for the project of May 2024 and the delays outlined below reflect the difference between the agreed completion date (May 2024) and the completion date provided in the LGF reporting submitted in the lead up to this meeting.
- 7.6. The Eastbourne Town Centre LSTF Access and Improvement Package project has received a total LGF investment of £8m, with £1.08m of this allocation currently reported as unspent.
- 7.7. The Eastbourne Town Centre project is split into two phases, with delivery of Phase 1 of the project completing in January 2020. East Sussex County Council have indicated that additional time is required for delivery of Phase 2. There are two key reasons why an extension to the project completion date has been sought, with details set out below:
  - 7.7.1. As indicated above, East Sussex County Council entered into a new Highways Contract (with a new contractor) which commenced on 1 May 2023. Since the commencement of the contract, work has been undertaken by the contractor to complete a detailed scheme review and gap analysis of the design work completed by the previous contractor. Whilst this work was underway, the project was effectively on hold which has impacted on the delivery programme.
  - 7.7.2. In addition, East Sussex County Council's Highways Contractor has highlighted that as another separately funded public realm improvement scheme is due to be delivered in close vicinity to the Eastbourne Town Centre project in a similar timeframe, extending the delivery programme means there is an increased chance of creating construction programme efficiencies across both sets of work which will help to minimise disruption to businesses in the town centre and along the primary pedestrian route linking the rail station, town centre and seafront.
- 7.8. As a result of these factors, East Sussex County Council are now reporting an expected completion date of May 2026.
- 7.9. Whilst work is not expected to commence onsite until March 2025, required surveys are being undertaken, early engagement with utility companies is under way and traffic management planning is underway with a view to minimising the impact on the town centre and any planned events, including the Eastbourne International Tennis Tournament, during construction.

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- 7.10. East Sussex County Council have provided an indicative delivery programme for the remaining elements of the project, and this is set out in Table 4 below.

*Table 4: Indicative delivery programme for Eastbourne Town Centre LSTF Access and Improvement Package*

Milestone	Start Date	End Date
Detailed Design (including finalising the design, the Traffic Regulation Order (TRO) process and mobilisation of utilities companies)	February 2024	March 2025
Procurement (including the tender process and early contractor involvement with the preferred bidder)	December 2024	March 2025
Construction	March 2025	May 2026

- 7.11. The Board is asked to agree the updated completion date for the project.

### Eastbourne and South Wealden Walking and Cycling Package

- 7.12. East Sussex County Council have also provided an update on the Eastbourne and South Wealden Walking and Cycling Package project. This update details work which has been ongoing to review the scope of the project following cost increases which have meant that it is no longer possible to deliver the full scope of the project as detailed in the approved LGF Business Case.

- 7.13. In summary, the project focuses on achieving the following objectives:

- 7.13.1. improving traffic congestion to support sustainable economic growth;
- 7.13.2. support the growing demand for improved walking and cycling infrastructure in this area;
- 7.13.3. increasing levels of cycling; and
- 7.13.4. tackling health and wellbeing issues resulting from physical inactivity.

- 7.14. To date, four schemes have been successfully delivered as part of the project:

- 7.14.1. Eastbourne Meads Area Vulnerable Road User Improvement Scheme: providing enhanced connectivity between the town centre, the Devonshire Quarter and the former University of Brighton campus, by making key junctions safer for pedestrians to navigate and slowing traffic speeds.
- 7.14.2. Friday Street Pedestrian Crossing: part of the Stone Cross – Eastbourne Seafront Cycle Route, replacing the existing crossing island with a signalised pedestrian crossing at the junction of Friday Street and Oak Tree Lane in Langney.

- 7.14.3. Eastbourne Town Centre Wayfinding Improvements: including the installation of finger posts and monoliths around Eastbourne town centre.
  - 7.14.4. Horsey Way Cycle Route Phase 3: providing a predominantly off-road cycle route between Lottbridge Drove and Langney roundabout, including an upgraded crossing over Lottbridge Drove to connect into the eastern end of Horsey Way Cycle Route Phase 2.
- 7.15. It has been concluded that there is insufficient funding available to deliver all five remaining elements of the project and therefore, East Sussex County Council have undertaken a full review of the project to determine which elements of the project should be taken forward. This review has taken into account the deliverability, affordability, value for money offered and strategic fit of each of the remaining interventions.
- 7.16. Following completion of the review, East Sussex County Council have concluded that the following three interventions should be taken forward:
- 7.16.1. Eastbourne Cycle Parking Stage 2 – provision of parking for 60 cycles across five locations across Eastbourne designed to make cycle trips more attractive and realistic for cyclists.
  - 7.16.2. Eastbourne Town Centre to Seafront Cycle Route – provision of a signed cycle route between Eastbourne Railway Station and the seafront primarily utilising residential roads with low traffic volumes.
  - 7.16.3. Horsey Way Cycle Route Phase 1b – provision of the final stage of the wider Horsey Way Cycle Route which will run between Eastbourne Railway Station and the Ringwood Route. Once this section is constructed, the full Horsey Way Cycle Route will link the Langney residential area of Eastbourne with the principal employment and commercial areas of Lottbridge Drove and the town centre.
- 7.17. East Sussex County Council have been developing a revised Business Case which considers the change in project scope outlined in this report, however, it has not been possible to bring this forward in time for consideration by the Board. Consequently, all decisions with respect to the change of scope, continued assurance of Value for Money and spend of the remaining LGF allocation (approximately £1.6m) will need to be considered through East Sussex County Council governance processes. This is in line with the process that will need to be adopted by all Upper Tier Local Authorities following the dissolution of SELEP.

## **8. LGF Programme Risks**

- 8.1. In addition to project specific risks, Appendix C sets out the overall programme risks.

- 8.2. Following receipt of confirmation from Central Government that they will not be providing core funding to LEPs after 2023/24 and that LEP activities should be transferred to local authorities from 2024/25, a new risk was added to the LGF programme risk register. This risk relates to the possibility of effective oversight of the LGF programme being lost as a result of the transition of activities to local authorities. This may result in projects not delivering in accordance with their agreed Business Cases and may lead to required reporting not being submitted to Government.
- 8.3. This risk is being mitigated through ongoing discussions between SELEP, Essex County Council (as the Accountable Body for SELEP) and the six Upper Tier Local Authority partners, which are focused on determining how the management of the capital programme should be taken forward post SELEP. As detailed under Agenda Item 13, there is an expectation that the six Upper Tier Local Authorities will enter into a Transition Agreement which will formalise arrangements in respect of the integration of LEP functions.
- 8.4. Another key risk which has been identified across the majority of the ongoing projects is the scale of the cost increases experienced and the extended delivery programmes required as a combined result of the COVID-19 pandemic and Brexit impacts on the labour and materials supply chain and the current high inflation levels. For projects which are still in the process of procuring a contractor, or which are required to re-tender due to delays in progressing the planned works, contractors are returning significantly higher costs than originally anticipated – resulting in either the need for additional funding to be secured or for value engineering to be undertaken. Cost increases are also impacting on projects which are already in delivery, with contractor claims for additional costs being received. There are limited mitigation measures available but purchasing of all materials at the outset of the construction programme has been identified as a mechanism for mitigating the risk of further cost increases as the project progresses onsite.
- 8.5. The other main risks include the impact of the COVID-19 pandemic on the delivery (and pace of delivery) of project outcomes, which could impact the overall value for money achieved through the delivery of the programme. This risk has been closely monitored at all stages of the LGF programme through the requirement placed on Local Authority partners to provide quarterly updates on each of their projects.
- 8.6. Alongside the risk of not realising the expected project outcomes, there is a risk that the benefits will be realised but not measured. There are a significant number of post scheme evaluation reports outstanding, mainly due to resourcing issues experienced by local partners, which mean it is not possible to give the Board and Central Government an accurate indication as to what has been achieved as a result of the LGF investment. It should, however, be noted that at least two Local Partner Authorities have now committed additional resource to bring the outstanding Monitoring and Evaluation reporting up to date.

## Local Growth Fund Capital Programme Update

- 8.7. A commitment to provide the resources needed to complete the required post scheme completion monitoring and evaluation reports is set out in each Business Case considered by the Board. A list of the outstanding post scheme completion evaluation reports is provided at Appendix D.
- 8.8. Following the dissolution of SELEP, Upper Tier Local Authorities will maintain responsibility for monitoring project outcomes but will also take on responsibility for provision of reporting to Government at six monthly intervals through 2024/25.
- 8.9. In early 2023/24, Essex County Council conducted an internal audit which sought to assess the robustness of SELEP's governance over decision making, project delivery and financial/risk management processes. This audit, whilst mostly satisfactory, did identify a required action in relation to the post scheme completion Monitoring and Evaluation reports. The audit identified the important role that these reports play in allowing the Board to effectively monitor project implementation and delivery. In addition, the reports provide assurance that the projects have delivered in accordance with their agreed Business Cases. The audit report places a responsibility on the SELEP Capital Programme Manager to put in place a process to help ensure that priority is given to outstanding Monitoring and Evaluation reports, and to ensure that these reports are presented to the Board.
- 8.10. In order to satisfy this action, the intention was that a greater focus would be placed on updating the Board on project benefits which have been realised and on providing a more comprehensive update on all outstanding Monitoring and Evaluation reports and the actions being taken to secure submission of these reports.
- 8.11. It was intended that a separate report which focused solely on the status of the post scheme completion monitoring and evaluation and which summarised the benefits which have been realised to date across both the LGF and Getting Building Fund (GBF) programmes would be presented at this meeting. However, further time is needed to ensure that the data is sufficiently robust and it is therefore intended that this information will be presented to the Strategic Board in March 2023, as part of a wider SELEP Capital Programme Impact report.
- 8.12. Whilst a full update has not been presented at this meeting, it should be noted that steps are being taken to secure the required post scheme completion reporting. These steps have included increased engagement between the SELEP Capital Programme team and local partner authorities and regular discussions and intelligence gathering on the approach to completing the required post scheme completion monitoring and evaluation reporting at the quarterly Programme Consideration Meetings (Officer meetings held in the lead up to Board meetings bringing together all capital programme leads across the SELEP area). The Programme Consideration Meetings also provided the opportunity for the SELEP Capital Programme team to feedback on any recurring errors or omissions which have been identified in reporting submissions which have been reviewed to date.

## **9. Financial Implications (Accountable Body comments)**

- 9.1. Essex County Council, as the Accountable Body, is responsible for ensuring that the funding awarded by Government is utilised in accordance with the conditions set for use of the Grant. LGF is a capital grant awarded by Government and is subject to the following condition:

*The grant may be used only for the purposes that a capital receipt may be used for, in accordance with regulations made under section 11 of the Local Government Act 2003.*

- 9.2. This condition requires that the grant is used to fund Capital expenditure; no end date for use of the grant is included within the conditions, however, it was the expectation of Government that it was used to fund the LGF projects and that it would be defrayed in full by the end of March 2020. Compliance with the grant conditions and wider reporting and assurance requirements are managed through Service Level Agreements (SLAs) which set out the conditions for use of the grant.
- 9.3. The Accountable Body held a £0 balance of LGF as at the end of 2021/22 as the remaining balance of LGF for each project was transferred to each Local Authority under the terms of the SLA that is in place with each Partner Authority.
- 9.4. The only outstanding LGF funding that remains to be received from Government is in respect of the A127 Fairglens junction improvements project, which is subject to final approval from the Secretary of State for Transport and is not now expected to be received prior to the close of SELEP; any funding approved in respect of this project will now be provided directly to Essex County Council (ECC) as delivery partner.
- 9.5. As the LGF for each project was transferred in advance of spend to the Local Authorities, there was a requirement for the Board to continue to effectively monitor the progress of the LGF projects that remain in delivery in order to provide assurance of delivery in line with the agreed business cases. The SLAs in place set out the Grant responsibilities for the Partner Authorities, which include providing regular reports to the Accountable Body and the SELEP Secretariat in the timescales and format specified by the SELEP Secretariat, to enable quarterly reporting to the Accountability Board and Government. It is noted that two Authorities did not provide the required reporting in time to inform this update and have therefore not fulfilled the requirements of the SLA's; the report indicates limited risks in terms of updates to the previously confirmed positions for these Authorities.
- 9.6. Following the closure of SELEP, this monitoring will continue to be the responsibility of the Upper Tier Local Authority Partner with a requirement to provide update reports and manage any further change requests directly with Government; this requirement will be transferred to the respective Local Authority Partner through the Transition Agreement being developed by the

## Local Growth Fund Capital Programme Update

Accountable Body for the purpose of transferring LEP functions and responsibilities of the Accountable Body, to the respective Partner Authority, in accordance with the expectations and agreement of Government (see Agenda item 13).

- 9.7. Updates on projects should include ongoing monitoring of possible risks which may impact delivery of LGF projects along with proposed mitigations; this is essential due to the current uncertain economic climate and high inflation, together with ongoing impacts experienced following the Covid-19 pandemic and Brexit.
- 9.8. Reporting is also required to include the monitoring and evaluation reports post completion of the respective projects; these reports should provide assurance to the Board that the anticipated outputs and outcomes set out in the business cases are being delivered; or an update should be provided where there are risks to realisation of the outputs and outcomes. This requirement is included in the SLAs in place with each Partner Authority.
- 9.9. Should the funding not be utilised in accordance with the conditions of the SLAs, Partners may be required by the Board to return the funding to the Accountable Body. This may include instances where LGF projects are unable to complete and abortive costs are incurred, as in this example, the costs may no longer meet the condition for the funding to be used only for Capital expenditure purposes.
- 9.10. It is noted that a number of projects that have experienced extended delays are now facing challenges to funding due to cost increases since the original business cases were completed. Under the terms of the SLAs with Partner Authorities, this risk of cost increase is the responsibility of Partners to mitigate and in some circumstances may require a change request or updated business case; moving forwards, following the closure of SELEP, change requirements should form part of the update reporting between the Local Authorities and Government and, where required, approval of Government sought to agree any change.

## **10. Legal Implications (Accountable Body comments)**

- 10.1. The grant funding has been 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 Agreements between the Accountable Body and the Partner Authorities. It is a requirement that the Partner Authorities mirror the terms of the SLA within its funding agreements with the delivery partners. Where there are delays to a project end date of more than six months, under the terms of the SLA, Accountability Board approval is required.
- 10.2. Responsibility for LGF projects is to be transferred to the relevant Partner Authorities following the close of SELEP under a Transition Agreement to be entered into between the six upper tier local authorities and DLUHC. This agreement includes provisions for the Partner Authorities to manage the funds



in accordance with the relevant funding conditions and to monitor projects and report to DLUHC as notified to the Partner Authority.

## **11. Equality and Diversity implication**

- 11.1. 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:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
  - (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.
- 11.2. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 11.3. 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.

## **12. List of Appendices**

- 12.1. Appendix A – LGF spend forecast update
- 12.2. Appendix B – Project deliverability and risk update
- 12.3. Appendix C – LGF Programme Risks
- 12.4. Appendix D – Outstanding post scheme completion monitoring and evaluation reports
- 12.5. Appendix E – Draft Position Statement (to be attached to Transition Agreement)

## Local Growth Fund Capital Programme Update

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

<b>Role</b>	<b>Date</b>
<b>Accountable Body sign off</b>  Michael Neumann  (On behalf of Nicole Wood, S151 Officer, Essex County Council)	  12/02/2024

## Appendix A LGF spend forecast update

SELEP number	Project Name	Promoter	Spend to 2021/22	2022/23 Total	2023/24 Q1 Actual	2023/24 Q2 Actual	2023/24 Q3 Actual	2023/24 Q4 Forecast	2023/24 Forecast	2024/25 and beyond	All Years
<b>East Sussex</b>											
LGF00002	Newhaven Flood Defences	East Sussex	1.500								1.500
LGF00023	Hailsham/Polegate/Eastbourne Movement and Access Transport scheme	East Sussex	1.615	0.485							2.100
LGF00024	Eastbourne and South Wealden Walking and Cycling LSTF package	East Sussex	4.610	0.287	0.005	0.067	0.010	0.053	0.135	1.569	6.600
LGF00036	Queensway Gateway Road	East Sussex	10.000								10.000
LGF00066	Swallow Business Park, Hailsham (A22/A27 Growth Corridor)	East Sussex	1.400								1.400
LGF00067	Sovereign Harbour (aka Site Infrastructure Investment)	East Sussex	1.700								1.700
LGF00085	North Bexhill Access Road and Bexhill Enterprise Park	East Sussex	18.600								18.600
LGF00042	Hastings and Bexhill Movement and Access Package	East Sussex	4.428	1.096	-0.222	0.013	0.074	0.033	-0.103	3.579	9.000
LGF00043	Hastings and Bexhill LSTF walking and cycling package (combined with above scheme)	East Sussex									
LGF00044	Eastbourne town centre LSTF access & improvement package	East Sussex	5.817	0.664	0.020	0.272	0.145	0.071	0.508	1.011	8.000
LGF00073	A22/A27 junction improvement package	East Sussex									
LGF00068	Coastal Communities Housing Intervention Hastings	East Sussex	0.667								0.667
LGF00097	East Sussex Strategic Growth Project	East Sussex	8.200								8.200
LGF00099	Devonshire Park	East Sussex	5.000								5.000
LGF00108	Bexhill Enterprise Park North	East Sussex	1.940								1.940
LGF00109	Skills for Rural Businesses Post-Brexit	East Sussex	3.498	0.915							4.413
LGF00110	Churchfields Business Centre (previously known as Sidney Little Road Business Incubator Hub)	East Sussex	0.500								0.500
LGF00116	Bexhill Creative Workspace	East Sussex	0.960								0.960
LGF00117	Exceat Bridge Replacement	East Sussex									
LGF00124	Eastbourne Fisherman	East Sussex	1.440								1.440
<b>Essex</b>											
LGF00004	Colchester Broadband Infrastructure	Essex	0.200								0.200
LGF00025	Colchester LSTF	Essex	2.400								2.400
LGF00026	Colchester Integrated Transport Package	Essex	5.000								5.000
LGF00027	Colchester Town Centre	Essex	4.600								4.600
LGF00028	TGSE LSTF - Essex	Essex	3.000								3.000
LGF00031	A414 Pinch Point Package: A414 First Avenue & Cambridge Rd junction	Essex	10.487								10.487
LGF00032	A414 Maldon to Chelmsford RBS	Essex	2.000								2.000
LGF00033	Chelmsford Station / Station Square / Mill Yard	Essex	3.000								3.000
LGF00034	Basildon Integrated Transport Package	Essex	6.586								6.586
LGF00037	Colchester Park and Ride and Bus Priority measures	Essex	5.800								5.800
LGF00048	A131 Chelmsford to Braintree	Essex	3.660								3.660
LGF00049	A414 Harlow to Chelmsford (removed from programme)	Essex									
LGF00050	A133 Colchester to Clacton	Essex	2.740								2.740
LGF00051	A131 Braintree to Sudbury (removed from programme)	Essex									
LGF00063	Chelmsford City Growth Area Scheme	Essex	10.000								10.000
LGF00064	Chelmsford Flood Alleviation Scheme (removed from programme)	Essex									
LGF00070	Beaulieu Park Railway Station	Essex								12.000	12.000
LGF00068	Coastal Communities Housing Intervention (Jaywick)	Essex	0.667								0.667
LGF00095	Gilden Way Upgrading, Harlow	Essex	5.000								5.000
LGF00098	Technical and Professional Skills Centre at Stansted Airport	Essex	3.500								3.500
LGF00100	Innovation Centre - University of Essex Knowledge Gateway	Essex	2.000								2.000
LGF00101	STEM Innovation Centre - Colchester Institute	Essex	5.000								5.000
LGF00102	A127/A130 Fairglan Interchange new link road	Essex	6.235								6.235
LGF00103	M11 Junction 8 Improvements	Essex	2.734	1.000							3.734
LGF00105	Mercury Rising Theatre	Essex	1.228								1.228
LGF00111	Basildon Digital Technologies Campus	Essex	2.150								2.150

Appendix A LGF spend forecast update											
SELEP number	Project Name	Promoter	Spend to 2021/22	2022/23 Total	2023/24 Q1 Actual	2023/24 Q2 Actual	2023/24 Q3 Actual	2023/24 Q4 Forecast	2023/24 Forecast	2024/25 and beyond	All Years
LGF00112	Colchester Institute training centre (Groundworks and scaffolding)	Essex	0.050								0.050
LGF00113	USP College Centre of Excellence for Digital Technologies and Immersive Learning , Benfleet	Essex	0.900								0.900
LGF00114	Flightpath Phase 2	Essex	1.982								1.982
LGF00118	Basildon Innovation Warehouse (removed from programme)	Essex									
LGF00119	University of Essex Parkside (Phase 3)	Essex	0.499	4.501							5.000
LGF00125	New Construction Centre, Chelmsford	Essex	1.295								1.295
LGF00127	Colchester Grow on Space	Essex	0.417	0.285		0.270		1.000	1.270	1.806	3.777
Kent											
LGF00003	I3 Innovation Investment Loan Scheme	Kent	5.644				0.356		0.356		6.000
LGF00006	Tonbridge Town Centre Regeneration	Kent	2.631								2.631
LGF00007	Sittingbourne Town Centre Regeneration	Kent	2.500								2.500
LGF00008	M20 Junction 4 Eastern Overbridge	Kent	2.200								2.200
LGF00009	Tunbridge Wells Jct Improvement Package (formerly - A26 London Rd/ Speldhurst Rd/ Yew Tree Rd, Tun Wells)	Kent	1.177								1.177
LGF00010	Kent Thameside LSTF	Kent	4.500								4.500
LGF00011	Maidstone Gyratory Bypass	Kent	4.600								4.600
LGF00012	Kent Strategic Congestion Management Programme	Kent	4.800								4.800
LGF00013	Middle Deal transport improvements	Kent	0.800								0.800
LGF00014	Kent Rights of Way improvement plan	Kent	1.000								1.000
LGF00015	Kent Sustainable Interventions Programme	Kent	2.728								2.728
LGF00016	West Kent LSTF	Kent	4.900								4.900
LGF00017	Folkestone Seafront : onsite infrastructure and engineering works	Kent	0.541								0.541
LGF00038	A28 Chart Road - on hold	Kent	2.756								2.756
LGF00039	Maidstone Integrated Transport	Kent	5.494	1.080	0.000	0.078	-0.003	1.252	1.327	1.000	8.900
LGF00040	A28 Sturry Link Road	Kent	1.228	0.218	0.055	0.066	0.217	1.038	1.375	3.079	5.900
LGF00053	Rathmore Road	Kent	4.200								4.200
LGF00054	A28 Sturry Rd Integrated Transport Package (removed from programme)	Kent									
LGF00055	Maidstone Sustainable Access to Employment	Kent	2.000								2.000
LGF00059	Ashford Spurs	Kent	7.885	0.002							7.887
LGF00041	Thanet Parkway	Kent	14.000								14.000
LGF00058	Dover Western Dock Revival	Kent	5.000								5.000
LGF00060	Westenhanger Lorry Park (removed from Programme)	Kent									
LGF00062	Folkestone Seafront (non-transport)	Kent	5.000								5.000
LGF00072	A226 London Road/B255 St Clements Way	Kent	4.200								4.200
LGF00068	Coastal Communities Housing Intervention (Thanet)	Kent	0.667								0.667
LGF00086	Dartford Town Centre Transformation	Kent	4.300								4.300
LGF00088	Fort Halsted (removed from programme)	Kent									
LGF00092	A2500 Lower Road	Kent	1.265								1.265
LGF00093	Kent and Medway Engineering and Design Growth and Enterprise Hub	Kent	6.978	0.366							7.344
LGF00096	A2 off-slip at Wincheap, Canterbury (removed from programme)	Kent									
LGF00094	Leigh Flood Storage Area	Kent	2.299	0.051							2.349
LGF00106	Sandwich Rail Infrastructure	Kent	1.913								1.913
LGF00120	M2 J5 improvements	Kent	1.600								1.600
LGF00121	Kent and Medway Medical School	Kent	9.000								9.000
LGF00126	East Malling Advanced Technology Horticultural Zone	Kent	1.998	0.001							1.999
Medway											
LGF00018	A289 Four Elms Roundabout to Medway Tunnel Journey time and Network Improvements	Medway	1.821								1.821
LGF00019	Strood Town Centre Journey Time and Accessibility Enhancements	Medway	8.600								8.600

Appendix A LGF spend forecast update											
SELEP number	Project Name	Promoter	Spend to 2021/22	2022/23 Total	2023/24 Q1 Actual	2023/24 Q2 Actual	2023/24 Q3 Actual	2023/24 Q4 Forecast	2023/24 Forecast	2024/25 and beyond	All Years
LGF00020	Chatham Town Centre Place-making and Public Realm Package	Medway	4.200								4.200
LGF00021	Medway Cycling Action Plan	Medway	2.500								2.500
LGF00022	Medway City Estate Connectivity Improvement Measures	Medway	2.200								2.200
LGF00061	Rochester Airport - phase 1	Medway	4.400								4.400
LGF00089	IPM (Rochester Airport - phase 2)	Medway	3.700								3.700
LGF00091	Strood Civic Centre - flood mitigation	Medway	3.500								3.500
LGF00122	IPM 2 (Rochester Airport - phase 3)	Medway	1.519								1.519
<b>Southend</b>											
LGF00005	Southend Growth Hub	Southend	0.720								0.720
LGF00107	Southend Forum 2	Southend									
LGF00029	TGSE LSTF - Southend	Southend	1.000								1.000
LGF00045	Southend Central Area Action Plan (SCAAP) - Transport Package	Southend	7.000								7.000
LGF00057	London Southend Airport Business Park Phase 1 and 2 (including Southend and Rochford Joint Area Action Plan)	Southend	23.163	0.207							23.370
LGF00115	Southend Town Centre	Southend	0.336	1.289							1.625
<b>Thurrock</b>											
LGF00030	TGSE LSTF - Thurrock	Thurrock	1.000								1.000
LGF00046	Thurrock Cycle Network	Thurrock	5.000								5.000
LGF00047	London Gateway/Stanford le Hope	Thurrock	7.500								7.500
LGF00052	A13 Widening - development	Thurrock	5.000								5.000
LGF00056	Purfleet Centre	Thurrock	5.000								5.000
LGF00104	Grays South	Thurrock	5.142							5.699	10.840
LGF00123	Tilbury Riverside (removed from programme)	Thurrock									
	A13 widening - additional funding	Thurrock	1.500								1.500
<b>Managed Centrally</b>											
LGF00001	Skills		21.975								21.975
LGF00071	M20 Junction 10a		19.700								19.700
<b>Sub-total</b>			<b>421.279</b>	<b>12.447</b>	<b>-0.142</b>	<b>0.765</b>	<b>0.799</b>	<b>3.445</b>	<b>4.867</b>	<b>29.742</b>	<b>468.335</b>
<b>DfT retained schemes</b>											
LGF00079	A127 Fairglen Junction Improvements	Essex	1.500							13.500	15.000
LGF00080	A127 Capacity Enhancements Road Safety and Network Resilience (ECC)	Essex	4.000								4.000
LGF00081	A127 Kent Elms Corner	Southend	4.300								4.300
LGF00082	A127 The Bell	Southend	4.062	0.107	0.131				0.131		4.300
LGF00083	A127 Essential Bridge and Highway Maintenance - Southend	Southend	8.000								8.000
LGF00084	A13 Widening	Thurrock	75.000								75.000
Sub-total retained schemes			96.862	0.107	0.131				0.131	13.500	110.600
<b>Total all schemes</b>			<b>518.141</b>	<b>12.554</b>	<b>-0.011</b>	<b>0.765</b>	<b>0.799</b>	<b>3.445</b>	<b>4.998</b>	<b>43.242</b>	<b>578.935</b>

## Appendix B - Local Growth Fund Delivery and Risk

Project	Deliverability									Financial						
	Accountability Board approval	Delivery Status	Spend status of LGF funding award	Expected completion date (as stated in Business Case)	Expected completion date (November 2023)	Expected completion date (January 2024)	Months delay incurred (since original Business Case)	Months delay incurred (since last update)	Deliverability RAG rating	LGF allocation (£)	Actual LGF spend to end of 2022/23 (£)	Spend Q1 to Q3 2023/24 (£)	Forecast LGF spend from Q4 2023/24 onwards (£)	Financials RAG rating	Reputational risk RAG	Overall RAG rating
<b>East Sussex</b>																
Newhaven Flood Defences	Jun-15	LGF project delivered	Complete	Feb-20	Mar-22	Mar-22	26		1	1,500,000	1,500,000			4	1	2
Hailsham, Polegate and Eastbourne Movement and Access Transport scheme	Feb-17	Design in progress	Complete	Mar-20	Mar-25	Mar-25	61		5	2,100,000	2,100,000			3	3	4
Eastbourne and South Wealden Walking and Cycling LSTF package	Nov-15 and Feb-19	Construction in progress	Ongoing	Mar-21	Dec-24	Dec-24	46		5	6,600,000	4,896,233	82,498	1,621,270	3	3	4
Queensway Gateway Road	Mar-15	Construction in progress	Complete	Mar-16	TBC	TBC			5	10,000,000	10,000,000			5	5	5
Swallow Business Park, Hailsham	Feb-16	LGF project delivered	Complete	Mar-17	Mar-17	Mar-17			3	1,400,000	1,400,000			4	3	3
Sovereign Harbour	Feb-16	LGF project delivered	Complete	Mar-17	Mar-17	Mar-17			1	1,700,000	1,700,000			1	1	1
North Bexhill Access Road and Bexhill Enterprise Park	Nov-15	Construction in progress	Complete	Mar-18	TBC	TBC			5	18,600,000	18,600,000			1	3	3
Hastings and Bexhill Movement and Access Package	Feb-18	Construction in progress	Ongoing	Mar-21	Mar-26	Jul-26	65	4	5	9,000,000	5,524,458	135,561	3,611,103	3	3	4
Eastbourne Town Centre LSTF access and improvement package	Apr-16 and Feb-19	Construction in progress	Ongoing	Mar-21	Dec-24	May-26	63	17	5	8,000,000	6,481,329	436,906	1,081,765	3	3	4
Coastal Communities Housing Intervention Hastings	Feb-17	LGF project delivered	Complete	Apr-20	Mar-20	Mar-20			3	666,667	666,667			4	3	3
East Sussex Strategic Growth Project	Jan-17	Project in progress	Complete	Mar-21	TBC	TBC			5	8,200,000	8,200,000			4	3	4
Devonshire Park	Mar-17	LGF project delivered	Complete	Mar-20	Nov-19	Nov-19			3	5,000,000	5,000,000			5	3	4
Bexhill Enterprise Park North	Jun-19	Project in progress	Complete	Mar-20	TBC	TBC			5	1,940,000	1,940,000			4	3	4
Skills for Rural Businesses Post-Brexit (Plumpton College)	Jun-19 and Feb-21	LGF project delivered	Complete	Mar-21	Mar-23	Mar-23	24		1	4,413,000	4,413,000			3	1	2
Churchfields Business Centre (previously known as Sidney Little Road Business Incubator Hub)	Jun-19	LGF project delivered	Complete	Mar-21	Mar-23	Mar-23	24		1	500,000	500,000			2	1	1
Bexhill Creative Workspace	Sep-19	LGF project delivered	Complete	May-20	Apr-22	Apr-22	23		1	960,000	960,000			4	1	2
Eastbourne Fisherman's Quayside and Infrastructure Development project	Jul-20 and Feb-21	LGF project delivered	Complete	Jul-21	Mar-22	Mar-22	8		1	1,440,000	1,440,000			1	3	2
<b>Essex</b>																
Colchester Broadband Infrastructure	Mar-15	LGF project delivered	Complete	Mar-16	Mar-16	Mar-16			1	200,000	200,000			1	1	1
Colchester LSTF	Mar-15	LGF project delivered	Complete	Mar-16	Dec-16	Dec-16	9		1	2,400,000	2,400,000			1	1	1
Colchester Integrated Transport Package	Mar-15	LGF project delivered	Complete	Mar-21	Mar-21	Mar-21			1	5,000,000	5,000,000			2	1	1
Colchester Town Centre	Mar-15	LGF project delivered	Complete	Mar-16	Jan-18	Jan-18	22		1	4,600,000	4,600,000			1	1	1
TGSE LSTF - Essex	Mar-15	LGF project delivered	Complete	Aug-16	Mar-17	Mar-17	7		1	3,000,000	3,000,000			1	1	1
A414 Pinch Point Package	Jun-15	LGF project delivered	Complete	Mar-17	Mar-19	Mar-19	24		1	10,487,000	10,487,000			1	1	1
A414 Maldon to Chelmsford RBS	Jun-15	LGF project delivered	Complete	Mar-17	Dec-16	Dec-16			1	2,000,000	2,000,000			1	1	1
Chelmsford Station/Station Square/Mill Yard	Jun-15	LGF project delivered	Complete	Dec-17	May-19	May-19	17		1	3,000,000	3,000,000			1	1	1
Basildon Integrated Transport Package	Mar-15, May-17 and Feb-19	LGF project delivered	Complete	Mar-21	May-21	May-21	2		1	6,586,000	6,586,000			1	1	1
Colchester Park and Ride and Bus Priority measures	Mar-15	LGF project delivered	Complete	Apr-15	Apr-15	Apr-15			1	5,800,000	5,800,000			1	1	1
A127 Fairglen junction improvements	Pending	Approval pending	Ongoing	Sep-22	TBC	Jan-27	54		5	15,000,000	1,500,000		13,500,000	5	5	5
A127 capacity enhancements	Jun-15	LGF project delivered	Complete	Dec-20	Nov-18	Nov-18			1	4,000,000	4,000,000			1	1	1
A131 Chelmsford to Braintree	Feb-17	LGF project delivered	Complete	Mar-20	Apr-20	Apr-20	1		1	3,660,000	3,660,000			1	1	1
A133 Colchester to Clacton	Nov-17	LGF project delivered	Complete	Mar-20	Jun-20	Jun-20	3		1	2,740,000	2,740,000			1	1	1
Chelmsford City Growth Area Scheme	Dec-17	LGF project delivered	Complete	Mar-21	Sep-21	Sep-21	6		1	10,000,000	10,000,000			1	1	1
Beaulieu Park Railway Station	Feb-19	Construction in progress	Ongoing	Mar-24	Dec-25	Dec-25	21		5	12,000,000			12,000,000	5	3	4
Coastal Communities Housing Intervention Jaywick	Feb-17	LGF project delivered	Complete	Jun-19	Jun-19	Jun-19			3	666,667	666,667			1	3	2
Gilden Way upgrading	Dec-17	LGF project delivered	Complete	Mar-21	Sep-21	Sep-21	6		1	5,000,000	5,000,000			1	1	1
Technical and Professional Skills Centre at Stansted Airport	May-17	LGF project delivered	Complete	Sep-18	Sep-18	Sep-18			1	3,500,000	3,500,000			1	1	1

Appendix B - Local Growth Fund Delivery and Risk																
Project	Deliverability									Financial						
	Accountability Board approval	Delivery Status	Spend status of LGF funding award	Expected completion date (as stated in Business Case)	Expected completion date (November 2023)	Expected completion date (January 2024)	Months delay incurred (since original Business Case)	Months delay incurred (since last update)	Deliverability RAG rating	LGF allocation (£)	Actual LGF spend to end of 2022/23 (£)	Spend Q1 to Q3 2023/24 (£)	Forecast LGF spend from Q4 2023/24 onwards (£)	Financials RAG rating	Reputational risk RAG	Overall RAG rating
Innovation Centre - University of Essex Knowledge Gateway	Sep-17	LGF project delivered	Complete	Jan-19	Apr-19	Apr-19	3		1	2,000,000	2,000,000			1	1	1
STEM Innovation Centre - Colchester Institute	Dec-17	LGF project delivered	Complete	Jan-19	Apr-20	Apr-20	15		1	5,000,000	5,000,000			1	1	1
A127/A130 Fairglen Interchange new link road	Feb-19	Design in progress	Complete	Apr-22	TBC	Jan-27	59		5	6,235,000	6,235,000			4	4	4
M11 junction 8 improvements	Nov-17 and Mar-21	Construction in progress	Complete	Mar-21	Mar-25	May-25	51	2	5	3,733,896	3,733,896			3	2	3
Mercury Rising Theatre	Nov-17 and Sep-21	LGF project delivered	Complete	Mar-20	Mar-22	Mar-22	24		1	1,228,000	1,228,000			1	1	1
Basildon Digital Technologies Campus	Jun-19	LGF project delivered	Complete	Sep-20	Sep-21	Sep-21	12		1	2,150,000	2,150,000			1	1	1
Colchester Institute training centre (Groundworks and scaffolding)	Jun-19	LGF project delivered	Complete	Jan-20	Mar-21	Mar-21	14		1	50,000	50,000			1	1	1
USP College Centre of Excellence for Digital Technologies and Immersive Learning , Benfleet	Jun-19	LGF project delivered	Complete	Sep-20	Sep-21	Sep-21	12		1	900,000	900,000			1	1	1
Flightpath Phase 2	Jun-19 and Feb-21	LGF project delivered	Complete	Sep-20	Sep-21	Sep-21	12		1	1,981,500	1,981,500			1	1	1
University of Essex Parkside (Phase 3)	Feb-20	Construction in progress	Complete	Mar-21	Mar-24	Mar-24	37		5	5,000,000	5,000,000			2	2	3
New Construction Centre, Chelmsford College	Jul-20	LGF project delivered	Complete	Sep-21	Mar-23	Mar-23	18		1	1,295,200	1,295,200			1	1	1
Colchester Grow on Space, Queen Street	Feb-21	Construction in progress	Ongoing	Jul-22	May-25	Jun-25	36	1	5	3,777,451	702,040	269,565	2,805,846	3	2	3
<b>Kent</b>																
I3 Innovation Project (formerly referred to as the Kent and Medway Growth Hub)	Nov-15	LGF project delivered	Complete	Mar-21	Nov-23	Nov-23	32		1	6,000,000	5,643,546	356,454		4	2	2
Tonbridge Town Centre Regeneration	Mar-15	LGF project delivered	Complete	Mar-17	Apr-17	Apr-17	1		3	2,631,269	2,631,269			1	3	2
Sittingbourne Town Centre Regeneration	Nov-15	LGF project delivered	Complete	Sep-16	Mar-21	Mar-21	55		3	2,500,000	2,500,000			4	3	3
M20 junction 4 Eastern Overbridge	Mar-15	LGF project delivered	Complete	Feb-17	Feb-17	Feb-17			3	2,200,000	2,200,000			2	3	3
Tunbridge Wells junction improvement package	Jun-15 and Sep-17	LGF project delivered	Complete	Sep-19	Mar-19	Mar-19			3	1,176,611	1,176,611			3	4	3
Kent Thameside LSTF	Mar-15	LGF project delivered	Complete	Mar-21	Sep-22	Sep-22	18		1	4,500,000	4,500,000			1	1	1
Maidstone Gyratory Bypass	Mar-15	LGF project delivered	Complete	Feb-17	Dec-16	Dec-16			3	4,600,000	4,600,000			1	3	2
Kent Strategic Congestion Management programme	Mar-15, Apr-16, Feb-17 and Feb-18, and Feb-21	LGF project delivered	Complete	Mar-21	May-22	May-22	14		1	4,800,000	4,800,000			3	1	2
Middle Deal transport improvements	Feb-16	LGF project delivered	Complete	Dec-16	Sep-21	Sep-21	58		1	800,000	800,000			1	1	1
Kent Rights of Way improvement plan	Mar-15	LGF project delivered	Complete	Mar-21	Mar-23	Mar-23	24		1	1,000,000	1,000,000			4	1	2
Kent Sustainable Interventions Programme	Mar-15, Apr-16, Feb-17 and Feb-18	LGF project delivered	Complete	Mar-21	Mar-21	Mar-21			3	2,727,586	2,727,586			4	3	3
West Kent LSTF	Apr-16	LGF project delivered	Complete	Mar-21	Sep-21	Sep-21	6		1	4,900,000	4,900,000			3	1	2
Folkestone Seafront: onsite infrastructure	Mar-15	LGF project delivered	Complete	Sep-15	Mar-16	Mar-16	6		3	541,145	541,145			1	3	2
A28 Chart Road	Nov-15	Project on hold	Complete	Mar-20	TBC	TBC			5	2,756,283	2,756,283			5	4	5
Maidstone Integrated Transport Package	Nov-15 and Jun-18	Construction in progress	Ongoing	Feb-20	Dec-24	Dec-24	59		5	8,900,000	6,573,420	74,860	2,251,720	3	3	4
A28 Sturry Link Road	Jun-16	Design in progress	Ongoing	Oct-21	Dec-26	Dec-26	63		5	5,900,000	1,445,982	337,040	4,116,978	5	5	5
Rathmore Road	Nov-15	LGF project delivered	Complete	Nov-17	Feb-18	Feb-18	3		3	4,200,000	4,200,000			2	3	3
Maidstone Sustainable Access to Employment	Nov-15	LGF project delivered	Complete	Mar-16	Jun-17	Jun-17	15		1	2,000,000	2,000,000			1	1	1
Ashford Spurs	Sep-16 and May-17	LGF project delivered	Complete	Apr-18	Apr-20	Apr-20	24		1	7,886,830	7,886,830			1	3	2
Thanet Parkway	Apr-19	LGF project delivered	Complete	Dec-21	Jul-23	Jul-23	19		1	14,000,000	14,000,000			3	3	2

Appendix B - Local Growth Fund Delivery and Risk																
Project	Deliverability									Financial						
	Accountability Board approval	Delivery Status	Spend status of LGF funding award	Expected completion date (as stated in Business Case)	Expected completion date (November 2023)	Expected completion date (January 2024)	Months delay incurred (since original Business Case)	Months delay incurred (since last update)	Deliverability RAG rating	LGF allocation (£)	Actual LGF spend to end of 2022/23 (£)	Spend Q1 to Q3 2023/24 (£)	Forecast LGF spend from Q4 2023/24 onwards (£)	Financials RAG rating	Reputational risk RAG	Overall RAG rating
Dover Western Docks revival	Feb-17	LGF project delivered	Complete	Feb-17	Apr-17	Apr-17	2		1	5,000,000	5,000,000			1	1	1
Folkestone Seafront (non-transport)	Feb-16	LGF project delivered	Complete	Dec-17	Mar-18	Mar-18	3		3	5,000,000	5,000,000			4	3	3
A226 London Road/B255 St Clements Way	Nov-16	LGF project delivered	Complete	Mar-20	May-19	May-19			3	4,200,000	4,200,000			2	3	3
Coastal Communities Housing Intervention (Thanet)	Feb-16	LGF project delivered	Complete	Mar-21	Mar-21	Mar-21			1	666,666	666,666			1	1	1
Dartford Town Centre Transformation	Apr-18	Construction in progress	Complete	Mar-21	Dec-26	Dec-26	70		5	4,300,000	4,300,000			2	3	3
A2500 Lower Road	Sep-17	LGF project delivered	Complete	Dec-19	Mar-19	Mar-19			3	1,264,930	1,264,930			1	3	2
Kent and Medway EDGE hub	Sep-17, Mar-21 and Sep 21	LGF project delivered	Complete	Aug-20	Dec-22	Dec-22	28		1	7,344,000	7,344,000			2	1	1
Leigh Flood Storage Area and East Peckham - unlocking growth	Sep-18	Construction in progress	Complete	Jul-23	Mar-26	Mar-26	32		5	2,349,000	2,349,000			2	2	3
Sandwich Rail Infrastructure	Nov-17	LGF project delivered	Complete	Mar-20	Feb-20	Feb-20			1	1,913,170	1,913,170			2	1	1
M2 Junction 5	Feb-20	Construction in progress	Complete	Jan-23	Dec-24	Dec-24	23		5	1,600,000	1,600,000			3	3	4
Kent and Medway Medical School	Nov-19, Jul-20 and Feb-21	LGF project delivered	Complete	Sep-20	Jun-21	Jun-21	9		1	9,000,000	9,000,000			1	1	1
East Malling Advanced Technology Horticultural Zone	Jun-20 and Feb-21	LGF project delivered	Complete	Jul-21	May-22	May-22	10		1	1,998,600	1,998,600			1	1	1
<b>Medway</b>																
A289 Four Elms roundabout to Medway Tunnel	Mar-15	Design in progress	Complete	Dec-20	TBC	TBC			4	1,821,046	1,821,046			5	4	4
Strood Town Centre	Mar-15	LGF project delivered	Complete	Jun-18	Mar-22	Mar-22	46		3	8,600,000	8,600,000			4	3	3
Chatham Town Centre	Mar-15	LGF project delivered	Complete	Jul-17	Dec-19	Dec-19	29		3	4,200,000	4,200,000			1	3	2
Medway Cycling Action Plan	Mar-15	LGF project delivered	Complete	Mar-18	Mar-19	Mar-19	12		3	2,500,000	2,500,000			2	3	3
Medway City Estate	Mar-15	LGF project delivered	Complete	Mar-21	Apr-22	Apr-22	13		1	2,200,000	2,200,000			1	3	2
Rochester Airport - phase 1	Jun-16	LGF project delivered	Complete	Mar-18	Nov-21	Nov-21	45		3	4,400,000	4,400,000			1	3	2
Innovation Park Medway (phase 2)	Feb-19	Construction in progress	Complete	Dec-20	Jul-23	Feb-24	38	7	5	3,700,000	3,700,000			4	5	5
Strood Civic Centre - flood mitigation	Feb-18	LGF project delivered	Complete	Apr-19	Jun-19	Jun-19	2		3	3,500,000	3,500,000			5	3	4
Innovation Park Medway (phase 3)	Jul-20	Construction in progress	Complete	Dec-21	Jul-23	Feb-24	26	7	5	1,518,500	1,518,500			4	5	5
<b>Southend</b>																
Southend Growth Hub	2015	LGF project delivered	Complete	Dec-16	Mar-17	Mar-17	3		3	720,000	720,000			1	3	2
TGSE LSTF - Southend	Mar-15	LGF project delivered	Complete	Aug-16	Mar-17	Mar-17	7		3	1,000,000	1,000,000			1	3	2
A127 Kent Elms Corner	Jun-16	LGF project delivered	Complete	May-17	May-19	May-19	25		3	4,300,000	4,300,000			2	3	3
A127 The Bell	Nov-18 and Feb-19	Construction in progress	Complete	Mar-21	Mar-24	Mar-24	37		5	4,300,000	4,169,284	130,716		3	2	3
A127 Essential Bridge and Highway Maintenance	Sep-16, Nov-18 and Feb-19 and Feb 2021	LGF project delivered	Complete	Mar-21	Aug-21	Aug-21	5		1	8,000,000	8,000,000			1	1	1
Southend Central Area Action Plan	Jun-16, Sep-17 and Feb-19	LGF project delivered	Complete	Mar-21	Jun-22	Jun-22	15		1	7,000,000	7,000,000			1	1	1
London Southend Airport Business Park	Feb-16, Sep-17, Sep-18 and Sep-21	LGF project delivered	Complete	Mar-21	Jul-23	Jul-23	28		1	23,369,517	23,369,517			1	1	1
Southend Town Centre Interventions	Jul-20 and Feb-21	LGF project delivered	Complete	Mar-21	Jan-24	Jan-24	35		5	1,625,000	1,625,000			1	2	3
<b>Thurrock</b>																
TGSE LSTF - Thurrock	Mar-15	LGF project delivered	Complete	Mar-16	Mar-20	Mar-20	49		3	1,000,000	1,000,000			1	3	2
Thurrock Cycle Network	Apr-16	LGF project delivered	Complete	Mar-19	Mar-19	Mar-19			3	5,000,000	5,000,000			1	3	2
London Gateway/Stanford le Hope	Feb-17	Design in progress	Complete	Dec-18	TBC	Jun-25	79		5	7,500,000	7,500,000			5	5	5
A13 - widening development	Feb-17	LGF project delivered	Complete	Dec-19	Dec-20	Dec-20	12		1	5,000,000	5,000,000			1	1	1
Purfleet Centre	Jun-16	On hold	Complete	Sep-27	TBC	TBC			5	5,000,000	5,000,000			4	5	5
Grays South	Feb-19	On hold	Ongoing	Jul-22	TBC	Sep-28	75		5	10,840,274	5,141,603		5,698,671	5	5	5
A13 widening	Apr-17, Jul-20 and Mar-21	LGF project delivered	Complete	Dec-19	Sep-23	Sep-23	46		1	76,500,000	76,500,000			3	3	2
<b>Managed Centrally</b>																
Capital Skills	Mar-15	LGF project delivered	Complete	Mar-17	Mar-17	Mar-17			3	21,974,561	21,974,561			4	4	4
M20 Junction 10a	Feb-17	LGF project delivered	Complete	Sep-20	Dec-19	Dec-19			3	19,700,000	19,700,000			1	3	2
<b>TOTAL</b>										<b>578,935,369</b>	<b>530,695,539</b>	<b>1,552,478</b>	<b>46,687,353</b>			



Appendix C - LGF Programme Risks (High Risks only)

Risk	Description	Risk Impact	Risk Probability	Overall Risk	Mitigation
<b>Delivery of LGF project benefits</b>	Local partners have made substantial progress towards the delivery of LGF projects, including the outputs identified in the project business cases. However, the economic impact of COVID-19 is likely to substantially reduce the benefits achieved through LGF investment, or at least slow the pace of benefit realisation. This could reduce the value for money achieved through the delivery of the LGF programme.	4	5	20	Following the closure of SELEP, it will be the responsibility of the Upper Tier Local Authorities to ensure that projects continue to offer High value for money and to monitor the level of benefits expected to be realised as a result of project delivery.
<b>Closure of SELEP</b>	<p>In August 2023, Government confirmed that LEPs will no longer receive core funding after 2023/24, and that there is an expectation that LEP activities will be transitioned into local authorities. This means that the oversight of the LGF programme, including any required engagement with Government, will cease at or close to 31 March 2024.</p> <p>It is important that new arrangements are put in place to ensure that oversight of the LGF programme continues. Without appropriate oversight there is a risk that projects may not be delivered in accordance with approved Business Cases and that required programme wide reporting will not be provided to Government.</p>	4	4	16	Following receipt of advice from Government, discussions are ongoing between SELEP, Essex County Council (as Accountable Body for SELEP) and all six Upper Tier Local Authority partners to determine how the management of the capital programme should be taken forward post SELEP. It is intended that a Transition Agreement which covers the transfer of SELEP activities to the Upper Tier Local Authorities will be put in place. This agreement will manage the transfer of responsibilities from SELEP and the Accountable Body to Local Authority Partners.
<b>Operational budgets</b>	Given the current financial climate, there may be financial challenges to the future operation of LGF projects by the private sector, including Higher Education Institutions and Further Education providers. As well as impacting the delivery stage of the projects, this is also likely to impact the operation of the projects once delivered and impact the scale/pace to benefits realisation through the project.	4	4	16	<p>As part of the business case assessment, scheme promoters are required to provide information about the commercial operation of the project post delivery.</p> <p>Any changes to the viability of projects should be actively monitored by Upper Tier Local Authorities following the closure of SELEP in March 2024.</p>
<b>Affordability of LGF projects</b>	<p>There are likely to be substantial delays to LGF projects at each stage of project delivery as a result of COVID-19, with an impact on the total cost of LGF projects. This is likely to be further exacerbated by increasing materials costs and rising inflation levels, which has been widely reported across the LGF programme.</p> <p>In addition, there is also a risk to S106 funding contributions which have previously been committed towards LGF projects. Local authority budgets are likely to come under increased pressure and private sector contributions may not be available to the scale/timescales originally anticipated.</p>	5	3	15	<p>The risk of project cost increases sits with the local authority partners and as such, SELEP encourages all partner authorities to review the financial position of all LGF projects.</p> <p>Early engagement with contractors and the supply chain is advised.</p> <p>The risk to the LGF programme is reducing as the number of completed LGF projects increases, however, this risk has the potential to impact on all ongoing LGF projects.</p>
<b>Failure of third-party organisations to deliver LGF projects</b>	Local authorities have entered into contract with third party organisations, such as district authorities, private sector companies, further education and higher education providers to deliver LGF projects. If the external organisations experience financial difficulty and are unable to deliver LGF projects, it may not be possible to recover the LGF from these organisations should they enter administration.	5	3	15	<p>SELEP encourages local authorities to complete additional financial checks prior to entering into contract or transferring LGF to third party organisations and to ensure clear processes are in place for the oversight of LGF projects delivered by third party organisations.</p> <p>The risk to the LGF programme is reducing as the number of completed LGF projects increases, however, this risk has the potential to impact on all ongoing LGF projects.</p>

**Appendix C - LGF Programme Risks (High Risks only)**

Risk	Description	Risk Impact	Risk Probability	Overall Risk	Mitigation
<b>Supply Chain Risk</b>	Private sector companies within the supply chain may be vulnerable to the current economic situation. If companies go into financial difficulty or liquidation, this will impact project delivery timescales and costs.	3	3	9	<p>SELEP encourages local authorities to complete additional financial checks for contractors and sub-contractors prior to entering into any new contracts and reviewing the financial position as part of the contract management for existing contracts.</p> <p>The risk to the LGF programme is reducing as the number of completed LGF projects increases, however, this risk has the potential to impact on all ongoing LGF projects.</p>
<b>LGF spend beyond the Growth Deal period</b>	Based on the LGF spend figures reported at the end of 2020/21, LGF totalling £106.351m will be spent beyond the original Growth Deal deadline of 31 March 2021.	3	3	9	<p>All projects which are forecasting LGF spend beyond the revised Growth Deal deadline are required to meet five criteria, to help ensure that LGF spend beyond the Growth Deal is only permitted on an exceptional basis.</p> <p>SELEP used Option 4 Capital Swaps to demonstrate the spend of all but £4.656m of the LGF at the end of 2020/21. The remaining funding was reported as spent in 2021/22. Whilst this approach is permitted under the terms of the grant from Central Government, there is a potential reputational risk to SELEP's delivery track record. This may impact SELEP's ability to successfully secure future funding from Central Government.</p>

Appendix D - Outstanding post scheme completion Monitoring and Evaluation reports

<b>Project</b>	<b>Area</b>	<b>1 Year Post Completion</b>	<b>3/5 Year Post Completion</b>
Swallow Business Park	East Sussex	Received	Outstanding
Coastal Communities Housing Intervention	East Sussex	Outstanding	Outstanding
Devonshire Park	East Sussex	Outstanding	Outstanding
Coastal Communities Housing Intervention	Essex	Outstanding	Outstanding
Tonbridge Town Centre	Kent	Received	Outstanding
Sittingbourne Town Centre Regeneration	Kent	Outstanding	Not due
M20 Junction 4	Kent	Received	Outstanding
Tunbridge Wells Junction Improvement Package	Kent	Outstanding	Outstanding
Maidstone Gyratory Bypass	Kent	Received	Outstanding
Kent Sustainable Interventions Programme	Kent	Outstanding	Not due
Folkestone Seafront: onsite infrastructure and Engineering Works	Kent	Outstanding	Outstanding
Rathmore Road	Kent	Received	Outstanding
Folkestone Seafront (non-transport)	Kent	Received	Outstanding
A226 London Road/B255 St Clements Way	Kent	Received	Outstanding
A2500 Lower Road	Kent	Outstanding	Outstanding
Strood Town Centre journey time and accessibility improvements	Medway	Outstanding	Not due
Chatham Town Centre Placemaking	Medway	Outstanding	Outstanding
Medway Cycling Action Plan	Medway	Received	Outstanding
Rochester Airport - Phase 1	Medway	Outstanding	Not due
Strood Civic Centre – flood mitigation	Medway	Outstanding	Outstanding
Southend Growth Hub	Southend	Received	Outstanding
TGSE LSTF Southend	Southend	Outstanding	Outstanding
A127 Kent Elms Corner	Southend	Received	Outstanding

Project	Area	1 Year Post Completion	3/5 Year Post Completion
TGSE LSTF Thurrock	Thurrock	Outstanding	Outstanding
Thurrock Cycle Network	Thurrock	Received	Outstanding
M20 Junction 10a	Central	Outstanding	Not due

Appendix E – Draft LGF Position Statement

LOCAL GROWTH FUND Position Statement																								
Project	Status of project	Project Risk RAG rating	Actual/Expected Project completion date	LGF funding allocation	LGF spend to date	Remaining LGF spend	Match funding committed	Match funding spend to date	Remaining match funding spend	Forecast project outputs/outcomes							Project outputs/outcomes realised to date							Additional Commentary (if applicable)
										Jobs created	Homes delivered	Commercial floorspace (sqm)	Learning/ training floorspace (sqm)	Newly built roads (km)	Newly built cycleways (km)	Other outputs/outcomes	Jobs created	Homes delivered	Commercial floorspace (sqm)	Learning/ training floorspace (sqm)	Newly built roads (km)	Newly built cycleways (km)	Other outputs/outcomes	
East Sussex County Council																								
Newhaven Flood Defences	Financially complete	2	31/03/2022	£1,500,000	£1,500,000	£0	TBC	TBC		0	437	16440					444	498						
Halsham, Polegate and Eastbourne Movement and Access Transport Scheme	Financially complete	4	31/03/2025	£2,100,000	£2,100,000	£0	TBC	TBC		1557	1332	27000					276	1219	0				Design review following contract handover in 2023 will be completed by Feb 2024.	
Eastbourne and South Wealden Walking and Cycling LSTF Package	Financially complete	4	31/12/2024	£6,600,000	£4,978,731	£1,621,269	TBC	TBC		5430	6273	70000			2		0	180	0		2		Business Case review underway due to rising costs.	
Queensway Gateway Road	Financially complete	5	TBC	£10,000,000	£10,000,000	£0	TBC	TBC		900		12000		0.8	0.8	5.9ha site reclaimed 0.8km cabling/ piping	36		0		0.65	0.65	5.9ha site reclaimed 0.65km cabling/ piping	Contract and costs for delivery to be finalised.
Swallow Business Park, Halsham	Financially complete	3	31/03/2017	£1,400,000	£1,400,000	£0	TBC	TBC		242		14829		0		3.4ha site reclaimed	116		3000		0.5		3.4ha site reclaimed	
Sovereign Harbour (aka Site Infrastructure Investment)	Financially complete	1	31/03/2017	£1,700,000	£1,700,000	£0	TBC	TBC		2884		37950		0.46	0.46	14.1ha site reclaimed 0.46km cabling/ piping	0				0.46	0.46	728sqm commercial floorspace occupied 14.1ha site reclaimed 0.46km cabling/ piping	
North Beihill Access Road and Beihill Enterprise Park	Financially complete	3	TBC	£18,600,000	£18,600,000	£0	TBC	TBC		2225	780	38000		2.4	2.4	3.6km cabling/ piping	23	0	38000		2.4	2.4	3.6km cabling/ piping	Ancillary works are currently being undertaken.
Hastings and Beihill Movement and Access Package	Financially complete	4	31/07/2026	£9,000,000	£5,388,897	£3,611,103	TBC	TBC															Outputs and outcomes to be updated following Business Case review.	
Eastbourne Town Centre LSTF Access and Improvements Package	Financially complete	4	31/12/2024	£8,000,000	£6,918,235	£1,081,765	TBC	TBC		3783	3530						20	0					ESCC seeking an extension to the project timeline at the February 2024 Accountability Board meeting.	
Coastal Communities Housing Intervention (Hastings)	Completed – project complete	3	31/03/2020	£666,667	£666,667	£0	TBC	TBC																
East Sussex Strategic Growth Project	Financially complete	4	TBC	£8,200,000	£8,200,000	£0	TBC	TBC		2894		4750					219		2375					
Devonshire Park	LGF Spent - Work Ongoing	4	30/11/2019	£5,000,000	£5,000,000	£0	TBC	TBC		57		0					389		1140					
Beihill Enterprise Park North	Financially complete	4	TBC	£1,940,000	£1,940,000	£0	TBC	TBC		487		19200		0.39	0.39	0.39km cabling/ piping	8		0		0.39	0.39	0.39km cabling/ piping	
Skills for Rural Businesses Post-Brexit	Financially complete	2	31/03/2023	£4,413,000	£4,413,000	£0	TBC	TBC		7		1506	0	0.35		610 businesses receiving non-financial support	6		0	1016	0			610 enterprises supported
Churchfields Business Centre (previously known as Sidney Little Road Business Incubator Hub)	Financially complete	1	31/03/2023	£500,000	£500,000	£0	TBC	TBC		74		887					14		887					
Beihill Creative Workspace	Financially complete	2	30/04/2022	£960,000	£960,000	£0	TBC	TBC		76		1599					3		0					
Eastbourne Fisherman's Quayside and Infrastructure Development project	Financially complete	2	31/03/2022	£1,440,000	£1,440,000	£0	TBC	TBC		4							4							
Essex County Council																								
Colchester Broadband Infrastructure	Financially complete	1	31/03/2016	£200,000	£200,000	£0	TBC	TBC		645						192 enterprises receiving non-financial support	580							
Colchester LSTF	Financially complete	1	31/12/2016	£2,400,000	£2,400,000	£0	TBC	TBC		1293	1368				1.17		213	537				1.17		
Colchester Integrated Transport Package	Financially complete	1	31/03/2021	£5,000,000	£5,000,000	£0	TBC	TBC		1268	8295		0.25	0.25			2500	7173		0.25	0.25			
Colchester Town Centre	Financially complete	1	31/01/2019	£4,600,000	£4,600,000	£0	TBC	TBC		860	910			0.09			1755	537			0.09			
IGSE LSTF - Essex	Financially complete	1	31/03/2017	£3,000,000	£3,000,000	£0	TBC	TBC		21192	11868			0.7	1.8km resurfaced road		881	5472			0		1.8km resurfaced road	
A414 Pinch Point Package: A414 First Avenue and Cambridge Road Junction	Financially complete	1	31/03/2019	£10,487,000	£10,487,000	£0	TBC	TBC		6000	2500			0.83		0.5km resurfaced road	300	2730			0		0.5km resurfaced road	
A414 Maldon to Chelmsford Route Based Scheme	Completed – project complete	1	31/12/2016	£2,000,000	£2,000,000	£0	TBC	TBC		1352	3280			1.13	2.71	28.88km resurfaced road 2.9ha reclaimed land 2.9ha reduced flooding likelihood	1352	1145			1.13	0		
Chelmsford Station/Station Square/Mill Yard	Completed – project complete	1	31/05/2019	£3,000,000	£3,000,000	£0	TBC	TBC		3480	1800			0.5	0.17km resurfaced road		2401	4927			0.5		0.17km resurfaced road	
Basilston Integrated Transport Package	Financially complete	1	31/05/2021	£6,586,000	£6,586,000	£0	TBC	TBC		7150	3710			0.25	0.05km resurfaced road		2176	1802			0.25		0.05km resurfaced road	
Colchester Park and Ride and Bus Priority Measures	Financially complete	1	30/04/2015	£5,800,000	£5,800,000	£0	TBC	TBC		1168	3443			0.3	0.46		213	537			0.3	0.46		
A127 Farglen Junction Improvements (DfT retained scheme)	Financially complete	5	31/01/2027	£15,000,000	£1,500,000	£13,500,000	TBC	TBC		9569	5670						0	0						Significant delays due to tender process
A127 Capacity Enhancements, Road Safety and Network Resilience (DfT retained scheme)	Financially complete	1	30/11/2018	£4,000,000	£4,000,000	£0	TBC	TBC		57100	37100			0.25		0.44km resurfaced road	1718	1242			0.25			
A131 Chelmsford to Braintree	Financially complete	1	31/11/18	£3,660,000	£3,660,000	£0	TBC	TBC		250	4350			2.06		0.65km resurfaced road	1776	4740			1.9		0.65km resurfaced road	
A133 Colchester to Clacton	Financially complete	1	30/04/2020	£2,740,000	£2,740,000	£0	TBC	TBC		700	2450			0.66			1325	243			0			
Chelmsford City Growth Area Scheme	Financially complete	1	30/09/2021	£10,000,000	£10,000,000	£0	TBC	TBC		600	5900			1.53	5.1	2.43km resurfaced road 3.35km cabling/piping	1826	4927			0	0		
Beaulieu Park Railway Station	LGF Spent - Work Ongoing	4	31/12/2025	£12,000,000	£0	£12,000,000	TBC	TBC		4100	2600	40000					0	0	0					
Coastal Communities Housing Intervention (Ipswich)	Completed – project complete	2	30/06/2019	£666,667	£666,667	£0	TBC	TBC																
Gliden Way Upgrading, Harlow	Completed – project complete	1	30/09/2021	£5,000,000	£5,000,000	£0	TBC	TBC		840	980				1.8	1.8km resurfaced road	1025	2852				0		
Technical and Professional Skills Centre at Stansted Airport	Financially complete	1	30/09/2018	£3,500,000	£3,500,000	£0	TBC	TBC		2672			2000				405							
Innovation Centre - University of Essex Knowledge Gateway	Financially complete	1	30/04/2019	£2,000,000	£2,000,000	£0	TBC	TBC		423		2017					50		3885					
STEM Innovation Centre - Colchester Institute	Financially complete	1	30/04/2020	£5,000,000	£5,000,000	£0	TBC	TBC		660			1000				0					1352		
A127/A130 Farglen Interchange New Link Road	Financially complete	4	31/12/2025	£6,235,000	£6,235,000	£0	TBC	TBC		26000	25000						0	0						Delays due to tender process
M11 Junction 8 Improvements	Financially complete	3	31/05/2025	£3,733,896	£3,733,896	£0	TBC	TBC		2550	2500						0	0						
Mercury Rising (Mercury Theatre, Colchester)	Financially complete	1	31/03/2022	£1,228,000	£1,228,000	£0	TBC	TBC		11		338	412				0		338	412			116 enterprises receiving non-financial support	
Basilston Digital Technologies Campus	Completed – project complete	1	30/09/2021	£2,150,000	£2,150,000	£0	TBC	TBC		22			3200			0.54ha site reclaimed	29				3200		0.54ha site reclaimed	
Colchester Institute Training Centre (groundworks and scaffolding)	Financially complete	1	31/03/2021	£50,000	£50,000	£0	TBC	TBC		108			1200				25				1200			
USP College Centre of Excellence for Digital Technologies and Immersive Learning, Benfleet	Financially complete	1	30/09/2021	£900,000	£900,000	£0	TBC	TBC		192			626			0.06ha site reclaimed 300 enterprises receiving non-financial support	0				626		0.06ha site reclaimed 115 enterprises receiving non-financial support	

Project	Status of project	Project Risk RAG rating	Actual/Expected Project completion date	LGF funding allocation	LGF spend to date	Remaining LGF spend	Match funding committed	Match funding spend to date	Remaining match funding spend	Forecast project outputs/outcomes							Project outputs/outcomes realised to date						Additional Commentary (if applicable)		
										Jobs created	Homes delivered	Commercial Floorspace (sqm)	Learning/ training Floorspace (sqm)	Newly built roads (km)	Newly built cycleways (km)	Other outputs/outcomes	Jobs created	Homes delivered	Commercial Floorspace (sqm)	Learning/ training Floorspace (sqm)	Newly built roads (km)	Newly built cycleways (km)		Other outputs/outcomes	
Flightpath Phase 2	Financially complete	1	30/09/2021	£1,981,500	£1,981,500	£0	TBC	TBC		144		3636				2272 commercial floorspace refurbished 0.4ha site reclaimed 3km cabling/ piping	0		3716				0.37ha site reclaimed		
University of Essex Parkside (Phase 3)	Financially complete	3	30/09/2023	£5,000,000	£5,000,000	£0	TBC	TBC		300		3775					0		0						
New Construction Centre, Chelmsford	Financially complete	1	31/03/2023	£1,295,200	£1,295,200	£0	TBC	TBC					520							520					
Colchester Grow On Space, Queen Street	Financially complete	3	31/6/25	£3,777,451	£971,605	£2,805,846	TBC	TBC		180		698					0		0						
Kent County Council																									
13 Innovation Investment Loan Scheme (previously referred to as the Kent and Medway Growth Hub)	On-going delivery	2	01/03/2024	£6,000,000	£6,000,000	£0	TBC	TBC		450						60 enterprises receiving financial support other than grants; 100% financial return on access to finance scheme.	226						0		
Tonbridge Town Centre Regeneration	Financially complete	2	30/04/2017	£2,631,269	£2,631,269	£0	TBC	TBC		438	1000				3.1	0.4km resurfaced road	340	838				3.1			
Sittingbourne Town Centre Regeneration	LGF Spent - Work Ongoing	3	31/03/2021	£2,500,000	£2,500,000	£0	TBC	TBC		1120	215						0	0						Scheme complete, but associated housing development not delivered in full.	
M20 Junction 4 Eastern Overbridge	LGF Spent - Work Ongoing	3	28/02/2017	£2,200,000	£2,200,000	£0	TBC	TBC		1635	1695					0.12km resurfaced road	263	1071					0.12km resurfaced road		
Tunbridge Wells Junction Improvement Package	Financially complete	3	31/03/2019	£1,176,611	£1,176,611	£0	TBC	TBC		125	85					0.3km resurfaced road	91	106					0.3km resurfaced road	Phase 1 delivered. Remaining LGF allocation returned as Phase 2/3 redesign not approved by S16 IPNCC.	
Kent Thameside LSP	Financially complete	1	31/08/2022	£4,500,000	£4,500,000	£0	TBC	TBC		846	657				2.5		122	32				2.5			
Maidstone Gyratory Bypass	Financially complete	2	31/12/2016	£4,600,000	£4,600,000	£0	TBC	TBC		2000	5050			0.4		0.6km resurfaced road 0.9km cabling/piping	732	519			0				
Kent Strategic Congestion Management Programme	Financially complete	2	31/03/2022	£4,800,000	£4,800,000	£0	TBC	TBC		0	2230						123	209							
Middle Deal Transport Improvements	Financially complete	1	30/09/2021	£800,000	£800,000	£0	TBC	TBC		150	160			0.68		4.7ha site reclaimed	23	0	1616		0				
Kent Rights of Way Improvement Plan	LGF Spent - Work Ongoing	2	31/03/2023	£1,000,000	£1,000,000	£0	TBC	TBC		140					6.4		33					6.4			
Kent Sustainable Interventions Programme	LGF Spent - Work Ongoing	3	31/03/2021	£2,727,586	£2,727,586	£0	TBC	TBC		0	0				1.8		26	298				1.8			
West Kent LSP	LGF Spent - Work Ongoing	2	30/09/2021	£4,900,000	£4,900,000	£0	TBC	TBC		405	443				7		83	34				7	4km resurfaced road		
Folkestone Seafrost: Onsite Infrastructure and engineering works	Completed – project complete	2	31/03/2016	£541,145	£541,145	£0	TBC	TBC						0.1		0.5km resurfaced road					0.1		0.5km resurfaced road		
A28 Chart Road	LGF Spent - Work Ongoing	5	TBC	£2,756,283	£2,756,283	£0	TBC	TBC		1000	5750				0.9	1.9km road surfaced 3.5km cabling/ piping	0	0				0		Trigger point for S106 contribution expected 2024/25. Work on the design is progressing to ensure that scheme delivery can commence asap following receipt of funding.	
Maidstone Integrated Transport Package	On-going delivery	4	31/12/2024	£8,900,000	£6,648,280	£2,251,720	TBC	TBC		0	0						678	233						Delays to a linked non-LGF scheme has impacted project timeline.	
A28 Sturry Link Road	On-going delivery	5	31/12/2026	£5,900,000	£1,783,022	£4,116,978	TBC	TBC		250	720			2	2	0.2km resurfaced road	54	0			0	0		Various issues causing significant slippage.	
Rathmore Road	Financially complete	3	31/10/2017	£4,200,000	£4,200,000	£0	TBC	TBC		2270	190			0.25	0.2	0.35km resurfaced road	127	77			0.25	0.2	0.35km resurfaced road		
Maidstone Sustainable Access to Employment	Financially complete	1	30/06/2017	£2,000,000	£2,000,000	£0	TBC	TBC		350	475				10		50	53				10			
Ashford Spurs	Financially complete	2	30/04/2020	£7,886,830	£7,886,830	£0	TBC	TBC		1000	0						239	307							
Thanet Parkway Station	LGF Spent - Work Ongoing	2	31/07/2023	£14,000,000	£14,000,000	£0	TBC	TBC		2100	2400			0.05	0.32	3ha site reclaimed	150	0			0.05	0.32	3ha site reclaimed	Remaining risks associated with ongoing cost discussions between KCC and Network Rail	
Dover Western Docks Revival	Financially complete	1	30/04/2017	£5,000,000	£5,000,000	£0	TBC	TBC		1685	500						139	34							
Folkestone Seafrost (non-transport)	LGF Spent - Work Ongoing	3	31/03/2018	£5,000,000	£5,000,000	£0	TBC	TBC		1000	450						290	24							
A226 London Road/B255 St Clements Way	Financially complete	3	31/05/2019	£4,200,000	£4,200,000	£0	TBC	TBC		2395	890			0	0.15	0.6km resurfaced road 0.3km cabling/piping	745	597			0.36	0.72	1.57km resurfaced road 0.3km cabling/piping		
Coastal Communities Housing Intervention (Thanet)	Financially complete	1	31/03/2021	£666,666	£666,666	£0	TBC	TBC		0	12						3	3							
Dartford Town Centre Transformation	Financially complete	3	31/12/2026	£4,300,000	£4,300,000	£0	TBC	TBC		1811	2341						630	630						Statutory service connections requiring resource coordination in Phase 2.	
A2501 Lower Road	Financially complete	2	31/03/2019	£1,264,930	£1,264,930	£0	TBC	TBC		1500	892			0.25	0.4		51	291			0.25	0.4			
Kent and Medway Engineering and Design Growth and Enterprise Hub	Completed – project complete	1	31/12/2022	£7,344,000	£7,344,000	£0	TBC	TBC		56			3588				72			3588					
Leigh Flood Storage Area	LGF Spent - Work Ongoing	3	31/03/2026	£2,349,000	£2,349,000	£0	TBC	TBC		24	850						11	0							
Sandwich Railway Infrastructure	Completed – project complete	1	28/02/2020	£1,913,170	£1,913,170	£0	TBC	TBC																	
M2 Junction 5 Improvements	LGF Spent - Work Ongoing	4	31/12/2024	£1,600,000	£1,600,000	£0	TBC	TBC			1903							0							
Kent and Medway Medical School	Financially complete	1	30/06/2021	£9,000,000	£9,000,000	£0	TBC	TBC		131			4796				74			4796					
East Malling Advanced Technology Horticultural Zone	Completed – project complete	1	30/04/2022	£1,998,600	£1,998,600	£0	TBC	TBC		14			1468				0			1468					
Medway Council																									
A289 Four Elms Roundabout to Medway Tunnel Journey Time and Network Improvements	Financially complete	4	TBC	£1,821,046	£1,821,046	£0	TBC	TBC		9628	5284			0.545	1.735	2.38km road resurfaced	1000	157			0	0		Medway Council continues to liaise with DLUHC and Homes England, and is exploring other funding opportunities to deliver the scheme.	
Strood Town Centre Journey Time and Accessibility Enhancements	Financially complete	3	31/03/2022	£8,600,000	£8,600,000	£0	TBC	TBC		400	700				0.2	1.4km road resurfaced	15	252				0.2	1.382 road resurfaced		
Chatham Town Centre Placemaking and Public Realm Package	Financially complete	2	31/12/2019	£4,200,000	£4,200,000	£0	TBC	TBC		6271	3682					0.53 km road resurfaced	766	655					0.53 km road resurfaced		
Medway Cycling Action Plan	Financially complete	3	31/03/2019	£2,500,000	£2,500,000	£0	TBC	TBC		392	263				13.75		282	46				13.75			
Medway City Estate Connectivity Improvement Measures	Financially complete	2	31/04/2022	£2,200,000	£2,200,000	£0	TBC	TBC		392	263			0.36		0.23 km road resurfaced	234	34			0		0.23 km road resurfaced		
Rochester Airport (Innovation Park Medway - Phase 1)	Completed – project complete	2	31/11/21	£4,400,000	£4,400,000	£0	TBC	TBC		37							37								
Innovation Park Medway (Phase 2)	Financially complete	5	31/07/2023	£3,700,000	£3,700,000	£0	TBC	TBC		1544		38500				0.56km cabling/ piping	53		0						
Strood Civic Centre - Flood mitigation	Financially complete	4	30/06/2019	£3,500,000	£3,500,000	£0	TBC	TBC		1033	564	1615				3.4ha land with reduced likelihood of flooding	56	0	0				3.4ha land with reduced likelihood of flooding		

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