

AGENDA ITEM 5

Report to Accountability Board	Forward Plan reference number: FP/AB/013, FP/AB/022, FP/AB/023, FP/AB/024, FP/AB/025, FP/AB/029, FP/AB/030
Date of Accountability Board Meeting:	8th April 2016
Date of report:	23rd March 2016
Title of report:	Business Case Approval
Report by:	Adam Bryan
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1. Purpose of report

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

2. Recommendations

- 2.1 The Board is asked to approve the business cases for the following schemes which have been assessed as presenting high value for money and medium to high certainty of achieving this:

- West Kent LSTF: Tackling Congestion (£4.2m)
- Eastbourne Town Centre Movement & Access Package (£2.5m)
- Thurrock Cycle Network (£1.8m)
- Kent Rights of Way Improvement Plan (£0.8m)
- Kent Strategic Congestion Management Programme (£0.7m)

- 2.2 The Board is asked to consider approving funding the following scheme which presents high value for money with low to medium certainty of achieving this:

- Kent Sustainable Interventions Programme (£0.5m)

Funding approval is permissible under SELEP's Assurance Framework under an exemption for schemes that present Benefit Cost Ratios greater than 1.5:1, but due to their low cost, the complexity and cost / effort to conduct further economic appraisal would be disproportionate to the value of the scheme.

2.3 The Board is asked to approve funding for the following scheme that has not been subject to Independent Technical Evaluation:

- A13 Widening – Project Development (£5m)

3. Background

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

- **West Kent LSTF:** Tackling Congestion is a package of measures that will address the growing connectivity problems caused in West Kent by traffic congestion and a lack of capacity in the strategic road and rail networks, which is damaging business confidence and the competitive advantage that West Kent businesses have traditionally enjoyed. It will focus in particular on addressing the peak hour congestion caused by the school run and journeys to work by increasing the attractiveness of making door to door journeys by sustainable modes. Infrastructure improvements will be delivered at stations, town centres and key interchange points to facilitate multi-modal journeys using public transport, walking and cycling.
- **Eastbourne Town Centre Movement & Access Package:** There are high levels of planned housing and commercial development proposed within the strategic growth area of Eastbourne and South Wealden. The increased demand that this will place on the highway network requires a package of measures to improve access and movement within Eastbourne town centre that will be a critical element in supporting sustainable economic growth. The package will include:
 - public realm measures,
 - bus and rail integration, and
 - improved provision for pedestrians and cyclists in this corridor.
- **Thurrock Cycle Network:** The project will deliver a package of cycling and walking focussed at addressing barriers such as crossing facilities and missing routes to important destinations, such as railway stations. The new routes to be provided will be largely off-road, high-quality pedestrian and cycle infrastructure designed especially to attract would-be commuter cyclists who currently drive to work because of a lack of safe and convenient cycling infrastructure. The key outcomes for Thurrock delivering this project are:
 - improve cycling provision and pedestrian connectivity to increase the number of cycling and pedestrian journeys, reduce the number of vehicle trips in the borough, and reduce local congestion on key routes;
 - enhance local air quality ; and
 - improve the health of Thurrock's residents.

- **Kent Rights of Way Improvement Plan:** The scheme consists of a series of upgrades and the provision of new routes from areas of emerging development to local schools and employment facilities, enabling users to avoid heavily trafficked corridors subject to poor air quality. Not only will this encourage healthier sustainable travel but will also enhance national public rights of way networks through the creation of new links. The scheme will reduce the revenue costs of maintaining the existing rights of way network in the area. By shifting some trips away from car, the scheme will help address transport congestion in the targeted areas and in turn help unlock housing sites which otherwise may be unviable because of the additional traffic likely to be generated.
- **Kent Strategic Congestion Management Plan (KSCMP):** This scheme aims to maximise the efficiency of the local highway network. Without the investment required to both improve sustainable transport and to mitigate the existing and forecast levels of congestion in Kent, there is concern that the viability of ambitious employment and residential development, required to fulfil the strategic economic growth objectives of the SELEP sub-region, will be hampered. The implementation of the KSCMP will enable the creation of an estimated 2,000 jobs and 2,300 additional homes for the SELEP region within the six-year course of the scheme. It will help to provide a transport environment which makes it easier for businesses and employees to travel to, and for work.
- **Kent Sustainable Interventions Programme:** This scheme would involve the delivery of smaller schemes which bridge a gap to larger schemes. The sustainable transport schemes are designed to maximise the benefits of larger schemes by:
 - 'locking in' the decongestion benefits of highway schemes by encouraging modal shift;
 - increasing the usage of public transport schemes (including rail) by providing improved facilities to access the service;
 - improving sustainable access within and into developments; and
 - providing non-car access to public amenities.
- **A13 Widening – Project Development:** This is a major project within the Local Growth Fund. The Department of Transport confirmed that £75 million would be transferred to the SELEP to fund the project. Due to the size and complexity of this project, it would be a 'retained scheme'. Retained schemes require full sign off by the Department of Transport and DfT will continue to hold oversight of the project. In addition to this £75 million a further £5 million would be invested to allow Thurrock Council to carry out the development work necessary to build the full business case to be submitted to the Department for Transport. This funding formed part of the standard Local Growth Fund investment pot. As this funding is for the development of a business case there is no business case to go through an independent technical evaluation. Funding approval for development projects without an Independent Technical Evaluation is permissible under the SELEP Assurance Framework.

4. Financial Implications

- 4.1 Approval can be provided to schemes in principle as they meet the requirements of the agreed SELEP Assurance Framework. However, funding is subject to confirmation from Government of future years' Local Growth Fund allocations.
- 4.2 It should be noted that some schemes are subject to re-profiling requested as part of the Capital Programme Monitoring report presented to the board alongside this paper.

5. Legal Implications

- 5.1 None at present.

6. Staffing and other resource implications

- 6.1 None at present.

7. Equality and Diversity implications

- 7.1 None at present.

8. List of Appendices

- Appendix A: Report of the Independent Technical Evaluator.
- Appendix B: A13 Widening – Project Report

9. List of Background Papers

- West Kent LSTF: Tackling Congestion Business Case
- Eastbourne Town Centre Movement & Access Package
- Thurrock Cycle Network Business Case
- Kent Rights of Way Improvement Plan Business Case
- Kent Strategic Congestion Management Programme Business Case
- Kent Sustainable Interventions Programme Business Case

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

Role	Date
Accountable Body sign off	
Suzanne Bennett	31 st March 2016
On behalf of Margaret Lee	