

**Forward Plan reference number:** FP/AB/174

<b>Report title:</b> A127 The Bell and A127 Essential Maintenance LGF funding decision	
<b>Report to Accountability Board on 15<sup>th</sup> February 2019</b>	
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<b>Date:</b> 1 <sup>st</sup> February 2019	<b>For:</b> Decision
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<b>SELEP Partner Authority affected:</b> Southend	

## 1. Purpose of Report

- 1.1 The purpose of this report is for the Accountability Board (the Board) to consider the award of £9.9m Local Growth Fund (LGF) to the A127 The Bell and Essential Maintenance project (the Project) based on the Full Business Case, which has been through the Independent Technical Evaluator (ITE) review process.

## 2. Recommendations

- 2.1. The Board is asked to:
- 2.1.1. **Approve** the award of £9.9m LGF to support the delivery of the Project identified in the Full Business Case and which has been assessed as presenting high value for money with high certainty of achieving this.
- 2.1.2. **Note** that all LGF payments to local partners are subject to SELEP's receipt of sufficient funding from Central Government, as detailed in the LGF Capital Programme Report, considered under Agenda Item 15.

## 3. Background

- 3.1. The A127 Essential Maintenance and A127 The Bell, were previously identified as two separate projects within the LGF programme. However, at its meeting on the 14<sup>th</sup> September 2018, the Board were made aware of the intention to merge the third phase of the A127 Essential Maintenance project with the A127 The Bell project. This is due to the interdependence between the benefits of the two interventions. The Project will be delivered under one construction contract, to achieve efficiency savings to the cost of the Project and reduce the amount of disruption caused along the A127 corridor during Project delivery.
- 3.2. To date, £1.4m LGF has been awarded and spent on the A127 Essential Maintenance project. This includes a £0.4m LGF allocation which was agreed

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by the SELEP Strategic Board in June 2015 to fund the first phase of the A127 Essential Maintenance; resurfacing works and localised road reconstruction.

- 3.3. A further £1m LGF was awarded by the Board in September 2016 to support maintenance works (£0.2m) and deliver a replacement footbridge at the A127 Kent Elms Junction (£0.8m). This bridge is due to be installed in the early part of 2019.
- 3.4. The remaining £6.6m LGF allocation to the A127 Essential Maintenance project has been combined with the £4.3m LGF allocation to A127 The Bell project, with a total LGF allocation to the Project of £10.9m.
- 3.5. In November 2018 the Board approved the award of £1m LGF to support the further development of the Project, as identified in the Outline Business Case. At the time of the Board decision there were still a number of options under consideration for the Project and as a result the total cost of the Project and the associated funding sources were unconfirmed. Consequently, the Board required confirmation that any funding gap had been successfully bridged before any funding was released.
- 3.6. Following the outcome of the public consultation Southend-on-Sea Borough Council have confirmed that there is no longer a funding gap and that all other funding sources for the Project have been confirmed.
- 3.7. Southend-on-Sea Borough Council have now brought forward a Full Business Case seeking release of the remaining LGF allocation of £9.9m.

## **4. A127 The Bell and Essential Maintenance Project**

- 4.1. The A127 is primarily a 2 lane all-purpose trunk road and is the main route into Southend Borough, Southend Airport and the Airport Business Park. The corridor is used by circa 65,000 vehicles at Progress Road per day, including a significant proportion of Heavy Goods Vehicles (HGVs) and circa 44,000 vehicles per day at the A127 The Bell Junction.
- 4.2. The Project seeks to improve the condition and quality of the A127 from the borough boundary to Victoria Gateway, to address underinvestment in the highway infrastructure and to support the Borough's aspiration for increased employment and economic growth by improving journey times and reliability.
- 4.3. Detailed investigations and surveys have been undertaken along the route which have indicated a number of locations where the condition has fallen below an acceptable standard for a carriageway of this classification, which if left untreated, will lead to failure in the short term.
- 4.4. The delivery of the major maintenance improvements to this corridor will help improve road safety on the A127 and resilience. Without improvement to the existing carriageway, the A127 will continue to deteriorate and increase the risk of failures occurring. Each failure will require reinstatement in the short

term and reconstruction in the long term, which would result in ad hoc closures of the A127 to address the initial problem with planned closures required for the reconstruction of each instance of failure. This approach will not provide an A127 corridor that offers the resilience required to serve the town as none of the underlying issues have been addressed and will result in a programme of delays and congestion on the adjacent roads.

4.5. The maintenance improvements to be delivered along the A127 corridor include:

4.5.1. **A127 Drainage Improvements** - Extensive surveys have been undertaken on the drainage network along the A127 corridor which have shown areas that require attention to ensure the network can operate as intended. Delivery of these works will provide immediate road safety improvements on the A127;

4.5.2. **A127 Safety Barrier Improvements** - Condition surveys of the existing safety barrier system within the central reservation of the A127 have shown sections that require remedial works. These remedial works will be completed at discrete locations along the corridor; and

4.5.3. **A127 Pavement Improvements** - Under a 'do – minimum' scenario the A127 Pavement Improvements would continue to be delivered under the Council's current approach to road maintenance, where strategic routes are prioritised. However, due to budget constraints, a high proportion of the funding available is allocated to reactive maintenance rather than planned maintenance. The preferred option for carriageway works has been determined through a combination of highway inspections and surveys. The specific locations identified for treatment include:

- 4.5.3.1. A127 Progress Road Junction to Borough boundary;
- 4.5.3.2. A127 Bellhouse Lane/Bellhouse Road Junction to A127 Kent Elms Junction;
- 4.5.3.3. A127/B1013 Tesco Junction to A127/A1159 Cuckoo Corner Junction;
- 4.5.3.4. A127/A1159 Cuckoo Corner Junction to A127 Fairfax Drive Junction;
- 4.5.3.5. A127 Fairfax Drive to A127 East Street/West Street; and
- 4.5.3.6. A127 East Street/West Street to A127 Victoria Gateway.

4.6. In addition, the Project will deliver improvements to the A127 The Bell Junction, which currently experiences significant delays in the AM peak for vehicles travelling East, whilst PM delays are experienced by westbound traffic. The improvements include:

- An extension to the eastbound right turn lane;
- A dedicated eastbound left turn lane;
- Widened pedestrian crossing islands in the junctions' east arm; and

- Removal of the westbound right turn, into Rochford Road, to improve the overall efficiency of the junction.

## **5. Options considered**

### A127 The Bell Junction Improvements

- 5.1. A long list of options has been considered for the delivery of A127 The Bell. This list has been narrowed down to three options, which have been considered through public consultation.
- 5.2. Each of the options looks to improve walking and cycling within the area.
- 5.3. A127 The Bell Option 1 is based on addressing the issues surrounding the right turn lane from the A127 into Hobleythick Lane, and maintaining the existing footbridge. To overcome the queuing traffic spilling back into lane 2 on the Southend bound A127, additional capacity would be provided by extending the right turn lane by 90m which will accommodate an additional 15 vehicles. This would reduce the likelihood of vehicles blocking lane 2, which in turn will provide a greater throughput at the junction as both straight ahead lanes will be unobstructed.
- 5.4. Option 1 also looks to ban the right turn movement from the A127 into Rochford Road. There are minimal vehicle movements making this manoeuvre and its removal provides the opportunity to improve the performance of the junction. The removal of the right turn lane also provides an opportunity to improve the pedestrian refuge island on the eastern arm of the junction, the space previously allocated to carriageway can be utilised to provide greater space for pedestrians using the crossing facilities.
- 5.5. The option is contained within the highway boundary and is estimated to cost £2.061m.
- 5.6. A127 The Bell Option 2 includes the improvements to the right turn lane into Hobleythick Lane and the removal of the right turn lane from the A127 into Rochford Road, detailed under Option1, but it also provides a dedicated left turn facility into Rochford Road.
- 5.7. The inclusion of a new dedicated left turn lane into Rochford Road seeks to address the impact of left turning vehicles at the junction. As vehicles make this movement they have a tendency to slow, due to the tightness of the corner radius, and swing into lane 2, this is compounded further when HGV's make this movement as they move further into lane 2 halting lane 2 vehicles progress through the junction. The new left turn facility will remove this conflict as sufficient geometry and separation of traffic is provided ensuring a greater throughput of traffic heading eastbound on the A127. This facility will operate under a give way arrangement as it enters Rochford Road as the signalling at the junction will allow a reasonably unobstructed flow onto Rochford Road.

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- 5.8. The inclusion of the left turn lane will require an additional pedestrian crossing, which in turn will increase the journey time for pedestrians crossing the western arm of the junction. There is also the provision of a new crossing facility on Rochford Road, the timing of this crossing will be incorporated within the phasing of the junction to optimise the performance of the junction. The existing footbridge will require removal to accommodate this option, as the footbridge will encroach into the proposed carriageway.
- 5.9. Additional land will be required to enable the delivery of Option 2. This land is already owned by Southend-on-Sea Borough Council, however, it is currently designated as public open space so will need to be transferred to highway use to enable this option to proceed.
- 5.10. The delivery of Option 2 is expected to cost £4.401m.
- 5.11. A127 The Bell Option 3 would provide the largest scale improvements to the junction of the three options. In addition to the benefits stated for Option 1 and 2, Option 3 would include a pedestrian crossing on Hobleythick Lane.
- 5.12. For pedestrians to cross on Hobleythick Lane in one movement would require holding both northbound and southbound traffic, which would result in delays to vehicles on the A127. As such it is proposed, under Option 3, to provide a safe waiting location for pedestrians and enable independent operation of northbound and southbound traffic.
- 5.13. As result of the new pedestrian crossing island on Hobleythick Lane, the road will require widening on the southbound carriageway into the existing grass verge. The northbound stop line will also be moved south to accommodate the pedestrian crossing and vehicle turning movements. This would involve significant statutory diversions and has the highest estimated construction cost at £6.405m.
- 5.14. A127 The Bell Preferred Option – Option 2 is the preferred option. Whilst Option 3 would achieve the most significant improvement in network performance and pedestrian connectivity, it is also the most expensive option and would exceed the funding currently allocated to deliver the project. As such, Option 2 was been recommended to Southend-on-Sea Borough Council Cabinet as the preferred option on the 6<sup>th</sup> November 2018.
- 5.15. On 6<sup>th</sup> November Southend-on-Sea Borough Council resolved that the preferred option should be taken forward for delivery. This decision was made by Cabinet following consideration of comments received during the public consultation, utility constraints, programming, environmental mitigations and deliverability within the Growth Deal period.

### **LGF3b application**

- 5.16. In advance of the preferred option being considered by Southend-on-Sea Borough Council Cabinet an LGF3b application was submitted to SELEP to seek an additional £2.1m LGF to bridge the funding gap should the larger

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scale Project be supported by Southend-on-sea Borough Council Cabinet for delivery.

- 5.17. Given that Option 2 has now been chosen as the preferred option for the Project, meaning there is no longer a funding gap, Southend-on-Sea Borough Council have made the decision to withdraw their LGF3b application for this project.
- 5.18. Delivery of the larger scale project remains an aspiration and is fully supported by Ward Councillors, however, Southend-on-Sea Borough Council is not currently in a position to confirm a programme for completing the works by March 2021 as is required for all LGF projects.

### A127 The Bell Footbridge

- 5.19. The proposed improvements to A127 The Bell will result in the removal of the existing pedestrian footbridge. Improvements to the existing footbridge are not practical as the existing span is not long enough to traverse a widened carriageway. The current footbridge is stepped and, as such, does not comply with the current Equality Act 2010 requirements.
- 5.20. A number of options have been considered for the design of a footbridge and have been consulted on with the public. However, due to the visual intrusion, no viable options have been identified for the delivery of a footbridge which meets with design criteria compliant with the Equality Act 2010. The replacement of the existing footbridge with a stepped option is estimated at £0.759m.
- 5.21. At the Cabinet meeting on 6<sup>th</sup> November Southend-on-Sea Borough Council decided that due to delivery constraints and difficulties in delivering a footbridge which complied with the Equality Act 2010, the footbridge should be removed from the Project scope.

## **6. Public Consultation and Engagement**

- 6.1. A public consultation exercise, in relation to the options under consideration for The Bell, was carried out between July and September 2018. The consultation exercise included an online consultation questionnaire, as well as two public events which were held at local schools.
- 6.2. The feedback from the public consultation was considered as part of the local decision-making process by Southend-on-Sea Borough Council and was used to inform the preferred scheme highway option and footbridge option. On 6<sup>th</sup> November Southend-on-Sea Borough Council resolved that Option 2 (the preferred option outlined in section 5) should be taken forward for delivery. It was also resolved that a footbridge would not be delivered as part of the Project. These decisions were made following consideration of comments from the public consultation, utility constraints, programming, environmental mitigations and deliverability within the Growth Deal period.

- 6.3. In addition, a public engagement exercise has been undertaken with the residents and businesses in the immediate vicinity of the junction with the purpose being to minimise concerns around the improvements and to listen to issues and concerns in relation to the current junction and proposed improvements.

## 7. Project Cost and Funding

- 7.1. The total cost of delivering the Project is estimated at £11.68m, as set out in Table 1 below. This includes funding contributions from the following sources:

- 7.1.1. £1.0m LGF allocation – approved in November 2018;
- 7.1.2. £9.9m LGF allocation – considered in this report;
- 7.1.3. £0.72m Southend-on-Sea Borough Council Capital Programme; and
- 7.1.4. £0.063m S106 contributions.

- 7.2. The total cost of delivering the Project includes the £1.0m LGF allocation that was approved by the Board in November 2018 to support further development of the Project.

**Table 1 – A127 The Bell and Essential Maintenance – spend profile (£m)**

	Up to 2017/18	2018/19	2019/20	2020/21	<b>Total</b>
SELEP LGF		1.230	3.820	5.850	<b>10.900</b>
Southend- on-Sea Borough Council	0.191			0.529	<b>0.720</b>
S106 contribution			0.063		<b>0.063</b>
<b>Total</b>	<b>0.191</b>	<b>1.230</b>	<b>3.883</b>	<b>6.379</b>	<b>11.683</b>

- 7.3. The S106 funding contribution has been confirmed and the proposed interventions under this Project comply with the terms of the S106 agreement.
- 7.4. Following the outcome of the public consultation exercise the funding contribution required from Southend-on-Sea Borough Council has been confirmed as £0.720m. Southend-on-Sea have committed to contributing this funding to the delivery of the Project.
- 7.5. As a result of the outcome of the public consultation and the removal of the footbridge from the project scope, there is no longer a funding gap for the Project. Southend-on-Sea have provided written confirmation that no LGF funding above the original allocation for the Project is required to deliver the works in full.

## 8. Outcome of ITE Review

- 8.1. The ITE review confirms that the Project Business Case provides a proportionate assessment of the schemes costs and benefits which results in a strong benefit cost ratio representing very high Value for Money.
- 8.2. The analysis was robustly carried out and delivers high levels of certainty around the Value for Money categorisation.
- 8.3. Through the development of the Full Business Case further consideration has been given to the impact of the scheme upon the local transport network, which has increased the robustness of the economic appraisal.
- 8.4. The ITE review confirms that a reasonable assessment approach has been employed, with the Department for Transport's WebTAG appraisal guidance having been used to calculate the transport related benefits of the scheme.

## 9. Project Compliance with SELEP Assurance Framework

- 9.1. Table 2 below considers the assessment of the Business Case against the requirements of the SELEP Assurance Framework. The assessment confirms the compliance of the Project with SELEP's Assurance Framework.

**Table 2 Assessment of the Project against the requirements of the SELEP Assurance Framework**

Requirement of the Assurance Framework to approve the project	Compliance (RAG Rating)	Evidence in the Business Case
A clear rationale for the interventions linked with the strategic objectives identified in the Strategic Economic Plan	Green	The Business Case identifies the current problems and why the scheme is needed now. The objectives presented align with the objectives identified in the Strategic Economic Plan.
Clearly defined outputs and anticipated outcomes, with clear additionality, ensuring that factors such as displacement and deadweight have	Green	The expected project outputs and outcomes are set out in the Business Case and detailed in the economic case. The Department for Transport's WebTAG appraisal guidance has been used to calculate the



<b>Requirement of the Assurance Framework to approve the project</b>	<b>Compliance (RAG Rating)</b>	<b>Evidence in the Business Case</b>
been taken into account		transport costs and benefits of the scheme.
Considers deliverability and risks appropriately, along with appropriate mitigating action (the costs of which must be clearly understood)	Green	The Business Case demonstrates clear experience of the project team in delivering similar schemes. A comprehensive risk register has been developed which provides an itemised mitigation.
A Benefit Cost Ratio of at least 2:1 or comply with one of the two Value for Money exemptions	Green	A BCR of 17.9:1 has been calculated, which indicates very high value for money.

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

- 10.1. All funding allocations that have been agreed by the Board are dependent on the Accountable Body receiving sufficient funding from HM Government. Funding allocations for 2018/19 have been confirmed however funding for future years is indicative. It should be noted that Government has made future funding allocations contingent on full compliance with the updated National Assurance Framework. Allocations for 2019/20 are also contingent on the Annual Performance Review of SELEPs LGF programme by Government, the outcome of which is expected in March 2019.
- 10.2. There is a high level of forecast slippage within the overall programme which totals £43.3m in 2018/19; this presents a programme delivery risk due to the increased proportion of projects now due to be delivered in the final years of the programme; and it presents a reputational risk for SELEP regarding securing future funding from Government where demonstrable delivery of the LGF Programme is not aligned to the funding profile. This risk, however, is offset in part by the recognition that the profile of the LGF allocations did not consider the required spend profile when determined by HM Government.
- 10.3. There are SLAs in place with the sponsoring authority which makes clear that future years funding can only be made available when HM Government has transferred LGF to the Accountable Body.

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

- 11.1. There are no legal implications arising out of the decision set out within this report. The LGF award will be made to Southend Borough Council under the terms and conditions of the SLA already in place with the Accountable Body.

## **12. Equality and Diversity implication**

- 12.1. Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when a public sector body makes decisions it must have regard to the need to:
- (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.
- 12.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 12.3 In the course of the development of the project business case, the delivery of the Project and the ongoing commitment to equality and diversity, the promoting local authority will ensure that any equality implications are considered as part of their decision-making process and where it is possible to identify mitigating factors where an impact against any of the protected characteristics has been identified.

## **13. List of Appendices**

- 13.1. Appendix 1 - Report of the Independent Technical Evaluator (As attached to Agenda Item 6).

## **14. List of Background Papers**

- 14.1. Full Business Case for the A127 Essential Major Maintenance and The Bell Junction Improvements.

**(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>	

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Stephanie Mitchener  (On behalf of Margaret Lee, S151 Officer, Essex County Council)	07/02/19
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