

**Forward Plan reference number:** FP/AB/192

<b>Report title:</b> A414 Harlow to Chelmsford Project Change Request	
<b>Report to Accountability Board</b>	
<b>Report author:</b> Rhiannon Mort, SELEP Capital Programme Manager	
<b>Date:</b> 15 <sup>th</sup> February 2019	<b>For:</b> Decision
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<b>SELEP Partner Authority affected:</b> Essex	

## **1. Purpose of Report**

- 1.1 The purpose of this report is for the Accountability Board (the Board) to consider the cancellation of the A414 Harlow to Chelmsford Project (the Project) from SELEP's Growth Deal as the result of a pause to the Project within Essex County Council's (ECC) own capital programme.
- 1.2 ECC has undertaken a substantive review of its own capital programme due to pressures to reduce ECC capital expenditure, as set out under Agenda Item 18. This has resulted in ECC funding contributions no longer being available to support the delivery of a number of Essex projects included within SELEP's Growth Deal.
- 1.3 This report sets out the proposed cancellation and reallocation of LGF from the Project as a result of the ECC contribution no longer being available due to the Project having been paused within ECC's own capital delivery programme.

## **2. Recommendations**

- 2.1. The Board is asked to:
  - 2.1.1. **Agree** the cancellation of the Project from SELEPs Growth Deal and the return of the £400,000 of LGF incurred against this Project by ECC; and
  - 2.1.2. **Agree** the reallocation of the £2.173m LGF previously awarded to the Project, into the unallocated LGF fund. This funding will then be reallocated through the LGF3b process referred to in section 4 below.

## **3. A414 Harlow to Chelmsford Route Based Strategy**

- 3.1. The Project was awarded £2.173m LGF by the Board in November 2017, with a total estimated Project cost of £4.346m. The £2.173m was due to be matched with a £2.173m contribution from Essex County Council, which was committed by ECC through their formal governance processes at the time of the LGF funding decision being taken.

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3.2. The scope of the Project included a package of five schemes to provide highway capacity, cycling and safety improvements for the A414 Chelmsford to Harlow corridor. These schemes included:

- 3.2.1. Widford Roundabout – extend entry flair from A414 west to improve capacity
- 3.2.2. Four Wantz Roundabout – Resize roundabout, widen approaches, improve lane designation and introduce new Toucan crossing
- 3.2.3. A1169 Southern Way to Clock Tower roundabout (A1025 Second Avenue) – widened road to two lanes
- 3.2.4. Safety Improvements – lighting, signing and lines which have been identified through safety audit
- 3.2.5. Public Transport – Bus stop improvements, including new/ upgraded shelters, information and footways.

3.3. These measures were identified through the A414 Chelmsford to Harlow Route Based Strategy, with the interventions intended to:

- 3.3.1. Provide a package of quality transport improvements to support and facilitate sustainable growth and regeneration along the A414;
- 3.3.2. Support economic growth, through business growth, new jobs and new houses. This includes improved access in Harlow Science Park and Enterprise Zone, supporting the delivery of 4,030 jobs and 910 homes, such as at the New Hall site off London Road.
- 3.3.3. Improve safety along the route, including reduced collisions
- 3.3.4. Encourage sustainable transport along the A414; and
- 3.3.5. Reduce congestion at key points along the corridor, to improve journey times and reliability for all vehicles.

## **4. Project Cost and Funding**

- 4.1. Since the Board approval, ECC has informed SELEP that they no longer have the match funding available, and have therefore decided not to progress with the delivery of the Project at this time. As such, the delivery of the Project will be paused within ECC's Capital Programme and will be removed from the SELEP Growth Deal.
- 4.2. As part of ECC's consideration, options were considered to decrease the scope of the Project, however, it was felt that the part delivery of the Project could not deliver sufficient benefit and that the Project should either be delivered in its entirety or not at all. As such, an ECC Cabinet Member

decision has been taken to pause the delivery of the Project until sufficient funding is identified to complete the Project in full.

- 4.3. The cost of the original Project totalled £4.346m, with a £2.173m LGF contribution and a £2.173m ECC contribution from its own capital programme. To date, £400,000 LGF has been spent on the delivery of the Project. However, it is intended that the £2.173m LGF awarded will be returned to SELEP in full, including the £400,000 LGF which has been transferred to ECC to date. The £400,000m LGF which has been transferred to ECC to date will be returned to SELEP in Q4 2018/19.
- 4.4. It is proposed that the £2.173m LGF will be reinvested through the LGF3b process. This is in line with the Ministry for Housing Communities and Local Government (MHCLG) Deep Dive recommendations which set out the requirement for *“any underspend at a federated level is reallocated to the most promising and best value for money projects. This should be based on the strongest projects, regardless of the area they are in”*.
- 4.5. The LGF3b single pipeline is due to be considered and agreed by the SELEP Investment Panel on the 8<sup>th</sup> March 2019. At the meeting, the Panel will be made aware of the additional LGF underspend and the increase in the amount of unallocated LGF available as a result of the cancelation of this Project.
- 4.6. As a result of the Project no longer being included within SELEP’s Growth Deal and the pause to the delivery of the interventions included in the Projects scope, the proposed benefits of the Project will not be realised within the Growth Deal period. However, the reallocation of the LGF through the LGF3b process will help support a new investment opportunity for SELEP.

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

- 5.1. It is a requirement of the SELEP Assurance Framework and the SLAs in place with each partner, that, in circumstances where funding received by Partners can no longer meet the conditions of the grant, as set out in the relevant SLA, the funding must be returned to the Accountable Body as soon as reasonably possible.
- 5.2. In this instance, Essex County Council are required to repay the £400,000 of LGF incurred against the Project that is to be cancelled.
- 5.3. The full £2.173m of LGF allocated against this Project will become available for reallocation through the SELEP Investment Panel prioritisation process.

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

- 6.1. There are no legal implications arising out of this decision.

## **7. Equality and Diversity implication**

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- 7.1. 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.
- 9.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 9.3 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 ensured that any equality implications are considered as part of their decision making process and where it is possible to identified mitigating factors where an impact against any of the protected characteristics has been identified. This report does not impact on those equality and diversity considerations by ECC.

### 8. List of Appendices

- 8.1. None

### 9. List of Background Papers

- 9.1. Business Case for the A414 Harlow to Chelmsford
- 9.2. Accountability Board Agenda Pack 17th November 2017 (LGF funding decision)

**(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
<b>Accountable Body sign off</b>  Stephanie Mitchener (On behalf of Margaret Lee, S151 Officer, Essex County Council)	07/02/19