

Agenda Item 9

D2N2 Infrastructure Investment Board (IIB) Cover Sheet – 26/7/18

Confidentiality Level	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>	Commercially sensitive <input type="checkbox"/>
-----------------------	-------------------------------------	-------------------------------------	--	---

Meeting and Date	D2N2 IIB Infrastructure Board – 26 th July 2018		
Subject	A61 Growth Corridor Pre-Compliance Request		
Author	Sajeeda Rose	Total no of sheets (Excl. Cover sheet)	4

Papers are provided for:	Approval <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input type="checkbox"/>
--------------------------	--	-------------------------------------	--------------------------------------

Summary and Recommendation(s)
<p>Derbyshire County Council have put forward a request for LGF pre-compliance funding to support the development of the A61 corridor project.</p> <p>Good progress is being made by the applicant towards developing detailed designs to implement improvements to the A61 to bring forward housing, jobs and mitigate existing pressures.</p> <p>Whilst work is underway to bring forward a full business case we would recommend the approval of the pre-compliance request for £2.11M for delivery in 2018/19.</p>

D2N2 INFRASTRUCTURE AND INVESTMENT BOARD (IIB)

PRE-COMPLIANCE REQUEST

1.0 Background

In February 2015 DCLG awarded D2N2 Grant Funding to deliver the approved schemes on the Local Growth Fund (LGF).

The LGF comprises of 52 schemes and runs until March 2021.

In March 2015 D2N2 and Derbyshire County Council issued the LGF Local Assurance Framework which sets out the procedures for managing and approving projects.

In April 2015 D2N2 appointed Derbyshire County Council as the Accountable body to administer the Local Assurance Framework (LAF).

All projects will need to come forward firstly with an outline business case to be followed with a full business case that is compliant with the Assurance Framework in order to obtain full approval.

However, there is also provision within the LAF for projects to come forward after the outline business case for a pre-compliance request for funding towards early development work on the project before it is compliant – such as the cost of site acquisition, demolition, design or early site enabling.

Projects that come forward under pre-compliance accept that this funding is at risk and still subject to compliance with the Local Assurance Framework before funding is formally approved.

2.0 Scheme Overview

The inclusion of the A61 Growth Corridor within the D2N2 Local Enterprise Local Growth Fund (LGF) programme is two-fold; the acceleration of land-use development at a number of key sites along the corridor, and the introduction of measures to help mitigate the highway impacts of this development to create the conditions for housing and employment growth.

The A61 Growth Corridor strategy comprises five projects:-

- Chesterfield Station Masterplan
- Avenue Southern Access and Link Road
- A61 Whittington Moor Roundabout Improvement
- 21st Century Transport Corridor
- Standard Gauge for Sustainable Travel

The promoter for this scheme is Derbyshire County Council

The total project cost is £20.86M and is funded as follows:

Funding Source	TOTAL
Public Sector Contributions	£2.486
Private Sector – including developer contributions through S106	£2.334
LGF	£16.040
TOTAL	£20.860

3.0 Current Status of the Project

The County Council and its partners are making good progress to prepare and develop the five projects for implementation and are on track to meet the agreed deadlines for bringing forward Stage 3 business cases for these.

The first one of these for the A61 Whittington Moor roundabout is now well advanced and is on track for submission to the D2N2 Infrastructure and Investment Board in November 2018, following completion of public consultation and detailed design.

4.0 Pre-compliance Request

The A61 Growth Corridor Project Control Board presented to the March 2018 D2N2 IIB a commitment to bring forward £2.112 million Local Growth Fund (LGF) grant spend during the 2018-19 financial year, from the overall £16.040 million LGF grant available to 2021. This request for pre-compliance will ensure that this spend commitment is met, and recognises the complex nature of project development and multi-faceted nature of the projects that need to be completed before the Stage 3 business cases can be brought forward.

The request for pre-compliance funding is therefore two-fold. Firstly, the two projects (Chesterfield Station Masterplan and the Avenue) that accelerate land use development and deliver new jobs and housing outcomes, require further preparation and design during 2018-19 to enable the projects to achieve planning approval by Spring 2019, and ensure negotiations for land assembly can be concluded at an early stage. The transport mitigation projects are multi-faceted and requires the preparation and development of the whole programme of interventions to be fully complete before the Stage 3 business case submission.

To enable delivery against the 2018-19 LGF commitment, the applicant have requested £2.112 million pre-compliance funding facility in support of four of the A61 projects:-

- Chesterfield Station Masterplan £0.300m
- Avenue Southern Access and Link Road £0.280m
- 21st Century Transport Corridor £0.613m
- Standard Gauge for Sustainable Transport £0.919m

5.0 Profile of Spend

The LGF Pre-compliance will all be spent in 2018/19.

6.0 Timescale for Full Business Case

The agreed target dates for Stage 3 business case consideration are:-

- November 2018 – A61 Whittington Moor Roundabout
- September 2019 – Avenue Southern Access, 21st Century Transport Corridor and Standard Gauge for Sustainable Travel.
- March 2020 – Chesterfield Station Masterplan

The County Council has recently appointed specialist transport and business case consultants to assist with the preparation of all of the Stage 3 business cases for the A61 Growth Corridor projects to ensure that the above target dates are met. The A61 Project Control Board has agreed that the consultants will commence with preparation the economic case for the A61 Whittington Moor roundabout, which will be submitted to D2N2 ahead of the full Stage 3 business case submission.

6.0 Recommendation

IIB are recommended to approve the request for pre-compliance as this will enable the project to continue to make progress towards a full business case and delivery of the scheme. It will also support the delivery of the LGF programme spend.

Sajeeda Rose
D2N2 LEP