

HERTFORDSHIRE LOCAL TRANSPORT BODY

9 DECEMBER 2013

PROGRESS ON STRATEGIC ECONOMIC PLAN AND EMERGING SCHEMES

Report of Hertfordshire Local Enterprise Partnership

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1 Purpose of report

1.1 The purpose of this report is:

- To update the LTB on progress on the preparation of the draft Strategic Plan in relation to major transport schemes
- To seek endorsement from LTB for proposed bids for major transport schemes in light of current guidance
- To seek endorsement to allocate existing LTB funding against A120 (Little Hadham) Major Scheme

2 Summary

- 2.1 The LEP has been preparing the first draft of the Strategic Economic Plan with assistance from HCC on the transport elements. Transport proposals need to be viewed holistically and assessed on how they will contribute to economic growth. At this stage the draft SEP includes a “long list” of potential schemes which will need to be shortened before final submission. Major transport schemes have been included in both the Growth Corridors programme and Urban Futures programme.
- 2.2 Over 50% of the Single Local Growth Fund will be made up of funding from Department for Transport which would previously been allocated to local authorities.
- 2.3 The draft SEP has used the initial prioritisation list agreed by the LTB. However, in completing the submission to government the LTB funding of £18m can only be allocated against one project. It is proposed to allocate the existing agreed LTB funding (£18.5m) to the A120 Little Hadham scheme and to bid for the remaining funding (£9.8m) to complete the scheme.
- 2.4 It is also proposed, at this stage to bid for funding for the A602 proposals (£18m) although the case for how this scheme supports economic growth does not appear to be as strong as other possible schemes. The final

business case is due to be considered early next year prior to submission of the final SEP.

- 2.5 The A1(M) strategy is being developed. It is considered prudent at this stage to include in the SEP a potential contribution to a widening scheme for the A1(M).
- 2.6 Croxley Rail Link is also currently included within the draft as it is not clear from the guidance on how this Major Project should be treated as it has yet to gain final approval from DfT.
- 2.7 Improvements to the A10 is also currently on the long list of projects being considered for inclusion in the draft SEP. The Abbey Line, Watford Junction Interchange and M1-Maylands Link NE Relief Road are included but it is not currently expected that these schemes can be delivered prior to 2021 but further work will be needed to deliver proposals between 2015/16 and 2020/21.
- 2.8 A check on the long list of schemes is currently being carried out by HCC staff and the Board will be updated of any further potential Major Schemes emerging as a result of that exercise.

3 Recommendations

- 3.1 It is recommended that the LTB:
 - i) Agree the current LTB funding to be allocated to A120 (Little Hadham).
 - ii) Endorse the draft SEP to include bids for A602 and contribution to A1(M) strategy delivery.
 - iii) Note the inclusion of Croxley Rail Link.
 - iv) Support inclusion of A10 improvements on the “long” list.

4. Background

- 4.1 The LEP is currently finalising its draft Strategic Economic Plan for submission to government on 19th December 2013. Within this, transport proposals are being integrated with other interventions which will make the most of Hertfordshire’s economic opportunities as well as tackle barriers to economic growth. Major transport schemes are expected to use a significant proportion of the funding being made available to Hertfordshire LEP via the Single Local Growth Fund.
- 4.2 HCC Officers have worked extensively on supporting the development of the draft SEP, researching the evidence base for transport’s contribution to economic growth and re-assessing the LTB priorities and reserve schemes.
- 4.3 Over 50% of the Single Local Growth Fund will be made up of funding from Department for Transport which would previously been allocated to local authorities. In 2015/16 this will consist of £200m from the Integrated Transport Block, £819m Major Schemes funding and £100m of Local

Sustainable transport Fund capital. DfT have advised that this funding includes capital already allocated to LTBs as well as the “tail” of Local Major schemes – which would seem to imply that funding for Croxley would also be included within this figure. DfT have also advised that up to £5bn could be awarded for the periods 2016/17 – 2020/21 and LEPs/LAs need to consider everything needed to 2021.

- 4.4 Although the LTB funding could be allocated across its three priorities, it is proposed that, for the purposes of the SEP, it is allocated to the A120 (Little Hadham) bypass, with a bid for the additional funding (£9.8m) to ensure the scheme can be delivered. The rationale for allocating the LTB funding to this scheme is that it has the strongest economic rationale and is a scheme within HCC’s control. Although the economic argument for A1(M) has a stronger economic rationale, improvements are reliant on the Highways Agency for delivery.
- 4.5 In addition, it is proposed that the SEP should include bids for the A602 scheme. The case for this scheme contributing to economic growth is not as strong as for either the A120 or A1(M) and there will need to be a decision about whether to include this in the final SEP early in 2014 once the final business case has been concluded.
- 4.6 LTB contingency schemes – Watford Junction Interchange redevelopment, M1-Maylands Link NE Relief Road and Abbey Line are also included as work will be needed to develop these proposals in the short and medium term although delivery is not expected until after 2020. The M1/M25/A405 link is also on the long list at the current time as it appears to create both significant congestion to southbound traffic as well as limiting connectivity between Watford and St Albans.
- 4.7 It is not clear how existing Local Major Scheme funding, such as for Croxley Rail Link, which is due to be submitted to DfT for final approval in 2014, is being treated. At this point, it is advisable to include Croxley Rail Link within the SEP to ensure that it is part of the overall picture of transport’s contribution to economic growth. Feedback from central government to the draft SEP will indicate how this should be treated in the final version.
- 4.8 Currently, improvements to the A10 are on the “long” list for inclusion in the draft SEP. There appear to be existing problems with congestion on the route whilst Broxbourne has significant growth aspirations along this corridor. Whilst more work is needed on both aspects, there are issues here which will need to be addressed if there is to be further significant development in Broxbourne and also to tackle existing congestion/access issues.
- 4.9 Other major schemes may emerge through the current work that HCC is undertaking on assessing the long list of projects and a verbal update will be given at the meeting.
- 4.10 Further work will be carried out to develop more detailed proposals and refine the projects to be included in the final submission to central Government in March 2014. The proposals will also be referred through the accountable body in line with the assurance framework.