

## Funding Priorities

### Background

1. At its last meeting, the Board agreed that the following four schemes should be the subject of more detailed assessments using the Department for Transport's EAST (Early Assessment and Sifting Tool) to assist in making a final decision on the use of the £11.9m allocation to be spent between 2015/16 and 2018/19.

- Spalding Western Relief Road Phase 1
- Grantham Southern Relief Road – Southern Quadrant Link only
- Grantham Southern Relief Road – A1 to A52 Full Link
- Skegness Western Relief Road

2. This report outlines the results of that work and discusses the merits of the schemes.

### Results of the EAST Assessments

3. The EAST assessment tool has been developed by DfT to assist with decision making at the early stages of scheme development. The tool works with the best evidence available at the time, but the level of confidence that can be applied to any comparisons will always depend upon the robustness of the underlying data. Where hard data is not available, then a more subjective judgement has to be made. EAST considers a range of issues under the 5 categories of :

- Strategic Case
- Economic Case
- Managerial Case
- Financial Case
- Commercial Case

4. The key issues around each scheme are highlighted below and an EAST assessment summary sheet comparing the schemes will be available at the meeting.

#### Spalding Western Relief Road Phase 1

- Key infrastructure in delivering economic growth via residential development in SW Spalding (Holland Park)
- Will improve traffic conditions in Spalding as part of a longer term full Relief Road
- Is already relatively well advanced with outline planning permission granted for Holland Park and discussions progression with developer (from whom a major contribution would be expected). An application for full planning permission for the scheme is expected in December 2013
- Hence, the risks of being unable to deliver the scheme within the necessary timescale are relatively low.

#### Grantham Southern Relief Road – Southern Quadrant Link Only

- Assumes that the A1-B1174 Link will be constructed as part of the proposed King 31 Employment Development for which planning permission expires in August 2014.
- Key to delivery of residential and employment development in southern Grantham
- Will assist in tackling town centre congestion and remove HGVs
- Scheme is relatively well advanced with planning application imminent. To be forward funding by LCC with funding recovered from third parties as appropriate.
- Hence, the risk of being unable to deliver the link within the necessary timetable is relatively low. Timescale for King 31 element is unclear.

#### Grantham Southern Relief Road – Full Scheme

- Would provide full southern relief road from A1 to A52 and support proposed residential and employment development to the south of Grantham (should King 31 Link not be forthcoming in the short term)
- Will assist in tackling town centre congestion and remove HGVs
- As with Southern Quadrant Link above, scheme is relatively well developed. Would require variation of existing planning permission for King 31 development to extend permission timescale.
- Again, the risk of being unable to deliver the scheme within the necessary timescale is relatively low.

### Skegness Western Relief Road

- would support important tourism economy on the coast whilst also enabling further employment (and possibly residential) development
- will alleviate congestion within and Skegness and along the A52 coastal corridor
- scheme is in early stages of development, with limited recent feasibility work and little discussion with interested parties, particular in respect of possible funding arrangements
- Hence, the risk of not being able to deliver the scheme within the necessary timescale is higher

### **Use of Funding Allocation**

5. As indicated earlier, the funding allocation for the Lincolnshire Strategic Transport Board is £11.9m to be spent between 2015/16 and 2018/19.
6. Taking into account the limited development work carried out on the Skegness Western Relief Road to date, it is suggested that the risks associated with taking this scheme forward for prioritisation are possibly too great, particularly when considered against the position in respect of the other candidate schemes. However, the importance of the proposal to the coastal tourism industry and to the wider economic growth of the area is such that it would make a strong candidate for inclusion within the Strategic Economic Plan being prepared by the Local Enterprise Partnership (see Item 4 for further details) with the possibility of securing funding through the associated Local Growth Fund.
7. In respect of the proposed Spalding Western Relief Road Phase 1, the development of a funding package for the scheme is progressing well, as are the statutory processes. Although a contribution from the Local Transport Board would enhance the prospects of the scheme, the case for doing so is possibly not as strong as for the schemes at Grantham (see below). Again, subject to progress being made on Phase 1, then further phases of the overall scheme could also make strong candidates for inclusion within the new Strategic Economic Plan.
8. At Grantham, the delivery of the proposed Southern Relief Road (and hence the associated employment and residential developments) is generally more complex, due in particular to :

- the current uncertainty around the timescale for the adjacent King 31 development (which includes the western section of the route), and
  - the high costs associated with providing a new junction with the A1 and a substantial structure across the East Coast Main Line and the River Witham valley.
9. Whilst a range of funding opportunities continues to be explored to bring forward the scheme and associated development as soon as possible, the addition of funding from the Local Transport Board would serve to further strengthen the prospects of delivering the scheme (either in part or fully) in the near future. Hence, it is considered that this may present the best case for the use of the LTB funding allocation.

### **RECOMMENDATION**

The views of the Board on the most appropriate use of the funding allocation are sought.