

Growth Deal programme

Report to the Investment and Regulation Board, 24 February 2017
Report from Richard Kendall, Executive Director – Strategic Policy & Business Development

1. Summary

1.1. This paper updates the Investment and Regulation Board on the programme

2. Recommendations

2.1. That the Investment & Regulation Board notes the report

3. Implementation summary

3.1. The latest implementation summary is included at Appendix 1. Updates are provided below on an exception basis:

3.2. South Humber Gauge Enhancement

3.2.1. An update on discussions relating to a proposed way forward for the project will be provided at the meeting.

3.3. Hull-East Coast Main Line Rail Electrification

3.3.1. As previously recommended to the LEP Board, this scheme has been removed from the Growth Deal programme and the funding will be reallocated in due course by the normal process.

3.4. Delivering Housing Growth in Hull

3.4.1. The project continues to progress well, and has agreed to bring forward most of its final £1.5m LGF from 2017/18 to 2016/17 in order to help programme performance.

3.5. Bridlington Integrated Transport Plan Phase 2

3.5.1. As reported previously, this project has experienced delays due to the Network Rail decision-making process. The project has further revised down its forecast, which is now £1.8m against a profile of £4.09m in 2016/17.

3.6. Stallingborough Interchange Phase 1

3.6.1. The Investment & Regulation Board recommended this project for approval subject to the findings of the required consultation being reported to the Humber Leadership Board and LEP Board. The consultation was delayed so the decision was deferred in January. We understand that the consultation has now been completed and we will shortly receive a summary of the response. Following receipt of this, the project will be recommended for decision at the next LEP Board meeting on 3rd March.

3.6.2. The full project allocation of £1m LGF was allocated this financial year so the project is still considered a high risk in this year's programme.

3.7. Increasing the visitor economy in North Lincolnshire (Normanby Hall Country Park)

3.7.1. This project was added to the programme on the basis of achieving full expenditure this year, however the funding agreement is not yet in place. Updated milestones and updates have been sought but not provided and it is therefore assumed that no progress has been made.

4. Growth Deal 3

4.1. The proposal for a further Growth Deal was submitted on 28 July. The Chancellor announced in the Autumn Statement that £556m LGF will be allocated to LEPs in the Northern Powerhouse.

4.2. On 23rd January, Minister Andrew Percy MP announced the Northern Powerhouse Growth Deals, including the commitment of £27.9m to support the following projects in the Humber:

- **Unlocking Hull City Centre Development**
- **Grimsby Town Centre – ‘Unlocking the Potential’**
- **Goole Intermodal Terminal**
- **Growing the Humber: Business Growth Programme**
- **Skills Capital Programme**
- **River Hull Defences**
- **Paull Phase 1 and 2 Employment Site**
- **Stallingborough Strategic Employment Site**

4.3. It is worth noting that this allocation represents a significant increase on the Humber LEP’s notional population share of the total fund of £556m which would have been approximately £21.7m.

4.4. At the time of writing the detailed programme profile had not yet been received. This is expected shortly and will provide an annual profile of the £27.9m across financial years 17/18 to 20/21.

4.5. The first of the new projects, Growing the Humber Business Growth Programme, will be going through the approvals process in March with a recommendation to commit £8m from the Local Growth Fund to this project.

Appendix 1: Growth Deal projects update – February 2017Approved projects in delivery

Scheme	£m LGF		Project status		Scheme	£m LGF		Project status	
	16/17	Total	16/17	Overall		16/17	Total	16/17	Overall
Grimsby Town Centre Infrastructure & Enabling Works	0.74	1.48			South Humber Rail Gauge Enhancement	1.10 ↓	7.20		
Growing the Humber+	2.94	4.00			Humberside Airport Access Improvements	0.77	1.48		
Delivering Housing Growth in Hull	7.51 ↑	10.00			Re-purposing the Old Town	1.60	3.00		
CATCH Energy Offshore	1.25	1.75			A161 Bridge Street cycle scheme, Goole	0.00	0.16		
Goole College Skills Workshop Modernisation	0.00	0.38			A1105 Anlaby Road Corridor/ Park Street Bridge Strengthening	0.40	0.75		
Environmental Logistics Learning Hub	0.00	2.05			Westcliff Regeneration Enterprise Hub	0.40	0.55		
Hull and Holderness Flood Alleviation Scheme	1.67	3.00			Hull Venue	3.50	3.50		
Anlaby and East Ella Flood Alleviation Scheme	0.34 ↑	5.10			ERGO	1.00	1.00		
Lincolnshire Lakes Flood Risk Strategy	0.58 ↓	13.32			Grovehill Bridge Maintenance Scheme	0.13	0.13		
Bridlington ITP Phase 2	1.8	5.75			Port of Grimsby East Offshore Wind Operational Support Facilities	0.20	0.20		

Notes: Changes are highlighted in darker colours. Figures are rounded. – In progress * Project sponsor commenced delivery prior to funding agreement.

** Recommended for Board decision ↑ / ↓ direction of profile change, brackets denote provisional pending approval # To be increased – exact amount TBC

Paper

Committed projects

Scheme	£m LGF		Business case submitted	Peer review	Approvals			Funding agreement		Delivery	Project status	
	16/17	Total			Sub-board	HLB	LEP Board	Final issued	Completed	Started	2016/17	Overall
Round 1 projects												
Rail Electrification – Hull to East Coast Main Line	0.00 ↓	7.50										
Connecting the City - Bridge over A63 at Hull Marina	0.00	4.00	✓	✓	✓	✓	✓					
Hessle Foreshore Tidal Defence	0.00 ↓	2.00										
Cottingham and Orchard Park Flood Alleviation Scheme	0.77 ↓	5.00	✓	✓	✓	✓	✓	✓				
River Hull Integrated Catchment Strategy: Delivery												
River Hull Channel Improvements	0.10	0.70										
Hempholme and Wilfholme Pumping Stations	0.14	0.84										
Hull Tidal Barrier	0.02	0.66										
Holderness Drain FAS	1.04	2.14	✓	✓	✓	✓	✓	✓				
River Hull Navigation Authority	0.20	3.81										
Connecting River Hull Waterfront	0.00	3.75										
Round 2 projects												
A18 Melton Ross Railway Bridge	0.00	1.75										
Skills maintenance programme	0.00	1.06										
Stallingborough Interchange	1.00	1.00	✓	✓	**							
Central Cleethorpes Regeneration Programme	0.00	1.00										
Additional projects												
Increasing the visitor economy in North Lincolnshire (Normanby Hall Country Park)	0.52	0.52	✓	✓	✓	✓	✓	✓				

