

Hull and East Yorkshire LEP

Paper B – Getting Building Fund

Report to the Infrastructure Board, February 2022

Report from Kirsty Barr, Investment Programme Co-ordinator

1. Summary

1.1. This report provides an overview of the infrastructure projects within the LEP's Getting Building Fund programme and summarises delivery progress of the Getting Building Fund to 31st December 2021 (Q3 claim period).

2. Recommendations

2.1. That the Board notes the latest progress report.

3. Background

3.1. Responsibility for programme delivery of the Getting Building Fund, including management and output monitoring, transferred to the HEY LEP from the Humber LEP on 1st April 2021.

3.2. The Infrastructure Board is required to review and scrutinise programme delivery in relation to infrastructure projects, making recommendations to the LEP Board based on officer advice, taking delegated decisions and providing recommendations on interventions to address programme performance issues.

4. Programme

4.1. On 30th June, the Prime Minister announced the new £900m **Getting Building Fund** investing in local infrastructure projects to drive economic growth. In July, a communication from the Minister for Regional Growth and Local Government confirmed acceptance of the proposed programme with a total allocation of **£13.4m** for delivery by **31 March 2022**:

4.2. The full programme comprises three business support schemes and three infrastructure schemes, along with a ringfenced allocation for programme management and administration that supports the Investment Programmes team, appropriate accountable body costs and due diligence. The projects of interest to the Infrastructure Board are:

Project	Summary	Allocation	Key Outputs
Hull and East Yorkshire Highways	Second phase of a programme that was previously funded through the York, North Yorkshire	£2m	£1.08m public sector match

Resilience Programme	& East Riding LEP Growth Deal as a DfT retained scheme which has been expanded to cover neighbouring Hull.		20 jobs safeguarded 1 Apprenticeship 6.85km road resurfaced
Delivering Housing Growth Programme – Ings and Wawne 2	Extension of the existing, successful Delivering Housing Growth in Hull programme, previously part-funded through LGF. Investment will deliver new spine roads, electricity supplies and drainage to accelerate delivery on two key housing sites.	£4.8m	£163m private match/leverage 29 new jobs 1037 construction jobs 50 Apprenticeships 1160 houses 157 affordable houses 13.31ha green space created
Hull and East Yorkshire Cycle Route Delivery Programme	Programme of cycle infrastructure upgrade and provision of new cycle facilities where there are gaps in the network across the City of Hull and adjoining urban areas of East Riding of Yorkshire.	£2.7m	£1.1m public match 16 construction jobs 1 Apprenticeship 12.65km cycle ways

5. Delivery report

- 5.1. This delivery report reflects the situation at the last complete quarterly claim period to end of December 2021 (Q3). Progress dashboards for spend and output delivery are included at Annex 1.
- 5.2. Projects continue to progress with all projects having submitted claims and output delivery starting to be seen, with progress being made in achieving jobs and completed road/cycleway. It should be noted that delivery of outputs such as houses will be achieved over a period of several years following investment and limited progress will be seen over coming months.
- 5.3. Hull and East Yorkshire Highways resilience programme has now claimed all GBF and all ERYC match. Remaining match from HCC will be achieved in Q4.
- 5.4. All remaining GBF for both the Hull and East Yorkshire Cycle Route Delivery Programme and Delivering Housing Growth (3) will be defrayed in Qtr.4,

despite physical completion being unlikely until next F/Y with both projects seeing an overall increase in total project cost.

5.5. Although projects have experienced some slippage from their original business case position, the accountable body has been able to address slippage/reprofiling through use of capital switching freedoms and flexibilities. All freedoms and flexibilities that were exercised at the end of 2020/21 have now been accounted for. Further details are below under Risk Management. The programme delivery team continues to work with all projects, but especially those flagging higher delivery risks to ensure timely programme delivery.

6. Risk Management

Project	Delivery Risk	Actions
Hull & East Yorkshire Cycle Route Delivery Programme	Slippage to works on Beverley Road will now take 18 months due to an overwhelming demand for “permits” to work on the public highway and also the demolition of the Brunswick Arcade which directly fronts onto Beverley Road within the vicinity of the cycle lane works.	GBF remains profiled to be delivered in this financial year (Remainder to be defrayed in Qtr. 4) but the majority of match spend will now be achieved in the next financial year. Programme delivery team to monitor
Delivering Housing Growth (3)	Delays with Northern PowerGrid have now been resolved and both elements of the scheme (Ings & Warne) are back on site. There is very little flexibility in the programme of works at Ings, if the project is to be physically complete by 31/03/2022, and therefore this may slip into Qtr. 1 2021/22.	Project team still believes that GBF funds will be defrayed in full by the 31/03/2022 due to an increase in overall costs on site. Programme delivery team to monitor

7. Financial Implications

- 7.1. There is no call on the HEY LEP's core budget to support delivery of the Investment programmes at the current time. However, there will be ongoing programme monitoring requirements to at least 2025.
- 7.2. The Investment Programmes team is currently funded to 31st March 2022 when the existing GBF programme ends.
- 7.3. The HEY LEP Board at its meeting on 19th January agreed that any underspend on the GBF Programme Management budget will be transferred to support the Growing Places Grant/Loan Programme, which will also support the ongoing monitoring requirements of the LGF and GBF programmes.



Annex 1 – Q3 spend and output dashboards (to 31st December 2021)



Getting Building Fund (GBF) Infrastructure Outputs (Q3 2021/22) January 2022

