

Notice of KEY Executive Decision (Special Urgency)

Subject Heading:	Thames Freeport Active Travel Fund – Approval to claim Grant
Cabinet Member:	Councillor Barry Mugglestone – Cabinet Member for Environment
ELT Lead:	Neil Stubbings – Strategic Director of Place.
Report Author and contact details:	Daniel Douglas Team Leader Transport Planning Environment daniel.douglas@havering.gov.uk 01708 433220
Policy context:	Local Implementation Plan 2019 Policy 23 Havering Local Plan Mayor’s Transport Strategy 2018
Financial summary:	<p>This decision sets out a request to approve a £1.0m grant award to LB Havering for the Marsh Way Cycleway Scheme from the grant administrator (Thurrock Council) on behalf of Thames Freeport.</p> <p>£100,000 will be match funded using LIP funding to deliver the £1.1m scheme.</p> <p>The authority has until the 30th September 2026 to complete works to claim from the grant administrator.</p> <p>Please note financial risks within financial implications.</p>

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Reason decision is Key	Indicate grounds for decision being Key: (a) Expenditure or saving (including anticipated income) of £500,000 or more
Date notice given of intended decision:	<i>This is a decision pursuant to para 11 of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, made under "special urgency" with the consent of the Chair of the Overview and Scrutiny Board.</i>
Relevant OSC:	Place
Is it an urgent decision?	Yes
Is this decision exempt from being called-in?	Yes, due to Special Urgency.

The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well

Place - A great place to live, work and enjoy X

Resources - Enabling a resident-focused and resilient Council

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION
<p>It is recommended that the Strategic Director of Place:</p> <ul style="list-style-type: none">• Notes that the Council has submitted a funding application to the Thames Freeport for £1million Active Travel Fund• Approves the allocation of £100,000 match funding to the Project through the Transport for London Local Implementation Plan (LIP)• Accept £1 million Thames Freeport Active Travel Grant to deliver the Marsh Way Active Travel Route Scheme.• Approves entering into a Grant Funding Agreement (GFA) between LB Havering and the Accountable Body Thurrock Council.• Approves delivery of the Marsh Way Active Travel Route Scheme.

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AUTHORITY UNDER WHICH DECISION IS MADE

Scheme 3.3.3 Powers common to all Strategic Directors

Grants 5.1 To apply for, accept and thereafter spend / allocate any grant funding connected with their directorate provided that any match funding or residual liabilities can be met from the existing budget of the directorate

STATEMENT OF THE REASONS FOR THE DECISION

Introduction

1. Thames Freeport is an economic zone located in the Thames Estuary, United Kingdom. It boasts excellent connectivity across the UK via road and rail, and it is also well-connected to European markets.
2. Thames Freeport is strategically positioned along the River Thames in London. It offers easy access to Europe's largest consumer market of 18 million people within 120 km and connects to over 130 ports in over 65 international markets.
3. The Thames Freeport includes the ports of Tilbury and DP World London Gateway, as well as Ford's Dagenham plant. The tax sites within Thames Freeport are recognised by law as areas where businesses can benefit from tax reliefs to bring investment, trade, and jobs to regenerate regions across the country that need it most. The Thames Freeport is expected to draw £4.5 billion of new investment and create 21,000 skilled jobs.
4. The Ministry for Housing, Communities and Local Government (MHCLG) is investing £25m of public funding on key projects across the Thames Freeport area to achieve Freeport objectives, whilst also maximising wider economic benefit and public good.

Active Travel Fund

5. Part of the funding grant that Thames Freeport have been allocated from MHCLG includes a £3m Active Travel Fund pot available to deliver schemes within the Freeport area that support the delivery of improved walking and cycling infrastructure. The intention of the Freeport has been to essentially split that grant evenly between the three Freeport Authorities of Havering, Barking and Dagenham and Thurrock (£1 million each).
6. The Grant Funding itself is administered by the Thames Freeport Accountable Body which in this case is Thurrock Council. The grant funding

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is allocated from MHCLG to them. As schemes are delivered, funding is then claimed in arrears by the Scheme Promoters from Thurrock Council.

7. Scheme Promoters have been required to take their proposals through an extensive governance process which has included submitting both an Outline Business Case and Full Business Case to the Thames Freeport.
8. The Full Business Case for Havering's proposed scheme was formally approved by the Thames Freeport Governance Board in October last year.

Marsh Way Active Travel Route Scheme

9. Officers are seeking £1 million from the Active Travel Fund to deliver a new Active Travel corridor along Marsh Way. This scheme is proposed to provide a new active travel link to connect the A1306/ Marsh Way junction in Rainham with the Centre of Manufacturing Excellence (CEME) and into the London Riverside Business Improvement District (BID).
10. The London Riverside BID currently lacks suitable walking, cycling and public transport connectivity, and the installation of a new segregated cycle track will provide opportunities for residents and Riverside BID employees to access the London Riverside area.
11. The project includes the introduction of a segregated cycle route corridor between the A1306 New Road/ Marsh Way (the proposed Beam Park Station and a large housing and commercial regeneration area) and the A13 to the south. From here the route will continue as a shared-use cycle route to the Centre of Engineering and Manufacturing Excellence (CEME) Innovation Campus and to the industrial areas at London Riverside Business Improvement District (BID), with the potential for a future connection to the Ford Dagenham Plant. The route will finish at the Marshway/Creekway Junction.
12. The section of the route that goes through the Centre of Engineering and Manufacturing Excellence CEME is owned by Ford Motor Company Limited (FMCL). The Council is in discussions with FMCL in order that a Deed of Easement can be granted allowing the Council to deliver the route on the CEME site.
13. The overall purpose of the investment is to encourage active travel by providing an attractive and consistent cycle route along Marsh Way to enable cyclists to access employment, residential and transport facilities along or close to the corridor.
14. Through the Council's Bikeability programme, employees in the area will have the opportunity to undertake cycle training courses to strengthen their cycle skills and also to give less confident cyclists the confidence to use the new cycle route. In addition, bespoke courses can be made available to businesses such as Bike Maintenance classes, Dr Bike, and Led Rides.

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15. By encouraging greater use of active modes (cycling and walking) this will provide health benefits for existing and future employees and residents in the area, reduce accidents and reduce congestion. This in turn will enable the sustainable growth of the area, supporting the housing and employment growth plans set out in the LB Havering Local Plan, and facilitate the growth aspirations of the Thames Freeport.

16. The project objectives are:

- To provide a continuous and safe cycleway between the A1306 and the London Riverside BID to the south along Marsh Way
- To encourage higher use of cycling in the Rainham/Riverside BID area
- To improve access and connectivity to employment in the Riverside BID, an area with 450 businesses and 5,000 employees
- Provide opportunities for residents in South Hornchurch (one of the most deprived parts of Havering) to access jobs in the London Riverside BID

17. The project will achieve this by providing a mix of a 2-way segregated and shared use cycleway along Marsh Way between the A1306 and the London Riverside BID to the south;

18. The potential impacts/benefits include:

- Providing a new safe and continuous cycle connection along this route, which will link with other planned LB Havering proposals on the A1306 (Linear Park), the planned Beam Park railway station and with major existing and proposed developments in the Opportunity Area. The A13 and railway line (Essex Thameside and High Speed 1) severs this wider area, and Marsh Way provides one of the very few crossings of these.
- Increased use of cycling facilities which will result in mental and physical health benefits and potentially some traffic reduction.
- Some changes to delays to road users including cars, goods vehicles and buses
- Safety benefits through a reduction in relevant road traffic collisions
- Benefits to health, maintenance, local air quality and noise
- Supporting regeneration and improving cycling connectivity
- Improved connectivity into the Riverside BID comprising 450 businesses and 5,000 employees
- Improved access to and from key educational institutions including Rainham Construction College, Park Primary Academy and Newtons Primary school.

Public Consultation

19. Between 4th March and 31st March 2025, Havering ran a consultation to gather residents views on the proposed active travel scheme. A total of 46 responses were received to the online consultation. Respondents were asked to provide their opinions on specific elements of the proposed scheme. Some of the key consultation findings included:

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- Just over half of respondents agreed with the principle of the scheme (54%), 30% did not agree and 15% were neutral.
- 21 respondents (46%) agreed with the proposal for a two-way cycle track and footway, 17 (37%) did not agree and 8 respondents (17%) were neutral.
- 21 respondents (46%) agreed with the proposal to relocate the bus-stop on the southbound carriageway of Marsh Way, 16 (35%) did not agree and 9 respondents (20%) were neutral.
- 25 respondents (54%) agreed with the proposal to make the section of the walking and cycling route through the Centre of Engineering and Manufacturing Excellence (CEME) a shared use facility (meaning it can be used by both pedestrians and cyclists), 13 (28%) did not agree and 8 respondents (17%) were neutral.
- 29 respondents (63%) agreed with the proposal to improve the pedestrian crossing at the junction of Marsh Way and the exit road from the CEME site, 10 (22%) did not agree and 7 respondents (15%) were neutral.

20. The consultation results were reviewed and helped to inform the Full Business Case that was prepared for the scheme.

Grant Funding Agreement

21. In order to receive funding from the Active Travel Fund, the borough is required to enter into a Grant Funding Agreement (GFA) with the Accountable Body Thurrock Council.
22. The GFA sets out the requirements and commitments on the Council for delivering the scheme and claiming the funding from the Accountable Body. The GFA also sets out the processes for claiming funding from the Accountable Body and the criteria that needs to be met.
23. The GFA states that funding can only be claimed for work delivered by 30th September. Should the scheme continue beyond this date, delivery costs will need to be met from other funding sources. The GFA states that all outstanding legal agreements must be secured before Havering is able to claim any grant funding towards the project.
24. The GFA was drafted by legal representatives working on behalf of the Accountable Body and has been reviewed by Havering's own Legal Services department, in order to get agreement from both parties on its content.

Delivery Timescales

26. The Council's Framework Contractor Marlborough will be commissioned to deliver the project.
27. The current programme of works envisages starting delivery in April, with the project fully completed by the end of July. Works will begin at the southern end of the route starting at the Marsh Way/Creekway Junction with the contractor working its way northwards to the A1306/Marsh Way Junction.

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Next Steps

28. Subject to this Executive Decision being signed by the Strategic Director for Place, Officers will progress the GFA for signature.
29. Once the Grant Funding Agreement has been signed and the necessary legal agreements have been secured, the Council's Contractor Marlborough will be formally commissioned to build the scheme.

OTHER OPTIONS CONSIDERED AND REJECTED

30. The option of not accepting the Grant Funding/signing the Grant Funding Agreement, was rejected because the Council is unable to fund the scheme through its own Capital or revenue budgets.
31. Doing Nothing was rejected because the scheme is necessary to support Council corporate policies including the Adopted Climate Change Action Plan and Local Implementation Plan.

PRE-DECISION CONSULTATION

32. The Council undertook public consultation on the proposals in 2025. In addition, Local ward councillors and the Lead Cabinet Member have also been consulted.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Daniel Douglas
Designation: Team Leader Transport Planning

Signature:



Date: 9th March 2026

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

33. The Council has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual generally may do, subject to other statutory provisions limiting or restricting its use. The recommendations in this report are in keeping with this power and the Council has the power to receive and spend the grant funding.
34. The Council can only apply the grant funding to delivery of the project as set out in schedule 1 of the Grant Funding Agreement.
35. Throughout the duration of the grant period, the Council must provide to the Funder, Freeport and potentially TfL, monitoring and financial information on use of the Grant and delivery of the Project.
36. To receive the grant, the Council will have to submit a detailed written grant claim including supporting information and confirmation that the applicable project milestones have been achieved. Payment will be made quarterly in arrears.
37. The Funder may at its absolute discretion reduce, suspend or withhold the funding, or require all or part of the funding to be repaid if (including but not limited to), any of the following circumstances apply:
 - (a) the Council breaches the Grant Funding Agreement and fails to remedy the breach within ten Working Days;
 - (b) the Council uses the Grant for purposes other than those for which it has been awarded;
 - (c) the delivery of the Project does not start within 3 months of the Commencement Date and fails to provide the Funder with a reasonable explanation for the delay;
 - (d) works are undertaken by or on behalf of the Council without all necessary consents, (including planning permission) being in place;
 - (e) the Eligible Works are not completed by 30 September 2026;
 - (f) the Funder considers (acting reasonably) that the Council has not made satisfactory progress with the delivery of the Project;
 - (g) if in the Funder's reasonable opinion, completion of the Project in accordance with the Project Milestones becomes unlikely to occur;

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- (h) if at any time, the proposed or actual use or operation of the Project ceases to materially comply with the Project as set out in Schedule 1 (The Project); or
 - (i) in the Funder's reasonable opinion, there is a significant change in the nature or the scale of the Project.
38. The Council is required to indemnify and hold harmless the Funder with respect to all claims, demands, actions, costs, expenses, losses, damages and all other liabilities arising from the actions and/or omissions of the Council in relation to the Project including the non-fulfilment of obligations under the Grant Funding Agreement or our obligations to third parties. For the avoidance of doubt, this indemnity shall not extend to losses incurred because of the failure of the Funder to comply with its obligations under the Grant Funding Agreement.
39. Further to the Subsidy Control Act 2022, the proposed easement and through cycle route on the CEME site is for the benefit of the entire populace and is not considered to benefit CEME or Ford Motor Company Limited.
40. Statutory Guidance for the United Kingdom Subsidy Control Regime - Subsidy Control Act 2022 (Fifth edition (August 2025)) states:
"Where infrastructure in the form of roads, bridges, tunnels and inland waterways is not intended to be commercially exploited and is made available to the public to use for free, the provision of access to this infrastructure will not be considered to constitute an economic activity and public funding for this infrastructure will not fall within the scope of the Act". The route on the CEME site will remain non-tolled and therefore, is non-economic in nature.
41. In any event, the cycle route will not have an effect on competition or investment within the UK or trade or investment between the UK and a country or territory outside the UK. The cycle route on the CEME site is therefore not considered to be a subsidy.

FINANCIAL IMPLICATIONS AND RISKS

42. The Marsh Way Active Travel Route scheme is funded through external funding sources. Officers have applied for up to £1 million from the Thames Freeport Active Travel Fund and the Full Business Case was approved by the Thames Freeport in October 2025.
43. A Grant Funding Agreement (GFA) has been drafted to be signed by LB Havering and the Accountable Body, Thurrock Council. Once the GFA is in place, and the subsequent agreements with other parties are signed, then the scheme can commence on the ground. There is a match funding commitment

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to the scheme of £100,000 through the Transport for London (TfL) Local Implementation Plan (LIP). Therefore, there is no funding required from LB Havering

44. The project will need to be added to the Capital Programme 2026/27 as an externally funded project.

Financial Risks

45. The grant is to be claimed quarterly in arrears, and eligible expenditure can only be claimed up to the 30th September 2026 for works completed by that date from the grant. The scheme can continue beyond this date, but funding will be required from other sources to do so.
46. The Council has worked with its contractor to project plan accordingly and has allowed for a little time contingency providing the contractor gets the go ahead in early 2026/27.
47. Due to the location of the proposed project crossing over another party's land, it will be necessary to complete the following agreements before works commence:
- a. Deed of Easement Agreement – as a percentage of the route will be on land owned by Ford Motor Company Ltd, it will need to sign this deed along with consent from the leaseholder (Greater London Authority - GLA) and sub leaseholder (Centre for Engineering and Manufacturing Excellence - CEME).
 - b. License to carry out works – This is required in order for Havering to carry out works on someone else's land.
 - c. Basic Asset Protection Agreement (BAPA) signed with Network Rail. This is to protect their assets whilst works are underway.
 - d. TfL Third Party Project Process - This is to get approval from Transport for London to make changes to their assets including Traffic signals and bus stops.
48. These negotiations are ongoing at this time, however, if there is sufficient delay then LB Havering may not be able to proceed without securing an extension to the Grant allowable period.
49. The GFA requires LB Havering to seek consent from the Governing Body and MHCLG (the originator of the funding) to make amendments to the agreed project. This could be a risk if unforeseen circumstances transpire that may cause delay to the project and potentially risk the grant funding.
50. The new stretch of highway asset will be maintained by the authority as per the GFA which will have an expiry date of 15-year anniversary of the completion date. LB Havering would need to manage this requirement within its overall budget constraints.

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51. The sections of the cycleway that will exist on the leaseholder land will be the responsibility of the CEME to maintain during its life after the 1st anniversary of completion. However, LB Havering has a requirement within GFA that the cycleway needs maintaining sufficiently in its entirety or there is a risk of partial recovery of the grant at a future date. Therefore, the Deed of Easement needs to be robust and managed appropriately over the 15 year period.
52. Planning Permission has been granted although the project lead will need to manage the planning conditions (e.g. Biodiversity net gain) before works can begin on the CEME site.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

53. The project will be delivered by the Council's Contractor Marlborough. The Council's highway team will be responsible for Project Managing the delivery of the scheme and a Highways Engineer will be assigned to this project

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

54. The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010,
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and,
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are, age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

55. The Council is committed to all the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socioeconomics and health determinants.

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HEALTH AND WELLBEING IMPLICATIONS AND RISKS

56. There are no direct health and wellbeing implications arising from the recommendation to accept Thames Freeport Active Travel Grant Funding.
57. Delivery of the Marsh Way Active Travel Route scheme will positively impact physical activity through increasing opportunities for residents to choose to cycle in the London Riverside BID area.
58. Implementation of a cycle track along Marsh Way will result in positive impacts including:
- Behaviour and lifestyle such as increased exercise and awareness of its benefits in terms of mental health and wellbeing.
 - Improved access to green spaces and opportunities to be active.
 - Improved road safety through improved facilities within the public highway (such as segregated cycle tracks).
 - Improved access to services such as education and training, leisure and sport facilities, health and social care services.
 - Improved access to public transport.
59. Delivery of the scheme will support the health and wellbeing ambitions of a number of local strategies, including the Healthy Weight Strategy, Active Travel Strategy and Sport and Physical Activity Strategy.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

60. Outcomes sought by the Marsh Way Active Travel Route align with the Council's Climate Change Action Plan, in that it works towards the delivery of the Council's mode shift targets for active and sustainable modes of transport, through measures such as cycling infrastructure improvements.

BACKGROUND PAPERS

None.

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed



Name: Neil Stubbings
Strategic Director of Place

Date: 10th March 2026

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____