

BERKSHIRE LOCAL TRANSPORT BODY (BLTB)

REPORT TO: BLTB

DATE: 14 March 2019

CONTACT OFFICER: Tim Wheadon, Chief Executive Bracknell Forest Council

PART I

Item 7: Business Rates Retention Pilot – Revenue Support

Purpose of Report

1. In March 2018 you agreed to issue calls for bids for funding via the Business Rates Retention Pilot (BRRP) and the associated re-prioritisation of schemes in the Growth Deal 3 list; in July 2018 you agreed to “top-slice” the £25m BRRP allocation by £600,000 in order to establish a scheme for providing revenue support to local authorities for the development of a strong pipeline of future infrastructure schemes.
2. In November 2018 and January 2019, you approved the revenue support proposals and the drawdown of BRRP funds by Reading, West Berkshire, Windsor and Maidenhead, Wokingham and Bracknell Forest.
3. This report recommends a further payment under the revenue support scheme to Slough.

Recommendation

4. You are recommended to approve the revenue support proposal and the drawdown of BRRP funds by Slough Borough Council set out in appendix 1.

Other Implications

Financial

5. The lead authority for BRRP and the process of operating the Business Rates element (agreeing baseline amounts, managing the pool of retained funds) is Bracknell Forest Council. The planning figure of £25m for 2018-19 is based on current estimates of business rates collection in 2018-19, and no revisions are anticipated.
6. The lead authority for the control of Local Growth Funds allocated to infrastructure or regeneration projects is the Royal Borough of Windsor & Maidenhead, the LEP’s Accountable Body.
7. The BRRP has been approved for financial year (2018-19); MHCLG has since approved a second year of the pilot (2019/20) and a planning number of c.£11m has been calculated for new infrastructure investment.

8. At your meeting in July 2018, you prioritised the following schemes from BRRP1:

Scheme	£'000's
Slough Mass Rapid Transit (SMaRT) Phase 2	10.242
South Reading MRT Phases 3 and 4	7.898
Wokingham Winnersh Relief Road Phase 2	6.260
Revenue Support for Scheme Development	0.600
Total	25.000

Risk Management

9. The risks associated with large scale infrastructure investments are well known, and the BLTB has established risk management arrangements for the LGF transport capital programme (£111m over 6 years), referred to as the [Assurance Framework¹](#).
10. As part of the LGF oversight, government officials have reviewed this assurance framework and found it fit for purpose.
11. The Berkshire authorities have identified the LEP and its associated processes as an appropriate framework for managing the BRRP sums available; in this instance this means programme management by the BLTB and ultimate sign-off by the LEP Forum. The LEP Forum ratified this approach on 27 March 2018.
12. The implication is that promoters of infrastructure projects seeking funding from the BRRP will need to follow the same assurance framework as for LGF. This means acceptance at “programme entry” stage, followed by submission and independent assessment of a WebTAG compliant Full Business Case before being considered for financial approval.

Human Rights Act and Other Legal Implications

13. Slough Borough Council will provide legal support for the BLTB should any questions arise on the application of the BRRP.

Supporting Information

Revenue Support for Business Case Preparation

14. In July 2018 you agreed that the £25m BRRP allocation for major capital schemes should be “top-sliced” by £600,000, which should then be allocated to the six Berkshire authorities. This would be a contribution to the development costs associated with major infrastructure projects identified in each of the emerging Local Plans.
15. The revenue support proposal has the following details:

¹ <http://www.thamesvalleyberkshire.co.uk/berkshire-strategic-transport-forum>

- a. £100,000 of BRRP funds in 2018/19 be allocated to each of the six Berkshire Unitary Authorities for the purpose of developing major infrastructure projects identified in the emerging Local Plans, subject to:
 - b. The money being spent on the development outline business cases for transport infrastructure projects which support or enable the development of housing, employment, leisure or retail projects
 - c. BLTB approving the timetable and list of projects before the money is released.
16. It is now proposed that following details be added to the revenue support scheme:
- a. When seeking BLTB approval, an Authority should identify the lead officer contact; timetable start and end date for developing the specified schemes; and also propose a schedule of progress reports to BLTB
 - b. Where known, for each infrastructure project the Authority should identify
 - i. Name of the project
 - ii. Local Plan (or emerging Local Plan) references
 - iii. Approximate Capital Value of the project
 - a. up to £2m b. £2m-£5m c. £5m-£10m d. £10-£20m e. over £20m
 - iv. The housing, employment, leisure or retail development to be enabled
 - v. Partner organisations involved (if any)
 - vi. Brief Description of Project (100 words max)
 - vii. How the resource will be used to develop the outline business case (in-house? Retained consultant? Other?)
 - c. Where specific schemes are not yet identified, and the intention is to use the revenue resource to fund the investigation of specific schemes that are consequent on the Local Plan (or emerging Local Plan) requirements, then the application should be adapted to reflect this. A specific commitment to reporting back as and when named schemes are identified should be included.
17. The proposal from Slough (appendix 1) is attached. This is the final BRRP revenue support submission from the BRRP Pilot.

Conclusion

18. There is an imperative to invest some of the BRRP £25m in the development of the pipeline of major infrastructure or regeneration schemes, which will support emerging local plans and be eligible for funding in future years.

Background Papers

19. The Business Rates Retention Pilot bid and approval letters.

APPENDIX 1

Revenue Support for Business Case Preparation

Business Rates Retention Pilot – Slough Borough Council Proposal

Lead Officer; Savio De Cruz

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Name of Project: Heart of Slough Strategic Routes.

Reporting; Monthly reports will be submitted to the BLTB by the Lead Officer.

Background

Following the announcement by the BLTB regarding the £100,000 funding available for development of business cases for transport infrastructure projects that will support/enable the development of housing, employment, leisure or retail projects identified in the emerging Local Plans, Slough Borough Council has identified transport schemes that will support regeneration in the Town Centre as part of the Transport Vision. In order for these schemes to be developed further Slough Borough Council is seeking £100,000 funding to develop an outline business case.

Supporting Policies

Local Plan (or emerging Local Plan) references;

The Heart of Slough strategic routes scheme supports the following Emerging Local Plan for Slough 2016-2036 aims:

- **Delivering** major, comprehensive redevelopment within the “Centre of Slough” by providing opportunities to support high quality development through provision of improved journey times and cheaper alternative sustainable modes of transport.
- **Selecting other key locations for appropriate development by improving transport links and unlocking housing development in the town centre.**
- **Accommodating** the changes in Slough expected to arise from the expected development of the proposed third runway at Heathrow and mitigating its impact; Scheme will provide better transport links to and from Heathrow.

Approximate Capital Value of project: over £20m

The housing, employment, leisure or retail development to be enabled;

The improvement of transport links in the centre of Slough will compliment proposed housing development and aid further development of retail development and leisure facilities in the centre of Slough.

Partner organisations involved; Slough Urban Renewal, Slough Direct Service Organisation (DSO)

Brief Description of Project

The Council is proposing to identify schemes that will support the proposed Transport Vision in the centre of Slough which will unlock regeneration in the Town Centre and enhance transport links including provision of high-quality walking and cycling facilities. The existing network does not have sufficient capacity to complement the proposed developments therefore the Council is investigating the introduction of a low volume car zone that prioritises buses within the centre of Slough. The proposals include introducing a central section of the SMaRT scheme in the town centre and bus station and connecting it with the existing western section and proposed eastern section (SMaRT phase2), to improve journey times and support the town centre regeneration. The funding will enable the Council to undertake an options appraisal exercise and prepare an outline business case.

How the resource will be used to develop the outline business case -

The £100,000 funding will be used to investigate the options that will then develop the outline business case. The Council is currently undertaking a tender exercise to procure a professional services contract. It is expected that the selected contractor will prepare the business case and undertake preliminary drawings for the scheme. Programme management and reporting for the business case will be undertaken by experienced Slough Borough Council Officers.

There are also options to use existing Framework agreements for professional services available through Hampshire County Council and Wokingham Borough Council.

Proposed Time Table

Project Task	Start	Drafts To BLTB	Final submission
Options assessment	April 2019	-	October 2019
Draft Initial Outline Business Case	November 2019	February 2020	February 2020
Final Outline Business case	March 2020	May 2020	June 2020