

BERKSHIRE LOCAL TRANSPORT BODY (BLTB)

REPORT TO: BLTB

DATE: 19 July 2018

CONTACT OFFICER: Joe Carter, Director of Regeneration, Slough Borough Council, lead officer to the BLTB

PART I

Item 8: Local Growth Funds – Re-prioritisation of Bids

Purpose of Report

1. Following the successful application for a Berkshire-wide Business Rates Retention Pilot (BRRP) in 2018-19, and the agreement to re-prioritise the schemes awaiting GD3 funding in March 2018, this report sets out the bids received and recommends a priority order for allocating any available money.
2. The available money is dependent on decisions made about the BRRP (see elsewhere on this agenda). This re-prioritisation exercise is undertaken in anticipation of previously allocated Local Growth Funds being replaced by BRRP and returned to the Local Growth “pot” for re-allocation.

Recommendation

3. You are recommended to approve the priority order for allocating the money set out in paragraph 13 of this report; and, depending on the decisions made about the Business Rates Retention Pilot, and, subject to confirmation of the yield from the BRRP scheme, award programme entry status to EITHER Slough: Stoke Road Area Regeneration (Option A); OR Slough: Stoke Road Area Regeneration; Maidenhead Housing Enabling Works Phase 1; and GWR Marlow to Maidenhead Branch Line Upgrade (Option B).

Other Implications

Financial

4. 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.
5. The Local Growth Funds available for redistribution are dependent on decisions made in connection with the Business Rates Retention Pilot (BRRP) which is covered in a separate report elsewhere on this agenda.
6. There is some uncertainty about the yield of the BRRP. This report has been prepared on the basis that the planning figure of £25m may go up or down. The grant of programme entry status recommended is subject to confirmation of sufficient funds becoming available through the BRRP scheme.

Risk Management

7. The risks associated with large scale infrastructure investments are well known, and the BLTB has established risk management arrangements for the Local Growth Fund transport capital programme (£111m over 6 years), referred to as the Assurance Framework. As part of the Growth Fund oversight, government officials have recently reviewed this Assurance Framework and found it fit for purpose.
8. The implication is that promoters of infrastructure projects will need to follow the Local Growth Fund Assurance Framework. 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

9. Slough Borough Council will provide legal support for the BLTB should any questions arise on the administration of Local Growth Funds.

Supporting Information

10. This report sets out the bids received and suggests a prioritised order according to the agreed scoring methodology. This order has been considered by the Berkshire Strategic Transport (Officers’) Forum and has the endorsement of that meeting.
11. Schemes eligible for funding from the Local Growth Fund 3 re-prioritisation exercise are follows:
 - i. the scheme must be a capital scheme, and the funding sought from the Local Growth Funds must be capital expenditure
 - ii. the government grant funding element of the scheme must not exceed 80% of the total scheme costs
 - iii. the total scheme value must be at least £1.5m
 - iv. if the scheme is being promoted by an organisation other than a local authority or public body, then the applicant must also include a statement that explains why a grant from the Local Growth Funds would be consistent with the “State Aid” rules.
 - v. Schemes that were submitted and scored but not funded in 2016 were required to be updated and re-submitted for re-scoring.
12. The prioritisation methodology is set out at Appendix 1

Bids Received

13. The table below sets out the details of the 16 of the 18 bids received. 2 bids were not registered as they failed to meet the criteria set out in paragraph 10. The full pro-forma submissions of the 16 registered bids are available via the hyperlinks in the table below.

Bidder	Short Title	Short Description	Notes	Scheme Cost	Already Funded	Amount Sought	Per-cent
Bracknell Forest	Bracknell A322 A329 Corridor Improvements	Capacity improvements to two key junctions along the A329/A322 corridor building on schemes delivered through the Local Growth, Pinch Point and National Productivity Investment Funds.	New scheme	1,500,000	300,000	1,200,000	80%
GWR	GWR Maidenhead to Marlow Branch Line Upgrade	Infrastructure works to allow two direct trains per hour between Marlow and Maidenhead and improvements to intermediate stations See note at paragraph 15 below	12 th 22 points in 2016	4,100,000	2,575,000	1,525,000	37%
Reading	Reading West Station Upgrade	Delivering improved passenger experience and multi-modal interchange through a new station building, highway changes and improvements to platform facilities and the Tilehurst Road entrance.	10 th = 24 points in 2016	4,800,000	1,700,000	3,100,000	65%
West Berkshire	Theale Station Park and Rail Upgrade	Station enhancements at Theale to improve sustainable transport interchange, increase Park and Rail capacity and enhance customer facilities.	New scheme	8,670,000	4,670,000	4,000,000	46%
Slough	Slough Town Centre to M4 Junction 6 Link	Link between A332 and A355 to provide a direct route from Slough town centre to M4 Junction 6 avoiding A4 Bath Road and Tuns Lane.	19 th 14 points in 2016	12,000,000	2,400,000	9,600,000	80%
Slough	Slough A355 Route Enhancement Phase 2	Extending the existing A355 Route Enhancement to address congestion north of the Three Tuns A4/A355 intersection with carriageway widening, bus priorities and a new footbridge.	18 th 17 points in 2016	4,500,000	900,000	3,600,000	80%
Slough	Slough Chalvey Regeneration	Conversion of heavy rail to bus-based mass rapid transit, new roads, pedestrian and cycling infrastructure, flood alleviation and waste heat recovery to support regeneration.	20 th 13 points in 2016	35,000,000	7,000,000	28,000,000	80%
Slough	Slough SMaRT Phase 3 A4 West Park and Ride	Park and ride to serve Slough, Maidenhead and Windsor town centres with bus priorities on the A4 to link with SMaRT Phase 1 infrastructure.	17 th 18.5 points in 2016	5,200,000	1,040,000	4,160,000	80%
Slough	Slough Stoke Road Area Regeneration	Sustainable transport infrastructure and highway works to support regeneration of six major brownfield sites at Stoke Road and improved interchange and parking at Slough station.	8 th = 24.5 points in 2016	10,900,000	3,250,000	7,650,000	70%
Windsor and Maidenhead	Maidenhead Housing Sites Enabling Works Phases 1 and 2	Junction improvements and new highway infrastructure required to deliver major housing developments and town centre regeneration in Maidenhead. Phase 1 £5.825m; phase 2 £21.300m.	New scheme. The same bid appears in the BRRP list. Phase 1 values only	5,825,000	1,165,000	4,660,000	80%
Windsor and Maidenhead	Windsor Town Centre Package	Measures to improve pedestrian priority and streetscape around the castle and eastern gateway, purchase of vehicles for a demand-responsive bus service, and car park expansion.	New Scheme	3,475,000	1,912,500	1,562,500	45%
Wokingham	Wokingham Barkham Bridge	A new bridge next to the existing Barkham Bridge (located between Barkham Street and Langley Common Road) to facilitate 2-way traffic through the existing bottleneck.	New Scheme	5,294,551	1,058,910	4,235,641	80%
Wokingham	Wokingham California Crossroads	A public realm project that will deliver an enhanced user experience for residents, shoppers, patrons and all who travel through California Crossroads.	New Scheme	6,050,004	2,468,875	3,581,129	59%
Wokingham	Wokingham Coppid Beech Park and Ride	Coppid Beech Park and Ride will improve access to Wokingham and Bracknell Town centres, railway stations and employment sites by	New Scheme	3,000,000	600,000	2,400,000	80%

Bidder	Short Title	Short Description	Notes	Scheme Cost	Already Funded	Amount Sought	Per-cent
		tackling congestion in east Wokingham.					
Wokingham	Wokingham Coppid Beech northbound on-slip widening	Widening of the northbound on-slip at the Coppid Beech (A329(M)/London Road) Junction.	New Scheme	2,903,040	580,608	2,322,431	80%
Wokingham	Wokingham Tan House Crossing	A new Disability Discrimination Act compliant crossing of the railway where an at-grade crossing was previously provided. A temporary footbridge is currently provided but is not "step free".	New Scheme	2,000,000	800,000	1,200,000	60%

14. The table below sets out the provisional prioritisation of the 16 schemes using the previously agreed scoring methodology.

	Weighting Factor	1.5	2	4	1.5	0.5	0.5			GD3
	Factor	SEP	Deliverable	Economic Impact	TVB area	Natural Capital	Social Value	Total Score	Rank	£m Bid for
Slough: Stoke Road Area Regeneration	4.5	6	12	3	1	1.5	28	1=	7,650,000	
Maidenhead: Housing Sites Enabling Works	4.5	6	12	3	1	1.5	28	1=	4,660,000	
GWR: Maidenhead to Marlow Branch Line Upgrade	4.5	6	8	4.5	1	1.5	25.5	3	1,525,000	
Reading: Reading West Station Upgrade	4.5	6	8	3	1	1.5	24	4=	3,100,000	
Wokingham: Coppid Beech Park and Ride	4.5	6	8	3	1.5	1	24	4=	2,400,000	
Bracknell: A322 A329 Corridor Improvements	4.5	6	8	3	0.5	1.5	23.5	6=	1,200,000	
Theale: Theale Station Park and Rail Upgrade	4.5	6	8	3	1	1	23.5	6=	4,000,000	
Wokingham: Coppid Beech northbound on-slip widening	4.5	6	8	3	0.5	1	23	8	2,322,431	
Windsor: Town Centre Package	4.5	4	8	3	1	1	21.5	9	1,562,500	
Slough: SMaRT Phase 3 A4 West Park and Ride	4.5	2	8	3	0.5	0.5	18.5	10	4,160,000	
Wokingham: Barkham Bridge	3	4	8	1.5	0.5	1	18	11	4,235,641	
Slough: A355 Route Enhancement Phase 2	4.5	2	8	1.5	0.5	0.5	17	12	3,600,000	
Slough: Town Centre to M4 Junction 6 Link	3	2	8	1.5	0.5	1	16	13	9,600,000	
Wokingham: Tan House Crossing	4.5	2	4	1.5	1	1	14	14	1,200,000	
Slough: Chalvey Regeneration	3	2	4	3	0.5	0.5	13	15	28,000,000	
Wokingham: California Crossroads	1.5	4	4	1.5	0.5	1	12.5	16	3,581,129	

15. GWR: Maidenhead to Marlow Branch Line Upgrade.
This is a cross-border project funded by Buckinghamshire Thames Valley LEP and supported by Buckinghamshire County Council and Wycombe District Council. The bulk of the works will be carried out near Bourne End station in Bucks. The total scheme cost is £4,100,000, of which the TVB LEP share, if funded, would be £1,525,000 (37%). TVB LEP would therefore be the junior funding partner. If the scheme were to proceed, GWR will need to produce an independently assessed Full Business Case in order to draw down both LEP funding contributions. It is proposed that this assessment process would be done once, via Buckinghamshire Thames Valley LEP's assurance framework, as senior funding partner. It should be noted that TVB and BTV LEPs currently use the same independent assessor, Regeneris.

Conclusion

23. There is an opportunity to re-invest Local Growth Funds released by the Business Rates Retention Pilot scheme.

Background Papers

The bids and supporting appendixes are all available via hyperlinks on the TVB LEP website.

Appendix 1

Prioritisation Methodology

- The scores for each factor will be allocated in two stages. The first raw score will be 3 points for high, 2 points for medium and 1 point for low. The second weighted score will reflect the following weightings of the factors in the overall prioritisation:

Factor	Weighting
Infrastructure Projects will contribute to the delivery of the Thames Valley Berkshire SEP	15%
Deliverable	20%
Long-term, sustainable economic growth	40%
Tangible benefit to the sub-region	15%
Investing in natural capital	5%
Maximising social value	5%
Total	100%

- The range of possible scores will be 30 (all high scores) - 10 (all low scores). The calculation will be performed according to the following table:

Factor	Raw Scores			Weighting	Weighted scores		
	High	Medium	Low		High	Medium	Low
Infrastructure Projects will contribute to the delivery of the Thames Valley Berkshire SEP	3	2	1	X 1.5	4.5	3	1.5
Deliverable	3	2	1	X 2.0	6	4	2
Long-term, sustainable economic growth	3	2	1	X 4.0	12	8	4
Tangible benefit to the sub-region	3	2	1	X 1.5	4.5	3	1.5
Investing in natural capital	3	2	1	X 0.5	1.5	1	0.5
Maximising social value	3	2	1	X 0.5	1.5	1	0.5
Total				Max =	30	Min =	10