

## **BERKSHIRE LOCAL TRANSPORT BODY (BLTB)**

**REPORT TO:** BLTB

**DATE:** 31 January 2019

**CONTACT OFFICER:** Joe Carter, Director of Regeneration, Lead Officer to the BLTB

### **PART I**

#### **Item 9: 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 you approved the revenue support proposals and the drawdown of BRRP funds by Reading, West Berkshire, Windsor and Maidenhead and Wokingham.
3. This report recommends further payments under the revenue support scheme.

##### ***Recommendation***

You are recommended to:

4. Approve the revenue support proposal and the drawdown of BRRP funds by Bracknell Forest 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 a single financial year (2018-19); MHCLG has since approved a second year of the pilot (2019/20) and a planning number of c.£111m has been calculated for new infrastructure investment.
8. At your meeting in July, you prioritised the following schemes:

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 Framework<sup>1</sup>](#).
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.

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

15. The revenue support proposal has the following details:
  - 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 Bracknell (appendix 1) is attached. The proposal from Slough is expected in March 2019.

### ***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**

**Local Authority**     **Bracknell Forest Council**

**Lead Officer**         **Stuart Jefferies (stuart.jefferies@bracknell-forest.gov.uk)**

#### **Purpose of the report**

This report sets out Bracknell Forest Council's proposed plans for using the funding that BLTB have agreed to make available for business case preparation. A sum of £100,000 has been set aside as a contribution towards the development of outline business cases for transport infrastructure projects which support or enable the development of housing, employment, leisure or retail projects.

This report details how the Council intends to spend the money and the associated timescales for this work.

#### **Bracknell Forest Local Plan**

Bracknell Forest Council is preparing for a further consultation in 2019 in relation to a new 2036 Local Plan. Potential sites for development have been put forward by site promoters and these are being assessed by the Council.

A provisional programme for undertaking the further steps required to deliver an adopted 2036 Local Plan is underway. This will be subject to approval by the Council's Executive in the near future and will include the following steps throughout the period 2019-2020:

- Further consultation on additional growth options
- Publication
- Submission
- Examination
- Adoption

Whilst officers have some knowledge of the potential infrastructure schemes that would be required to support the delivery of the Local Plan up to 2036, further work is required to identify specific schemes with confidence. A further stage of selecting preferred options and testing the transport impacts is required before schemes and outline business cases can be developed.

#### **Proposal for the use of revenue support funds**

The Council is embarking on master planning work in order to support the development of a new Local Plan. This master planning work will need to be supported by detailed transport modelling and assessment of impacts.

Whilst some Council funding has already been allocated to this project, further work is now required following additional growth options now coming forward. The Council is proposing to split the BLTB funding between two stages of work (i) scoping/investigation; and (ii) further development of individual schemes.

The outline schemes would be assessed against the Local Growth Fund criteria and the most appropriate schemes identified for progression to outline business case. A new programme will be provided to the LEP / BLTB for approval. These schemes are likely to be taken from strategic corridors and local hot spots including:

- B3348 Bracknell Road / A3095 Foresters Way - junction improvement
- Easthampstead Road / Old Wokingham Road - key capacity and safety improvements
- B3022 Bracknell Road corridor - key junction improvements
- B3017 Swinley Road / A332 Kings Ride - capacity improvements
- Western Roundabout (Bracknell Town Centre) - improvements linked to further regeneration
- B3034/B3018 corridor - capacity improvements

Following the initial scoping/investigation work, further BLTB approval will be sought for the second stage of work to produce outline business cases for each selected scheme to ensure they represent good value for money. This work will also highlight the wider benefits to the Thames Valley Area including any environmental and social benefits.

### **Proposed timetable**

The table below sets out the proposed timetable:

<b>Description of Task</b>	<b>Start</b>	<b>Complete</b>	<b>Report to BLTB</b>
Outline proposal for use of full £100,000 BLTB funding	December 2018	January 2019	January 2019
Stage 1: Scoping/investigation	March 2019	September 2019	March 2020
Proposal of which schemes to take forward to Outline Business Case	October 2019	January 2019	
Stage 2: Development of Outline Business Case for identified schemes	March 2020	June 2020	July 2020