

MEETING OF THE BERKSHIRE LOCAL TRANSPORT BODY (BLTB) – THURSDAY 9 MARCH 2023

CONTACT OFFICER: Stephen Brown, Chief Executive Officer, Slough Borough Council

Item 6: BRRP fund – Transport related expressions of interest - Process

Purpose of Report

1. To outline the process that has been used to develop a programme of projects to be considered for delivery in 2023/24 utilising the remaining Business Rates Retention Pilot (BRRP) funding.

Background Information

2. The LEP has overseen the investment of £205m of capital funds from the Local Growth Funds (LGF), the Growing Places Fund (GPF), the Getting Building Fund (GBF) and the Business Rates Retention Pilot (BRRP) over ten years to deliver against the strategic priorities for Berkshire. This has led to investment of major rail and road improvement schemes, development of Mass Rapid Transit schemes, digital infrastructure and capital investments in Berkshire's FE colleges.
3. The BRRP enabled the six local authorities to retain a proportion of business rates which the Secretary of State for the (then) Department of Communities and Local Government agreed would be used to invest in "infrastructure that will further enhance economic growth across Berkshire as a whole, helping address the ongoing financial sustainability of this functional economic area".
4. £25m of BRRP funds were released in 2018/19 with a further £11m in 2019/20. The requirement for funding was that projects would be mobilised within the relevant financial year.
5. Large capital projects involve an element of risk and as such roughly £4.7m of BRRP funding has been returned for reinvestment. The returned BRRP funds must be spent by 31 March 2024.
6. To date the allocation of BRRP has been governed by the Berkshire Local Transport Body (BLTB) and the linked Berkshire Strategic Transport Members Forum (BSTMF). At the 10 November 2022 meeting of the BSTMF it was agreed to produce a prospectus to allocate the remaining BRRP funding.

Capital Prospectus and conditions of funding

7. In December 2022 a prospectus was issued to all the Berkshire local authorities. This set out a number of key investment principles that would help to decide how the funding would be allocated, aligned to the economic evidence drawn from the Berkshire Recovery and Renewal Plan.
8. Applications had to demonstrate broad value for money and have clear deliverables in terms of quantifiable outputs, outcomes and impact. Projects would not need to demonstrate match funding although projects should be additional and therefore not already funded within the council's capital programme. Funding was only for new projects, with allocations to projects that were already underway not deemed eligible.
9. Importantly all projects needed to demonstrate that works would be completed and funds spent by 31 March 2024. This was a firm deadline that could not be relaxed to meet BRRP funding rules. Funding was for capital only, although up to 20% of the costs could be allocated to revenue costs to support the delivery of the capital project.

10. As this was a pan-Berkshire prospectus it was considered preferable to fund a range of projects across all unitary authority areas, though this was dependent on the quality of the bids submitted. However, in order to achieve a relatively even spread, the prospectus gave a guide that projects looking for funding of between £250,000 and £750,000 were sought. On this basis it was expected that all authorities should be able to receive funding for at least one project, should the eligibility criteria be met.

Assessment Process

11. A two-stage assessment process was carried out. Initial Expressions of Interest were submitted by mid-January and these were checked for compliance with the overall eligibility criteria for the funding round. All schemes that are declared eligible were then be invited to complete a full application by the middle of February. Due to the timings a full WebTAG compliant business case was not required.
12. The full applications were then assessed and scored against a number of factors and weighted according to their importance. On each factor, a scheme will be awarded high (3 marks), medium (2 marks) or low (1 mark) as set out in the table below:

Factor	Weighting
1. Projects will contribute to the delivery of the Berkshire RRP	20%
2. Deliverability – note projects that could not be delivered within the timescales were rejected.	40%
3. Sustainable long-term economic growth	20%
4. Tangible benefit to Berkshire	10%
5. Investing in natural capital	5%
6. Maximising social value	5%
Total	100%

13. It is intended that funding will be awarded to projects scoring the highest, subject to sufficient funding being available. If there is insufficient funding for a scheme, the delivery partner will be offered the opportunity to reduce their project, if appropriate. If not, the funding will be awarded to the next affordable project on the list.
14. The schemes were assessed by staff from the LEP, including an independent transport consultant and then moderated with the scheme promoter and a final score for each project confirmed.
15. For this remaining unallocated BBRP funding, local authority S151 Officers and Chief Executives have final decision-making as this is rates retained monies.
16. As agreed the moderated list will be reviewed by the BSTF and a paper has been produced for consideration at their meeting that immediately follows the BLTB. The views of BSTF Members will then be summarised and passed on the local authority CEOs who will consider comments from the BSTF together with the assessment, approve the final ranking of projects and provide authorisation for the funding approval at a meeting of Berkshire Public Services Network on 16 March.

17. Following decisions The LEP will then issue Capital Grant Letters to the delivery partners, for projects to be completed by 31 March 2024.