

BERKSHIRE LOCAL TRANSPORT BODY (BLTB)

REPORT TO: BLTB **DATE:** 24 July 2014
CONTACT OFFICER: Ruth Bagley, Chief Executive Slough Borough Council, lead
Chief Executive to the BLTB

PART I

THAMES VALLEY BERKSHIRE LOCAL GROWTH DEAL 2015/16 to 2020/21

Purpose of Report

1. To report on the detail of the [Thames Valley Berkshire Local Growth Deal](#)¹, with particular reference to the schemes included in the Transport Packages of the Strategic Economic Plan². The headline figure for Transport Schemes is £94.65m, of which £11.1m is new approval to spend in 2015-16; £14.5m is previously approved; and £69.05m is indicative approval for five future years 2016/17 – 2020/21.

Recommendation

2. You are requested to note the success in securing detailed and indicative financial approvals for Transport schemes.
3. You are recommended to give “Programme Entry” status to following schemes which have been identified in the Local Growth Deal

<u>SEP reference</u>	Scheme Name
2.02	Bracknell: Warfield Link Road
2.03	Newbury: London Road Industrial Estate
2.04	Wokingham: Distributor Roads ^a : Arborfield Distributor Road
2.09 (part)	Sustainable Transport & Minor Works (yrs2-6): Strategic cycle routes only ^b
2.10	Slough: A332 improvements
2.11	Reading: South Reading MRT Phase 1
2.12	Reading: South Reading MRT Phase 2
2.13	Reading: Eastern Reading Park and Ride
2.15	Bracknell: Martins Heron Roundabout
2.16	Maidenhead: Station Access
2.17	Slough: A355 route

^a North Wokingham Distributor Road and South Wokingham Distributor Road already have Programme Entry Status

^b The cycle routes are NCN 422 and A4 Cycle Way

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/327587/35_Thames_Valley_Berkshire_Growth_Deal.pdf

² The TVB Strategic Economic Plan is available from thamesvalleyberkshire.co.uk/Strategic_Economic_Plan

4. You are recommended to ask the officers to prepare a report for a subsequent meeting of the LTB setting out the options for refreshing the “development pipeline” of potential future transport schemes.

Other Implications

Financial

5. The DfT has previously confirmed the allocation of Local Majors Capital Funding for Berkshire LTB as £14.5m over four years, commencing April 2015. The Local Growth Deal includes this sum, and in addition approves £11.1m for spending in 2015/16 and indicative approval for £69.05m over the five years 2016/17- 2020/21.

Table 1 – Available Finance

£m	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
Growth Deal	11.10	-	-	-	-	-	11.10
“Tail” of scheme above	-	2.00	-	-	-	-	2.00
Indicative approval	-	67.05					67.05
LTB	3.625	3.625	3.625	3.625	-	-	14.50
Total							94.65

6. This level of approval represents an 83% success rate: we asked for £114m, of which £94.65m was approved and £19.35m not approved.
7. The Growth Deal effectively transfers the capital amounts to the control of the LEP, which has in turn decided to delegate the implementation of these matters to this body, the Berkshire Local Transport Body. The implication of this is that scheme promoters will have to comply with the approved [Assurance Framework](#) in order to draw down the money.

Table 2 – Growth Deal compared to the “Ask”

SEP Reference	Programme Entry?	Scheme Name	£m		
			2015/16	2016/17 – 2020/21	Total
		New Approvals 2015/16			
2.02	No	Bracknell: Warfield Link Road	3.50	-	
2.03	No	Newbury: London Road Industrial Estate	1.90	-	
2.07	Yes	Bracknell: Coral Reef Roundabout	2.10	-	
2.08	Yes	Slough: Rapid Transit Phase 1 (year 1 of 2)	3.60	-	
					11.10
		Indicative Approval	2015/16	2016/17	

		2016/17					
2.08	Yes	Slough: Rapid Transit Phase 2 (year 2 of 2)	-	2.00	-		
						2.00	
		Indicative Approvals Future Years	2015/16	2016/17 – 2020/21			
2.04	Yes – part	Wokingham: Distributor Roads	-	24.00			
2.09 (part)	No	Sustainable Transport & Minor Works (yrs2-6) Strategic cycle routes only	-	4.75 (part approval)			
2.10	No	Slough: A332 improvements	-	2.70			
2.11	No	Reading: South Reading MRT Phase 1		2.96			
2.12	No	Reading: South Reading MRT Phase 2	-	1.52			
2.13	No	Reading: Eastern Reading Park and Ride	-	2.90			
2.14	Yes	Reading : East Reading Mass Rapid Transit	-	15.60			
2.15	No	Bracknell: Martins Heron Roundabout	-	1.40			
2.16	No	Maidenhead: Station Access	-	6.80			
2.17	No	Slough: A355 route	-	4.40			
						67.05	
		Previously Approved LTB	2015/16	2016/17	2017/18	2018/19	
2.01	Yes	Newbury: King's Road Link Road	1.300	1.000	-	-	
2.06	Yes	Reading: Green Park Railway Station	2.325	2.625	1.450	-	
		Not yet allocated	-	-	2.175	3.625	
			3.625	3.625	3.625	3.625	14.50
						Grand Total	94.65
		Transport Schemes Not Approved	2015/16	2016/17 – 2020/21			Total
2.05	No	Newbury: Sandleford Park	-	1.90			
2.09 (part)	No	Sustainable Transport & Minor Works (yr1)	3.70	-			
2.09 (part)	No	Sustainable Transport & Minor Works (yrs2-6) (EVCC and minor works)	-	part approved see above 13.75			
							19.35
						Total "Ask"	114.00
						Total approved	94.65
						Percentage approved	83.0%

8. The allocation of the “indicative approval” money to particular financial years has not been set out in the Local Growth Deal. This will be the subject of further discussion with DfT officials, and will depend on the state of readiness of individual schemes, the track record of our programme and scheme delivery, and the level of over-subscription of available funds.
9. The status of the “indicative approval” for the years 2016/17 -2020/21 is as follows:
- The schemes are named in the Local Growth Deal
 - The schemes have been individually assessed and approved by the Government
 - The “indicative approval” has been awarded to ensure a strong and continuous pipeline of schemes coming to fruition
 - There is strong encouragement to actively manage the programme of schemes
 - There is strong encouragement to develop each of the schemes to full business case stage
 - There is an indication that the Government’s criteria for final approval will include:
 - Track record of delivering previously approved schemes
 - State of readiness of the individual schemes
 - Strength of the officer level programme management arrangements
 - Strength of the overall governance of the programme

Risk Management

10. The Growth Deal makes a clear distinction between approval of funds for release and spending in 2015/16 and the “indicative approval” of funds in the five further years covered by the Deal (2016/17 – 2020/21). It also makes a distinction for the previously approved LTB amount of £14.5m spread over the four years 2015/16 – 2018/19.
11. There will be an element of risk for scheme promoters who invest in developing their schemes to full business case stage in accordance with the approved [Assurance Framework](#). However, there is also risk involved in not developing the schemes; that risk is that any reluctance to bring the schemes forward will result in any final approval being delayed or refused.
12. Richard Walker of the Department for Transport has been invited to the meeting to discuss this point, and to answer any questions members may have about the detail of the Department’s position with respect to the “indicative approval” status

Human Rights Act and Other Legal Implications

13. The [Assurance Framework](#) referred to above identifies the steps that scheme promoters should take in order to secure financial approval from the LTB. There are, in effect, two layers of scheme approval. The first, and primary layer rests with the scheme promoter (all the schemes referred to in this report are being promoted by Local Authorities). In order to implement the schemes in question, each promoter will need to satisfy themselves that all the legal implications have been considered and appropriately resolved. The secondary layer of approval, given by the LTB, is concerned with the release of funds against the detailed business case. The arrangements for publication of plans via the LEP and promoters’ websites, the arrangements for independent assessment and the consideration of detailed scheme

reports are appropriate steps to ensure that any significant Human Rights Act or other legal implications are properly identified and considered.

Supporting Information

14. The [LEP's Strategic Economic Plan](#) was published in March 2014, and the Local Growth Deal represents a strong endorsement of the Plan, and has approved practically all of the transport schemes identified in the plan for the period 2015-2021
15. The Government's assessment of our priorities and our individual schemes has been positive. Our challenges now are twofold:
 - a. to implement the schemes identified in the Local Growth Deal
 - b. to begin the process of refreshing the "development pipeline" of potential future schemes in order to prepare for any subsequent funding rounds
16. The priority for the officers is obviously to progress the schemes with 2015/16 approval to implementation stage, followed by working on the "indicative approval" schemes.
17. We will also need to give some thought to the process and timetable that will be necessary for refreshing the "development pipeline". You are recommended to ask the officers to bring back a detailed report on this matter to a future meeting of the LTB.

Background Papers

Each of the schemes referred to above has a detailed pro-forma summarising the details of the scheme. Both the SEP and LTB prioritisation processes and scoring schemes are also available background papers.