

**Berkshire Local Transport Body – Meeting held on Thursday, 12th November, 2020.**

**Present:-**

Councillor Page (Chair)	Reading Borough Council
Councillor Anderson	Slough Borough Council
Councillor Brunel-Walker	Bracknell Forest Council
Councillor Clark	RBWM
Councillor Jorgensen	Wokingham Borough Council
Councillor Somner	West Berkshire Council
Stuart Atkinson	Thames Valley Berkshire LEP
Laura Fitzgerald	Thames Valley Berkshire LEP
Bob Mountain	Thames Valley Berkshire LEP
Simon Ratcliffe	Thames Valley Berkshire LEP
Nigel Nawacki (Observer)	Thames Valley Berkshire LEP

**Also present:-** Councillor Atkinson (deputy member)

**Apologies for Absence:-** Malcolm Kempton

**PART 1**

**33. Declarations of Interest**

It was noted that Councillors Anderson and Brunel-Walker were elected members of local authorities seeking financial approval for schemes on the agenda, but they did not have disclosable pecuniary or non-pecuniary interests and would therefore participate and vote on these matters.

**34. Membership Update**

An update was provided on the recruitment of two new private sector members as appointed by Thames Valley Berkshire LEP.

It was noted that TVB LEP had appointed Laura Fitzgerald to Berkshire Local Transport Body. Nigel Nawacki was also expected to be appointed, subject to final confirmation, and was present at the meeting as an observer. They would replace Charles Eales and Matthew Taylor whose terms of office had recently expired.

The Chair invited the new members to introduce themselves and they were welcomed to BLTB.

**Resolved –** That Laura Fitzgerald and Nigel Nawacki be welcomed to BLTB.

**35. Minutes of the Meeting held on 15th July 2020**

**Resolved –** That the minutes of the meeting of the Berkshire Local Transport Body held on 15<sup>th</sup> July 2020 be approved as a correct record.

**36. Briefing Note - TVB/BLTB 'How We Work'**

Members noted a briefing note that summarised the process by which Thames Valley Berkshire LEP and the Berkshire Local Transport Body operated in investing in local transport schemes.

**Resolved –** That the BLTB 'How We Work' briefing note be noted.

**37. Thames Valley Berkshire Local Growth Deal 2015/16 to 2020/21**

A report was considered that updated members on the progress of schemes funded through the Thames Valley Berkshire Local Growth Deals, Business Rates Retention Pilot (BRRP) and the transport element of the Getting Building Fund (GBF) that had been released in September 2020.

A total of £136m had been invested from Local Growth Deal funding, £36m from BRRP and £7.5m through GBF, of which £1.6m had been allocated to the Slough Langley High Street Scheme to be considered later in the meeting. Tables 1 to 4 in report detailed the financial allocations and it was noted that a significant proportion of the funding had been invested in sustainable transport schemes.

BLTB reviewed the project updates as summarised in Table 4 of the report and scheme promoters gave verbal updates on key issues and progress. Members discussed the impact of Covid-19 on the programme. It was responded that despite the challenges Covid-19 had presented, Officers fully expected to spend all the LGF funding by the end of March 2021, as required, and were confident the programme would be delivered according to the plan.

At the conclusion of the discussion the report was noted.

**Resolved –** That the progress made on schemes previously given programme entry status be noted.

*(Councillor Jorgensen joined the meeting)*

**38. Establish a new pipeline of projects and allocation of the remaining Local Growth Funds**

A report was received that set out the prioritised list of sixteen bids received in response to the July 2020 call for bids. A recommended pipeline of new schemes was proposed to enable Berkshire to respond quickly should any additional funding be made available to the LEP. The report also recommended giving programme entry status to Bracknell Town Centre "The Deck".

There had been 16 projects submitted following the call for bids and these had been assessed against the well established prioritisation methodology. Hatch Regeneris, the Independent Assessor, had been involved in the process and had endorsed the approach taken. Table 1 of the report detailed

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the new schemes ranked in order of priority. The process was ongoing and would be constantly reviewed as further information on the schemes was available. In response to a question it was confirmed that discussions were taking place with Officers to enable new schemes to be added to the list in the future so that the strongest pipeline of schemes could be developed. A number of questions were asked about specific schemes including the role of Highways England in relation to the M4 Junction 10 scheme. Members agreed that there would need to be dialogue with Highways England about their potential funding contribution to this scheme.

After due consideration, Members agreed the prioritised list as set out in the report.

A sum of £955,882 of LGF remained available for allocation following the reduction in scope of 2.05 Newbury: Sandford Park which had returned £900,000 to the pot. All funding needed to be expended by the end of March 2021 and the existing pipeline of schemes had been exhausted. The LEP Board therefore requested BLTB to consider schemes from the Getting Building Fund. There was a pipeline of 27 projects for GBF of which 6 had been funded and of the remaining prioritised projects only one, "The Deck" scheme in Bracknell would be able to be fully underway by the end of March 2021. BLTB was therefore asked to give Programme Entry Status to the scheme for £955,882. A further report later in the agenda sought financial approval and included the business case. This item was brought forward and the two items were considered together.

The scheme promoter described "The Deck" scheme which involved the partial demolition/strip out and redevelopment of a town centre site for food, beverage and leisure uses, public realm improvements and highway works. In response to questions it was stated that the LGF element of the scheme was focused on the public realm and highway works. It was originally a private scheme but due to changing market conditions the developer had stated they couldn't fund aspects of the scheme and there was clear evidence of market failure which would demonstrate the need for public sector investment. The scheme had a very high Benefit Cost Ratio of 8.8:1 and the Independent Assessment recommended approval. The LEP had sought solicitors advice on State Aid compliance and the recommendation was to grant programme entry status and financial approval, conditional on confirmation from the LEP appointed solicitor that the scheme conformed to State Aid requirements.

Members agreed that it was good scheme overall and there was an extensive discussion about what the LGF portion of funding would be used for and about the State Aid issues. It was clarified that the LGF funding would be focused on extensive public realm and accessibility improvements in the town centre which would support regeneration and job creation. Assurance was provided that the Independent Assessor had considered the relevant issues and concluded there was evidence of market failure that would justify the use of public funding. It was agreed that the solicitors advice on State Aid be circulated to all members of BLTB. Any substantive concerns should be

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raised with the LEP and if necessary an additional meeting could be convened if those issues could not be resolved.

The recommendation to grant "The Deck" programme entry status was agreed.

### **Resolved –**

- (a) That the prioritisation scores of the sixteen bids received as set out in Table 1 of the report and the creation of a new pipeline of schemes be approved.
- (b) The programme entry status be given to Bracknell "The Deck" town centre regeneration project within the Local Growth Fund Programme.

## **39. Financial Approval 2.47 Bracknell: Town Centre - "The Deck"**

BLTB had discussed Bracknell's "The Deck" scheme under the previous item (Minute 38 refers) and had agreed the programme entry status and conditional financial approval.

### **Resolved –**

- (a) That Bracknell's The Deck be given conditional financial approval in the sum of £955,882 in 2020/21 on the terms of the funding agreement set out at paragraph 11 step 5 of the report and subject to the following condition:
  - i. Confirmation from a LEP appointed solicitor the scheme conformed to State Aid requirements.
- (b) That the response of the LEP appointed solicitor regarding State Aid compliance be circulated to all members of BLTB; and that if any substantive concerns were raised with the LEP that consideration would be given to convening an additional meeting of BLTB if those issues could not be resolved.

## **40. Update to BLTB on One Year scheme evaluations**

A report was considered that updated on the One Year scheme evaluations that were due for:

- Scheme 2.10 – Slough A322 Improvements.
- Scheme 2.11 and 2.12 – Reading: Phase 1 & 2 South Reading MRT.
- Scheme 2.15 – Bracknell: Martin's Heron Roundabout.

Due to the impacts of Covid-19 it was not currently possible to gather the appropriate and robust data to complete scheme assessments. Evaluations were therefore delayed and it was proposed that evaluations be postponed to a future meeting when meaningful reports could be presented. Members

agreed the importance of robust evaluation and agreed the recommendation to postpone these until that could be achieved.

**Resolved** – That the update be noted and that One Year scheme evaluations from the scheme promoters be provided to a future meeting of BLTB.

**41. Financial approval GBF1 Slough: Langley High Street Widening Phase 3**

BLTB considered a report that recommended giving scheme GBF1 Slough: Langley High Street Widening Phase 3 conditional financial approval of £1,643,000.

The scheme was an extension to Phases 1 and 2 that had already secured approval for funding from BLTB. The package had been designed to increase accessibility on Langley High Street, partly due to future closure of Hollow Hill Lane as part of the WRLtH scheme. The scheme would help enable new homes and jobs. Members were reminded that the scheme had been split into phases at the request of the LEP due to the availability of funding previously. The Benefit Cost Ratio of Phase 3 was 1.5:1, however, taken together the three phases exceeded 2:1.

Members asked a number of questions including about the high level of contingency included for utility works and it was queried whether funding could come back to the LEP if the costs were lower than anticipated. It was noted that there was a standard clause in the capital grant letters to recover any funding in such circumstances.

At the conclusion of the discussion the recommendation to give conditional approval was agreed.

**Resolved** – That scheme GBF1 Slough: Langley High Street Widening Phase 3 be given conditional financial approval in the sum of £1,643,000 in 2021/22 from the Getting Building Fund on the terms of the funding agreement set out at paragraph 14 step 5 of the report, subject to meeting the following conditions:

1. SBC to demonstrate positive discussions with the landowners that result in documented outline agreement for the acquisition of the land required to develop the scheme.
2. Production of a revised, and more robust, assessment of scheme costs, post-preliminary scheme design.
3. Formal confirmation (e.g. S151 Officer letter) to cover SBC funding allocation, along with confirmation that SBC would cover any potential cost overruns; and
4. The scheme retain an initial Benefit Cost Ratio of at least 1.5:1.

These conditions should be met at the earliest feasible date, but no later than 1<sup>st</sup> March 2021.

#### **42. Transport for the South East - Subscription Report Update**

A report was considered that sought agreement to continue the annual subscription to Transport for the South East (TfSE).

BLTB had agreed in November 2019 to renew the annual subscription to TfSE of £58,000 for 2019/20, with the amount to be split 6 ways between the constituent authorities. In its role as accountable body for the Berkshire Local Transport Body, Slough Borough Council collected contributions from BLTB members and passed the subscriptions to East Sussex County Council, the accountable body for TfSE.

TfSE had now submitted its proposal to become a statutory body to government, and whilst government had committed to supporting TfSE's South East transport strategy, its current position was that the time was not right for the further devolution of transport powers. TfSE had welcomed the news that its transport strategy would be used by government to help decide where, when and how to invest in the South East's transport network and as this dialogue with government continues, Officers recommended that it remained prudent for the BLTB to agree the renewal of further subscriptions on an annual basis.

Councillor Page declared that he was BLTBs representative on the TfSE Shadow Board of which he was he vice-chair. BLTB was reminded that local authorities had the option of becoming individual members of TfSE and this may be a matter to consider if the body was granted statutory status.

At the conclusion of the discussion, the recommendation to continue with an annual, pan-Berkshire subscription was agreed.

**Resolved –** That a renewed annual BLTB subscription of £58,000 for TfSE to cover the period 2020/21 be agreed, with the amount to be split 6 ways between the constituent authorities.

#### **43. Updated Assurance Framework for Berkshire Local Transport Body**

A report was considered that sought approval for a revised BLTB Assurance Framework.

The current Assurance Framework had been approved by BLTB in July 2019 to ensure it was aligned to the LEP Assurance Framework 4.0 which itself had been reviewed following the Government's significant updates to the National Assurance Framework for LEPs published in January 2019.

It was good practice to annually review the BTLB Assurance Framework and a revised document was set out in the appendix to the report. It included some minor updates which were summarised as follows:

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- Update of names officer and role in footnotes 5 and 6 (Joe Carter, then Director of Regeneration at SBC had been replaced by Josie Wragg, CEO SBC);
- In point 14 of the Assurance Framework, the factors for the agreed prioritisation methodology had been updated (the six factor weightings) in light of the July approval of the call for bids paper:
  - Contribute to the implementation of the Thames Valley Berkshire SEP (BLIS->RRP) 10% (from 15%)
  - Tangible benefit to the sub-region 10% (from 15%) and
  - Investing in natural capital 15% (was 5%) ie can demonstrate that mitigating measures will
    - significantly reduce any negative impacts on one or more of the following:
    - greenhouse gas emissions; air quality; noise disturbance; natural environment, heritage and landscape; and streetscape and urban environment.
- Under PART 3, point 15, a link had been added to the official SBC website to enable full visibility of all BLTB agendas and minutes.

After due consideration, BLTB approved the revised Assurance Framework as proposed.

**Resolved** – That the proposed updates to the BLTB Assurance Framework (Fourth Revise) as highlighted in Appendix 1 to the report be agreed.

### **44. BLTB Forward Plan**

The BLTB Forward Plan which set out the matters to be considered at future meetings was considered and noted. A report on the anticipated Government White Paper on devolution was requested if it had been published before the next meeting.

**Resolved** – That the BLTB Forward Plan be noted.

### **45. Date of Next Meeting - 11th March 2021**

The date of the next meeting was confirmed as Thursday 11<sup>th</sup> March 2021.

Chair

(Note: The Meeting opened at 4.00 pm and closed at 5.22 pm)