

15 October 2021

REPORT SUMMARY SHEET

LOCAL ENTERPRISE PARTNERSHIP (LEP) & INVEST BRISTOL AND BATH FORECASTED BUDGET OUTTURN

Purpose

To present the forecasted revenue outturn for the West of England Joint Committee for the financial year 2021/22 based on data for the period April 2021 to 31 July 2021. The report covers the Local Enterprise Partnership (LEP) and Invest in Bristol and Bath (IBB) revenue budgets.

Summary

This report includes the following key information:

- Appendix 1 details the LEP forecasted revenue out-turn for the 2021/22 financial year based on information to the end of July 2021 which shows spend of £14.8m against an original budget of £6.0m. The difference of £8.8m is mainly due to the receipt of additional grant funding, (including Green Homes Grants), into the South West Energy Hub;
- Overall, the LEP and IBB revenue budgets are forecasted to balance at the end of the financial year;
- Total grants secured across the three-year period from 2021/22 – 2023/2024 is £19.2m. The authority has recently reviewed and updated the anticipated timing of spend against these grants and re-profiled the income accordingly as set out in Figure 1;
- The original 2021/22 budget for external grants was £4.7m. For the Growth Hub, (South West) Energy and Careers Hub, the authority has been successful, during the year, in significantly increasing the overall funding available. Estimated out-turn compared with the original budget for the 2021/22 financial year is set out in Figure 2;
- Accounting for approved committee drawdowns, the uncommitted balance of the LEP General Reserve currently stands at £723k;
- The West of England (Local Growth) Assurance Framework has been updated to incorporate updated government guidance and the inclusion of the forthcoming City Region Sustainable Transport Settlement;
- Principles for accessing the Revolving Infrastructure Fund have been developed and agreed amongst West of England Section 151 Officers as detailed in Appendix 2;
- Change requests for Local Growth Fund and Getting Building Fund projects are detailed for committee approval in Appendix 3 and change requests for Economic Development Fund projects are detailed in Appendix 4.

Impact of Covid-19 pandemic

The Combined Authority has actively reviewed its key activities and work programme to reflect changing priorities as a result of the Covid-19 pandemic. Specific issues relating to the Covid-19 situation that impact on or are addressed through this report are:

There is a potential impact on future year revenue budgets as activity is re-prioritised and focused on supporting economic recovery. Activity, and corresponding budgets, will be kept under regular review over the coming months.

Recommendations

Members of the Joint Committee are asked to:

- a) Note the LEP revenue outturn as set out in Appendix 1;
- b) Approve the updated Local Growth Assurance Framework;
- c) Approve the change requests for schemes within the Local Growth and Getting Building Fund programmes as set out in Appendix 3;
- d) Approve the change requests for schemes within the Economic Development Fund programme as set out in Appendix 4;
- e) Approve the treatment of the schemes within the RIF programme as set out in paragraph 2.11 and the RIF principles detailed in Appendix 2.

Contact officer: Malcolm Coe

Position: Director of Investment & Corporate Services

Email: Malcolm.Coe@westofengland-ca.gov.uk

REPORT TO: WEST OF ENGLAND JOINT COMMITTEE ITEM 14

DATE: 15 October 2021

REPORT TITLE: LEP & IBB BUDGET OUTTURN APRIL– JULY 2021

DIRECTOR: MALCOLM COE, DIRECTOR OF INVESTMENT AND CORPORATE SERVICES

AUTHOR: MALCOLM COE

Purpose of Report

- 1 This report presents the forecasted revenue outturn for the West of England Joint Committee for the financial year 2021/22 based on data for the period April 2021 to July 2021. The report covers the Local Enterprise Partnership (LEP) and Invest in Bristol and Bath (IBB) revenue budgets.

Impact of Covid-19 pandemic

- 2 The Combined Authority has actively reviewed its key activities and work programme to reflect changing priorities as a result of the Covid-19 pandemic. Specific issues relating to the Covid-19 situation that impact on, or are addressed through, this report are as follows:
 - (a) There is a potential impact on future year revenue budgets as activity is re-prioritised and focused on supporting economic recovery. Activity, and corresponding budgets, will be kept under regular review over the coming months.

RECOMMENDATIONS:

The voting on the following recommendations will be as follows:

The Joint Committee:

- a) **Notes the LEP revenue outturn as set out in Appendix 1;**
- b) **Approve the updated Local Growth Assurance Framework;**
- c) **Approve the change requests for schemes within the Local Growth and Getting Building Fund programmes as set out in Appendix 3;**
- d) **Approve the change requests for schemes within the Economic Development Fund programme as set out in Appendix 4;**
- e) **Approve the treatment of the schemes within the RIF programme as set out in paragraph 2.11 and the RIF principles detailed in Appendix 2.**

Background / Issues for Consideration

- 2 The West of England Combined Authority acts as the Accountable Body for a range of funding streams on behalf of the West of England Councils and LEP. The Combined Authority Financial Regulations require that it regularly reports on the financial monitoring position of these funds.

Local Enterprise Partnership Budget Out-turn

- 2.1 **Appendix 1** details the LEP revenue out-turn for the 2021/22 financial year based on actual information to the end of July 2021 which shows spend of £14.8m against an original budget of £5.98m. The difference of **£8.8m** is mainly due to the receipt and phasing of additional government grants in relation to the South West Energy Hub and associated Green Homes grant.
- 2.2 There is a forecast net underspend of £79k on core staffing due to greater costs allocated to specific projects which is partially offset by a shortfall in forecasted treasury income of £18k. The overall net revenue budget is forecasted to deliver a balanced position at year end.
- 2.3 Total grants attained across the three-year period is circa **£19.1m**. We continue to review and update the anticipated timing of spend against these grants and re-profile the income accordingly as detailed in *Figure 1*.

Figure 1: Analysis of LEP External Grants revised as @ July 2021

	2021/22 £000s	2022/23 £000s	2023/24 £000s	Total
Asylum Migration Integration Fund	120	0	0	120
Careers Hub	546	0	0	546
Creative Scale Up	471	145	0	616
EDF Business Case Review	61	61	62	184
(South West) Energy Hub	2,059	2,678	0	4,737
Green Homes grant	7,341	0	0	7,341
Growth Hub	850	0	0	850
Invest in Bristol and Bath	1,142	1,000	1,000	3,142
Infrastructure & Investment Plan	109	123	123	355
Low Carbon Challenge	273	380	0	653
LEADER	3	0	0	3
LEP Additional Capacity	185	145	0	330
One Public Estate	209	0	0	209
Skills Advisory Panel	75	0	0	75
Total	13,444	4,532	1,185	19,161

- 2.4 The original 2021/22 budget for external grants was £4.7m. For Growth Hub, Green Homes, (South West) Energy and Careers Hub, we have been successful, in significantly increasing the overall funding available as detailed in *Figure 2*.

Figure 2: Original 2020/21 Grant Budget compared to Year End Forecast.

	Budget 2021/22 £000s	Forecast 2021/22 £000s	Funding Difference £000s	Comments
Asylum Migration Integ. Fund	140	120	(20)	Re-phasing of expenditure
Careers Hub	178	546	368	Additional Funding
Creative Scale Up	473	471	(2)	Re-phasing of expenditure
EDF Business Case Review	61	61	0	
(South West) Energy Hub	902	2,059	1,157	Re-phasing of expenditure and additional funding
Green Homes grant	148	7,341	7,193	Additional Funding
Growth Hub	328	850	522	Additional Funding
Housing Advisers Programme	7	0	(7)	-
Invest in Bristol and Bath	1,000	1,142	142	Carried forward from 20/21
Infrastructure & Invest Plan	109	109	0	
Low Carbon Challenge	1,076	273	(803)	Funding transferred to capital expenditure
LEADER	0	3	3	-
LEP Additional Capacity	84	185	101	Carried forward from 20/21
One Public Estate	209	209	0	-
Skills Advisory Panel	0	75	75	Additional Funding
Totals	4,715	13,444	8,729	

- 2.5 In July 2020, the chancellor announced £2 billion of support through the Green Homes Grant, targeted at saving households money, cutting carbon and creating green jobs. The Combined Authority has received a total of £53.3m, (for the wider South West region), which comprises of £7.3m of revenue costs for delivering the scheme with the remainder being capital spend in terms of the grants provided. The terms of the government grant requires the spend to be fully incurred by the end of the 2021/22 financial year.

Drawdown from Reserves

- 2.6 The accumulated LEP Reserve, held by the Combined Authority as Accountable Body, was £1,002k at the beginning of the financial year. Accounting for drawdown and receipt of funds, as approved by the Joint Committee, the reserve balance is forecasted to be £723k. This is detailed in *Figure 3*:

Figure 3: LEP Reserve Balances £'000s

LEP Reserve balance b/fwd 1st April 2021	(1002)
Drawdown for Local Industrial Strategy – to deliver our region’s ambition to be a driving force for clean and inclusive growth.	77
Contributions towards LEP operating costs (to reduce the corresponding UA contribution for ‘match funding’ LEP Capacity Fund)	102
Drawdown for specialised work to develop an evidence based picture of current digital connectivity across the West of England	100
Forecasted LEP Reserve balance c/fwd 31st March 2022	(723)

Interest on Balance

2.7 Investment interest earned on LEP balances held relates entirely to cash holding of the Local Growth Fund, (LGF), and Getting Building Fund (GBF). LGF was fully exhausted, (as per the terms of the grant), by 31 March 2021, thereby LEP interest is now only calculated against a diminishing GBF balance along with any holding of general LEP reserves. As a result, forecasted interest at year end is £18k lower than the £50k income budget set. Forecasted income will continue to be reviewed regularly and updated in future budget monitoring reports to the Committee.

Local Growth Assurance Framework

2.8 A consistent approach has been developed for the identification, development, approval and change management for schemes seeking funding through the LEP Local Growth, Getting Building, Economic Development & Revolving Infrastructure Funds. This involves recommendations being made by the West of England Chief Executives, oversight by the LEP Board and formal decision making by the West of England Joint Committee. For schemes within the Economic Development Fund (EDF) advice is provided by the four Council S151 officers as part of the business case approval decision.

2.9 It is recognised that transparency, accountability and ensuring value for money must be central to these arrangements, and Government have set out their expectations in this regard in the ‘National Local Growth Assurance Framework’ guidance. The way that these requirements are met is set out in the [West of England Local Growth Assurance Framework](#) which has been updated to reflect updated guidance and the inclusion of the City Region Sustainable Transport Settlement.

Revolving Infrastructure Fund

2.10 Weston Business Quarter (WBQ)
An [Outline Business Case](#) was submitted by North Somerset Council for the Weston Business Quarter (WBQ) seeking funding through the Revolving Infrastructure Fund (RIF). The project will deliver the infrastructure and utilities required to service the remaining 30 acres of land which is yet to be developed and in the ownership of North Somerset Council in the WBQ, which is part of the J21 Enterprise Area. The project seeks to de-risk the site making it attractive for commercial development, enabling jobs and business rates growth and helping to facilitate future phases of The Food Works which was supported through the Local Growth Fund. In line with the delegation granted at the Committee meeting in June, the Outline Business Case was approved

by the Combined Authority Chief Executive in consultation with the West of England Chief Executives in July. Funding of £674k was awarded to progress the project to Full Business Case. There are RIF funds available to fund this initial award, and subject to the other repayments expected in 21/22 being made, full funding of an additional £10.4m could be accommodated within the RIF programme, (to be confirmed at Full Business Case). The RIF is a repayable fund and it is planned that funds would be returned from the land receipts over the period 24/25 to 28/29. The Assessment Summary Table is shown in Appendix 5.

- 2.11 A set of principles for the operation of the RIF have been produced, (in consultation with the region's Section 151 Officers), to maximise the opportunity to utilise funding on projects such as WBQ going forward. These principles are shown in Appendix 2. Three schemes have previously granted outline or conditional approval for RIF funding over recent years, namely the J21 Northbound Merge, J21 Queensway Junctions and Watershed Redevelopment. Given that these historic schemes have not been confirmed for funding, it is proposed that, if appropriate, they will need to re-enter the programme at some point in the future via the submission of a Business Case, should funding be available. Alternatively, these schemes may also progress through other funding opportunities.

Changes to Schemes within the LEP One Front Door Programme

- 2.12 The Joint Committee in October 2019 agreed to delegate approval of changes within stated tolerances for schemes within the approved programme to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils. The changes to the LGF, EDF and RIF programmes which fall outside of these tolerances and require a Committee decision are set out in Appendix 3 and 4 respectively.

Consultation

- 3 Consultation has been carried out with the Chief Executives, West of England Section 151 Officers and the Combined Authority Monitoring Officer.

Other Options Considered

- 4 Value for Money and appropriate use of resources are constantly considered when allocating, monitoring and managing all revenue and capital budgets.

Risk Management/Assessment

- 5 This report forms a core part of the WECA's governance and risk management process. The forecast budgets presented in this report take account of known financial risks and their potential impact on the outturn financial position. The West of England Office agreement underpins the LEP; a Memorandum of Understanding between the four West of England UAs underpins the IBB service. These agreements deal with the risk sharing mechanisms between the four West of England councils. For all other WoE budgets administered by the WECA, it acts as "agent" with a straight pass through of funding and related costs.

Public Sector Equality Duties

- 6 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- 6.1 The Act explains that having due regard for advancing equality involves:
- Removing or minimising disadvantages suffered by people due to their protected characteristics.
 - Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
 - Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
- 6.2 The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.
- 6.3 There are no specific public sector equalities issues arising from this report although budget managers are reminded to consider how they could positively contribute to the advancement of equality and good relations.

Climate Change Implications

- 7 On 19 July 2019, the West of England Combined Authority declared a climate emergency, recognising the huge significance of climate change and its impact on the health, safety and wellbeing of the region's residents. The Combined Authority is committed to taking climate change considerations fully into account as an integral part of its governance and decision-making process.

Each report/proposal submitted for Combined Authority / Joint Committee approval is assessed in terms of the following:

Will the proposal impact positively or negatively on:

- * The emission of climate changing gases?
- * The region's resilience to the effects of climate change?
- * Consumption of non-renewable resources?
- * Pollution to land, water or air?

Particular projects will also be subject to more detailed environmental assessment/consideration as necessary as part of their detailed project-specific management arrangements

- 7.1 Several of the specific LEP workstreams have a strong focus on improving climate change especially the *South West Energy Hub*, *Green Homes Grant*, *Low Carbon Challenge Fund* and *One Public Estate*. Where funds are allocated as grants to local

businesses and organisations, the criteria used to prioritise funding allocations will incorporate climate improvement.

Finance Implications, including economic impact assessment where appropriate:

- 8 The financial implications are contained within the body of the report. The LEP and IBB functions support the economic growth and vitality of the region.

Advice given by: Malcolm Coe, Director of Investment & Corporate Services

Legal Implications:

- 9 This report monitors how the Local Enterprise Partnership (LEP), and Invest in Bristol and Bath (IBB) revenue budgets are performing against the financial targets as set in January 2021 through the Budget setting process.

Advice given by: Shahzia Daya, Director of Legal Services

Human Resources Implications:

- 10 Fixed term contracts are applied where staff are appointed against specific LEP grant funding streams that are time limited in nature.

Advice given by: Alex Holly, Head of Human Resources

Appendices

Appendix 1: LEP revenue Out-turn position

Appendix 2: Principles for the operation of the Revolving Infrastructure Fund

Appendix 3: Change Requests Recommended for Approval – LGF and GBF

Appendix 4: Change Requests Recommended for Approval – EDF and RIF

Appendix 5: Business Case Assessment Summary Table - Weston Business Quarter

Background papers:

LEP Revenue Budget Setting Report 2021/22 – Joint Committee 29 January 2021

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the contact officer for the meeting who is Ian Hird on 07436 600313; email:

democratic.services@westofengland-ca.gov.uk

APPENDIX 1

LEP Budget Monitoring Out-turn as at July 2021

	2021/22 Budget £'000s	2021/22 Forecast £'000s	Variance £'000s
Core staff and related overheads	1,262	1,183	(79)
<u>Project Spend</u>			
Staff	1,791	3,021	1,230
Services and third-party payments	2,482	10,081	7,599
Overheads	442	522	80
Total Expenditure	5,977	14,807	8,830
Funded by:			
UA Contribution	440	440	0
Other Government Grants	4,715	13,444	(8,729)
RIF Admin Grant	112	112	0
DCLG Core & Capacity Grant	500	500	0
Interest on Balances	50	32	18
Use of Reserves	160	279	(119)
Total Income	6,977	14,807	(8,830)
Surplus	0	0	0

Principles for the operation of the Revolving Infrastructure Fund

- 1) The general presumption is that funding awarded through the RIF is:
 - a) For capital projects (including any repayable revenue associated with developing or promoting such projects)
 - b) Repayable in order to replenish the pot available to support future projects and retain this as a funding mechanism going forward.
- 2) Business Cases submitted seeking to access the RIF should clearly commit to repayment and set out the profile of this repayment which will be embodied in the grant offer letter. Such repayments should be made within 5 years of the completion of the project to maximise the opportunity for the fund to revolve, or exceptionally within 10 years. Such repayments will be underwritten by the relevant Council.
- 3) Funding for new projects will be:
 - a) Indicatively allocated to the programme at Outline Business Case stage as notional commitments, including expected payments and repayments. These will remain as commitments with funds held in abeyance unless the project is withdrawn, or the project does not progress to Full Business Case within a year of Outline Business Case approval.
 - b) Only be confirmed at Full Business Case where funds already held by the Combined Authority can accommodate this, without relying on future repayments, unless the risk is accepted by the Combined Authority and this is acknowledged as part of the decision at the Joint Committee.
- 4) All RIF applications need to be made by one of the constituent Councils or the Combined Authority, aside from where an application by another party is underwritten by one of the authorities.
- 5) Projects may exceptionally be considered for funding which is not repayable where there is West of England scale impact. These exceptional projects will be limited to £1m in any financial year. Such proposals will first be considered and agreed by the West of England Section 151 Officer group prior to any Committee decision.
- 6) Any wholly revenue proposals exceptionally submitted will have regard to the amount of RIF funding held which can be considered as revenue within the overall RIF balance. To date this has been considered that part of the RIF which is repaid from the Economic Development Fund
- 7) Aside from the circumstances in 8) below, all RIF repayments will be made in line with the profile agreed as part of the business case, and included in the offer letter, and these need to be underwritten by the Councils. Any exceptional request for reprofiling will need to be agreed by the Joint Committee in line with the terms of the grant offer letter.
- 8) Should the balance of EDF funding and commitments impact on the ability of the EDF to repay the RIF as profiled, the Business Rates Pooling Board may exceptionally request deferral of these repayments. The impact on the RIF and a refreshed summary table will be reported to the next Section 151 Officer meeting to provide transparency on the impact of the decision.
- 9) The Combined Authority will submit a request for the repayment for the given financial year in April, unless a request has been received to delay this to later in the year.

- 10) A six-monthly update on the RIF summary table including recent payments, repayments and balances, progress against milestones and outputs, and any issues or risks will be presented to the S151 Officer group. This will provide a regular forum to discuss headroom, emerging Business Cases and the opportunity for new propositions to be brought forward.

Change Requests Recommended for Approval

Local Growth Fund and Getting Building Fund

- **Portway Station**
Milestones: Delay of 3 months to signing of the offer letter, construction and operation and descope of amenity building.
Cost: Increase in match funding of £281k and overall total cost from £3.915m to £4.196m
- **Weston-Super-Mare Town Centre Transport Enhancement Scheme**
Cost: Increase to total project cost of £215k due to ground conditions to be met from other sources. Change to cost categories for Design and Supervision fees from £440k to £1.061m and Risk from £600k to £193k.
- **Umbrella**
Milestones: Delays of 3 – 5 months including completion of fibre build and network promotion.
Cost: Increase in cost of £400k due to delays and additional costs associated with power and fibre connectivity, restrictions from safe working and future proofing connectivity. Increase to be met from GBF to be spent in 21/22. £340k swop of EDF for GBF to be spent in 21/22. [Revised LGF/GBF profile £771k 19/20, £2.749m 20/21 and £552k 21/22, total £4.072m. Revised EDF profile £13k 21/22]
- **Emersons Green Local Transport Enhancements**
Milestones: Delays of 3 – 15 months for completion of various works including bridge refurbishments and sustainable transport.
Costs: Reprofiling £1.729m from 21/22 to 22/23. £592k of GBF swapped with EDF with £142k additional EDF [Revised GBF profile £1.378 to 20/21 and £1.022m 21/22, total £2.4m and revised EDF profile £767m 21/22 and £1.883m 22/23, total £2.65m]
- **A4018 Corridor Improvements**
Milestones: Delays of 5-7 months including procurement and construction,
Cost: Increase of overall cost by £517k and match funding increase to £4.38m.
- **South Gloucestershire Sustainable Transport Package**
Milestones: Delays of 5-8 months to delivery of transport and improvements schemes
Cost: Spend reprofile of £316k EDF from 21/22 to 22/23 [revised profile £235k 21/22, £316k 22/23, total £551k]
- **Institute for Advanced Automotive Propulsion Systems (IAAPS)**
Milestones: Delays of up to 12 months to advisory board, construction completion and operation.
- **Keynsham Town Centre** - £252k of EDF to be swapped for GBF [revised GBF profile £170k 19/20, £230k 20/21, £1.1m 21/22, total £1.5m]

Change Requests Recommended for Approval

Economic Development Fund

- **Avonmouth Severnside Ecology Mitigation & Flood Defences** – changes to profile including reprofiling £5.066m of EDF from 21/22 to 22/23 [revised EDF profile £11.776m pre 20/21, £7.869m 21/22, £22.139m, 22/23, £4.955m 23/24 and £17.162m 24/25+, total £63.9m]
- **Temple Quarter Enabling Works**
Scope: Significant changes to the project including descoping of Southern access improvement and new scope of £1.26m allowance for a construction haul road and river wall repairs.
Milestones: Delays of 6 months for project completion due to rework and changing scope of the project.
Cost: Change of cost categories and spend reprofile of £23m from 19/20, 20/21 and 21/22 into 22/23 [revised EDF profile £413k 19/20, £593k 20/21, £5.473m 21/22, £18.46m 22/23, £7.06m 23/24, total £32m]

Revolving Infrastructure Fund

No changes to report

Appendix 5 - Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
Project Name	Weston Business Quarter	Strategic Case	<p>The Weston Business Quarter (WBQ), and is an established commercial location, with most plots on neighbouring land built out and occupied and the recent opening of The Food Works, food and drink innovation centre, generating a spike in investor interest.</p> <p>The site is part of the J21 Enterprise Area, one of six Enterprise Zones and Areas agreed as priority locations for commercial growth across the West of England.</p> <p>Funding is sought to fund infrastructure and utilities to service the remaining some 30 acres of land which is yet undeveloped and in the ownership of North Somerset Council.</p> <p>The plots benefit from the previous public funded RIF flood protection scheme, but ground raising will still be required in line with the adopted flood protection strategy for the area.</p>	Funding Source(s)	Revolving Infrastructure Fund
Scheme Promoter	North Somerset Council	Subsidy Control	Advice has been provided which concludes that the Council will not be an economic actor when delivering the enabling scheme on the basis that it will be doing so in its capacity as a public authority discharging a statutory function. In addition, a significant proportion of the funding will be used to fund the construction or improvement of roads which will be adopted by the Council as highway authority as open access infrastructure. This is accepted by the Combined Authority, noting that the risk sits with the Council.	Approval Requested	Outline Business Case
Date of Submission	26/4/21	Economic Case and	The City Deal monitoring and forecasting refresh (2019) modelled that by 2036 the totality of WBQ would see the creation of 914,000 ft ² of commercial floor space, creating 1,700 direct jobs and GVA of £140m.	Grant Award	£674k to develop the

Funding Requested	£674k	Value for Money	<p>The Council's development land enabled by this proposal, comprises some 40% of the developable land within WBQ, proportionately equating to 760 jobs and £62.6m GVA across some 408,500 ft² of floor space. This equates to GVA per £ of investment of £5.65.</p> <p>A more detailed economic appraisal should be provided with the Full Business Case including the acceleration delivered by this proposal and the attribution of benefits between this and the previously funded flood relief proposal.</p> <p>Confirmation has been provided by NSC's s151 officer that the business case has been approved and endorsing the value for money statement.</p>		Full Business Case
Total Scheme Cost	£11.078m (£674k FBC Development; £10.404m Works, Fees and Risk; £150k Site Management, Marketing and Disposal)	Risk	<p>An allowance of £1.326m has been made for risk and contingency being some 13% of the capital cost.</p> <p>A risk register has been provided which identifies 12 key risks.</p> <p>RIF funding is repayable (including the funding to develop the Full Business Case) and repayment will need to be underwritten by the Council. The proposed profile of repayment is £1.88m 24/25, £2.924m 25/26, £1.796m 26/27, £1.284m 27/28 and £3.194m 28/29.</p>	Grant Recipient	NSC
Match Funding %	0% (but revolving)	Delivery	<p>All land for this project is in the freehold ownership of the Council. Planning consent for infrastructure and services will be required, anticipated to be secured in Dec 2021, with start on site in Apr 2022 and completion in Sep 2023.</p> <p>The procurement strategy for the works is to be developed further as part of the Full Business Case.</p> <p>On completion of roads and utilities, it is expected that the infrastructure will be adopted and maintained as a standard part of the Council's estate. Revenue funding is sought to cover the marketing and management costs until all plots are occupied.</p>	Payment Basis	Quarterly in arrears on defrayed expenditure

<i>Scheme Description</i>	<i>Recommendation to Chief Executives</i>	Approval of the Outline Business Case
<p>The project will provide the infrastructure and utilities to service the remaining as yet undeveloped land, enabling this to be split into smaller, more desirable plots through provision of the following:</p> <ul style="list-style-type: none"> • Utility servicing, • Upgrading the existing access road, • A new road to connect the access road to the existing access to other plots, • Road spurs to each plot, • Opening of existing rhyne (drainage channel), and relocation of a rhyne that subdivides one of the largest plots, • Realignment of services into combined utilities corridor (subject to feasibility studies), • Improve site security and management, • Surcharge ground level to mitigate future flood level. 	<i>Conditions of Approval</i>	None

Record of Approval

WECA S73 Officer		Chief Executives	
Name	Malcolm Coe	Date of Meeting	28 July 2021
Date	23 July 2021	Decision	Approval of the Outline Business Case
Signature			