

MEETING: WEST OF ENGLAND JOINT COMMITTEE

DATE: 28 SEPTEMBER 2018

REPORT TITLE: LEP ONE FRONT DOOR FUNDING PROGRAMME

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Purpose of Report

- 1.1 To consider business cases for the following schemes seeking approval for funding through the Local Growth and Economic Development Funds:
- Bath Innovation: Pioneer Project
 - Keynsham Town Centre Improvement Programme – Keynsham High Street Element
 - Avonmouth Severnside Ecology Mitigation and Flood Defence

Background

- 2.1 A consistent approach has been developed for the identification, development, approval and change management for schemes seeking funding through the LEP Local Growth, Economic Development and Revolving Infrastructure Funds. This involves recommendations being made by an Investment Panel comprising the Chief Executives of the Local Enterprise Partnership and the four local authorities, oversight by the LEP Board and formal decision making by the West of England Joint Committee. For schemes within the Economic Development Fund advice is provided by the four Council S151 officers as part of business case approval decision. The consistent approach seeks to ensure efficiency in scheme business case development and reporting, and the opportunity to blend schemes across different funding streams to support delivery or to ensure grant spend meets allocations.
- 2.2 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 'Local Enterprise Partnership - National Assurance Framework'. The [West of England assurance framework](#) sets out the way in which these requirements are met.
- 2.3 The fully or conditionally approved schemes within the One Front Door programme are summarised in Appendix 1, including their funding allocation.

Local Growth Fund (LGF)

- 3.1 The total West of England Growth Deal capital funding allocation across rounds 1-3 is £202.1m. The current profile of spend across the schemes within the programme is shown in Figure 1. This shows that the LGF funds allocated to 2018/19 total £81.7m (including funds carried forward for 2017/18), whilst current forecast spend is £73.0m. Whilst the requirement to spend in year from an accounting perspective has softened, clearly Government's expectation is that we will deliver our programme in line with allocations and we are regularly monitored on this, including through a strengthened annual conversation process.

Local Growth Fund Schemes LGF Spend £000s	15/16	16/17	17/18		18/19	19/20	20/21	Total
	Grant Claim		Claim 16/17	17/18 Claim	Current Profile			
Transport Schemes								
MetroWest Phase 2 Development Costs	140	351	53	1,046	1,610	-	-	3,200
MetroWest Phase 1 Development Costs	3,304	3,291	251	2,001	1,700	-	-	10,547
MetroWest Phase 1 Implementation	-	-	-	-	5,000	11,774	-	16,774
Sustainable Transport Package 15/16	2,898	-	-	-	-	-	-	2,898
Sustainable Transport Package 16/17	-	1,934	71	1,678	36	-	-	3,719
Sustainable Transport Package 17/18	-	-	-	971	2,737	882	-	4,590
Sustainable Transport Package/Pinch Points programme	-	-	-	-	500	2,915	3,831	7,246
Pinch Points - West Wick Rbt and North South Link	-	1,783	-	-	4,204	5,299	25	11,311
Pinch Points - Aztec West Roundabout	-	1,833	269	-	-	-	-	2,102
Portway Station	-	-	-	-	238	315	-	553
Pinch Points - A4018 Corridor Improvements	-	-	-	-	-	625	1,000	1,625
Weston-super-Mare Town Centre Enhancement	-	-	-	-	750	750	-	1,500
A39 Bences Garage Junction Improvement	-	-	-	-	700	-	-	700
Weston-super-Mare: Sustainable Travel Improvements	-	-	-	-	350	900	500	1,750
Bromley Heath Viaduct Improvement Scheme	-	-	-	-	2,800	-	-	2,800
Keynsham Town Centre Improvements	-	-	-	-	-	500	1000	1,500
FE Skills Capital Schemes								
Weston College Future Technology Centre	2,743	-	-	-	-	-	-	2,743
Law and Professional Services Academy	5,563	13,829	-	-	-	-	-	19,392
Advanced Engineering Centre Extension	-	784	948	2,226	45	-	-	4,003
B&NES Construction Skills Centre	-	1,419	1,313	-	-	-	-	2,732
North Somerset Enterprise Technical College	-	2,177	-	-	-	-	-	2,177
Increasing the capacity of the BEMA Training Centre	-	-	-	13	62	-	-	75
Weston College Construction Skills Centre	-	-	-	-	3,271	-	-	3,271
Weston College Health and Active Living Skills Centre	-	-	-	-	5,359	-	-	5,359
South Bristol Construction Centre	-	-	-	-	500	2,750	2,750	6,000
Infrastructure Schemes								
Aerospace Bristol	-	1,700	-	-	-	-	-	1,700
Superfast Broadband SGC	-	714	-	556	40	-	-	1,310
Superfast Broadband CDS	-	-	-	-	400	-	-	400
B&B Cultural Destinations Media Bank	-	14	-	87	46	-	-	147
Town Square, Weston-super-Mare	-	1,227	61	1,554	137	-	-	2,979
Saw Close Public Realm, Bath	-	112	-	-	-	-	-	112
Bath Quays Bridge	-	355	-	-	1,265	-	-	1,620
Cattle Market Road Demolition Works	-	278	95	502	-	-	-	875
Colston Hall Phase 2 Transformation Project	-	-	-	1,000	4,000	-	-	5,000
Bath Quays South Phase 1a Enabling Infrastructure	-	-	-	731	6,148	1,916	-	8,795
Bath Quays North Phase 1b Relocation of Coach Park	-	-	-	93	1,716	-	-	1,809
Purchase of Land at Bristol and Bath Science Park	-	-	-	-	5,765	-	-	5,765
Innovation Schemes								
Bristol Institute of Technology, BRL and UEZ	1,952	2,548	-	-	-	-	-	4,500
Bath Innovation	-	-	-	-	-	8,739	-	8,739
Health Technology Hub	-	1,036	103	191	-	-	-	1,330
FoodWorks ^{SW} Innovation Centre	-	-	-	-	3,315	8,529	-	11,844
NTProStruct	-	2,374	1,484	-	-	-	-	3,858
Composites Bridge Construction	-	-	-	735	3,006	1,309	-	5,050
OPCR - Sensor Factory, CAV & KWMC	-	-	-	-	1,870	1,219	251	3,340
Expansion of OPCR Programme	-	-	-	-	300	3,000	715	4,015
Engine Shed Phase 2	-	-	-	-	1,700	2,300	-	4,000
IAAPS	-	-	-	-	10,000	-	-	10,000
Bristol VR Lab	-	-	-	160	135	-	-	295
Quantum Technologies Innovation Centre	-	-	-	-	2,300	7,500	5,174	14,974
Grow-On2 Temporary Building	-	-	-	-	1,004	-	-	1,004
	16,600	37,759	4,648	13,544	73,009	61,222	15,246	222,026
Total Funds Available	16,600		42,407	49,832	45,370	13,575	34,312	202,096
Change from allocation	0		0	-36,288	-8,649	47,647	-19,066	19,932

Subject to approval of change request
Project complete
Subject to approval of business case
Indicative profile

Figure 1 – Current LGF Spend Profile

- 3.2 There is an expectation that all LGF projects are complete by March 2021 (the end of the LGF funding period) and a requirement that all grant funds are spent by this date. To help mitigate against slippage, a review has been undertaken of all projects which are either yet to fully approved or have programme allocations. Schemes in this position have been asked to accelerate the development of business cases and provide credible delivery plans for spend and completion by March 2021.
- 3.3 As an outcome of the review, it is now clear that the Nuclear Futures Open Innovation and Technology Centre (NUCLEATE) will be unable to formulate a project within the £4m funding envelope identified at the April Joint Committee meeting, and deliver this within the LGF period. It is proposed that these funds be returned to the LGF pot and used to reduce overprogramming to some £19.9m. It is proposed that NUCLEATE be allocated priority pipeline status should more LGF funds become available and a deliverable option can be identified in the LGF period

Full Business Cases

- 3.4 A Full Business Case (FBC) for the Bath Innovation: Pioneer Project has been submitted by Bath and North East Somerset Council seeking to draw on the allocation for this scheme. The FBC has been published on the LEP [website](#).
- **Bath Innovation: Pioneer Project** – the Council is seeking to purchase a freehold interest in an existing office property in Bath city centre and within the Enterprise Zone. This is comprised of 9 units of some 22,000 ft² which has permitted development rights for conversion to residential accommodation. The proposal is to acquire the freehold interest and then carry out a phased refurbishment of the building to provide small scale, high quality office space to accommodate high growth businesses in target sectors.

This is a £8.739m project with full funding sought from the LGF, drawn down between 18/19-20/21. The scheme Assessment Summary Table is shown in Appendix 5.

Recommendation for the Bath Innovation: Pioneer Project Full Business Case to:

- a) *Approve the identified funds for the acquisition of the Pioneer building.*
- b) *Approve an allocation for the refurbishment works subject to the supply of a detailed programme and cost plan supported by an appropriate level of survey and design, and securing any necessary planning consent.*
- c) *Award LGF funding of up to £8.739m, subject to the State Aid position being clarified by the statutory officers at B&NES and this being acceptable to the Accountable Body (WECA).*

Outline Business Cases

- 3.5 An Outline Business Case (OBC) has been submitted by Bath and North East Somerset Council for the Keynsham High Street scheme seeking to draw on the programme allocation for Sustainable Transport/Pinch Points.
- **Keynsham Town Centre Improvement Programme – Keynsham High Street Element** – the schemes would change a temporary one way scheme (under an Experimental Traffic Regulation Order), running since May 2017 on Keynsham High Street into a permanent scheme. This would be accompanied by widened footways, improved walking and cycling links, dedicated cycle lane, new street furniture/fittings

and improved junctions. The scheme highlights benefits to air quality, use of low carbon and active modes of transport, increased footfall and enabling development and these impacts, together with job creation, are to be further developed and quantified through the Full Business Case.

This is a £2.4m project of which £1.5m of capital is sought from the LGF.

Recommendation to approve the Keynsham Town Centre Improvement Programme – Keynsham High Street Element Outline Business Case subject to the supply of a detailed programme by the end of September 2018 showing that delivery of the scheme by March 2021 can be achieved.

Economic Development Fund (EDF)

4.1 A Full Business Case has been submitted by Bristol City and South Gloucestershire Councils for Avonmouth Severnside Enterprise Area Ecology Mitigation and Flood Defence seeking to draw on the allocation within the EDF programme. The FBC has been published on the LEP [website](#).

- **Avonmouth Severnside Enterprise Area Ecology Mitigation and Flood Defence** – the scheme would deliver significant flood defence and ecological assets designed to unlock and safeguard development in the Avonmouth Severnside Enterprise Area, comprising:
 - *Flood defence* – to enhance and upgrade the flood defence infrastructure along a 17km stretch between Aust and Avonmouth Docks to provide flood risk management to a 1 in 200 year level.
 - *Ecology mitigation* – the creation of at least 85 hectares of wetland habitat in the Northwick and Hallen Marsh areas to ensure that supporting habitats to the Natura 2000 Severn Estuary site are maintained after the industrial development takes place.

The scheme seeks £63.9m from the EDF for this £96.7m project with match funding from the Environment Agency. The fit within the EDF programme and any required reprofiling of other schemes will need to be confirmed by the Business Rates Pooling Board..

Recommendation to approve the Avonmouth Severnside Enterprise Area Ecology Mitigation and Flood Defence subject to:

- a) *The submission of finalised works specification and costs, detailed programme and delivery arrangements post procurement and selection of preferred contractor.*
- b) *Securing planning consent and land acquisition.*
- c) *Confirmation of fit within the EDF programme by the Business Rates Pooling Board.*
- d) *Funding of the commuted sum subject to further clarification and accounting advice.*

Changes to Schemes within the Programme

5.1 At the Joint Committee meeting in June it was agreed that a Directors Board would have a role in overseeing the progress of schemes within the LEP programmes. This would focus on considering key risks and issues to support timely and effective delivery, linked to a set of delegations to approve scheme changes. Scheme changes which are more significant and sit outside of the agreed tolerances will continue to be reported to this Committee.

On this basis the change requests submitted which are recommended for approval by the Committee across the LGF, EDF and RIF are set out in Appendix 2 and 3. Those recommended for approval through delegation to the LEP Chief Executive in consultation with the Directors Board are shown in Appendix 4.

Consultation:

6.1 There has been no consultation in relation to the content of this report.

Other Options Considered:

7.1 Each project is required to undertake an options assessment, and to set out the rationale for the preferred option within the Outline and Full Business Case. Similarly requests for change include a description of other potential options and why the chosen option is proposed.

Risk Management/Assessment:

8.1 Each project in the programme is required to set out their approach to risk management and provide a risk register which is reviewed as part of the business case approval process. Key risks for each scheme are reported as part of the quarterly highlight report. Programme level risks are considered at each meeting of the Investment Panel.

Public Sector Equality Duties:

9.1 For projects seeking funding via the LGF, EDF or RIF scheme promoters are required to include as part of their FBC, an equality and diversity assessment and plan. These assessments are [published](#) on the LEP website.

Economic Impact Assessment:

10.1 Supporting economic growth is central to these funding streams, and promoters are required to include an economic case within the FBCs for each scheme which sets out how the project will create jobs and GVA growth as well as delivering wider benefits. In line with agreed processes these FBCs are [published](#) on the LEP website at the point of decision making

Finance Implications:

11.1 The specific financial implications are set out in the Body of this report.

Advice given by: Tim Richens, Interim Section 151 Officer, WECA

Legal Implications:

12.1 There are no additional legal implications arising from this report.

Advice given by: Shahzia Daya, Monitoring Officer, WECA

Land/Property Implications;

13.1 All land and property implications are set out within the specific business cases and dealt with by the scheme promoters.

Advice given by: Tim Richens, Interim Section 151 Officer, WECA

Human Resources Implications:

14.1 There are no direct human resource implications arising from this report.

Recommendations:

The voting on the following recommendations will be as follows:

Recommendations 1-4 with all 4 UAs and the West of England Combined Authority Mayor.

Recommendations 5-6 with all 4 UAs, excluding the West of England Combined Authority Mayor.

The Committee is asked to:

1. **That the £4m funding envelope identified for the Nuclear Futures Open Innovation and Technology Centre (NUCLEATE) be returned to the LGF pot and this scheme be allocated priority pipeline status should more LGF funds become available and a deliverable option can be identified in the funding period.**
2. **For the Bath Innovation: Pioneer Project Full Business Case:**
 - a) **Approve the identified funds for the acquisition of the Pioneer building.**
 - b) **Approve an allocation for the refurbishment works subject to the supply of a detailed programme and cost plan supported by an appropriate level of survey and design, and securing any necessary planning consent.**
 - c) **Award LGF funding of up to £8.739m, subject to the State Aid position being clarified by the statutory officers at B&NES and this being acceptable to the Accountable Body (WECA).**
3. **Approve the Keynsham Town Centre Improvement Programme – Keynsham High Street Element Outline Business Case subject to the supply of a detailed programme by the end of September 2018 showing that delivery of the scheme by March 2021 can be achieved.**
4. **Approve the change requests for the LGF schemes set out in Appendix 2.**
5. **Approve the Full Business Case for the Avonmouth Severnside Enterprise Area Ecology Mitigation and Flood Defence subject to:**
 - a) **The submission of finalised works specification and costs, detailed programme and delivery arrangements post procurement and selection of preferred contractor.**
 - b) **Securing planning consent and land acquisition.**
 - c) **Confirmation of fit within the EDF programme by the Business Rates Pooling Board.**
 - d) **Funding of the commuted sum subject to further clarification and accounting advice**
6. **Approve the change requests for the EDF and RIF schemes set out in Appendix 3.**

Appendices

Appendix 1: Summary of Approved Schemes

- Appendix 2: Local Growth Fund - Requested Scheme Changes
- Appendix 3: Economic Development Fund and Revolving Infrastructure Fund - Requested Scheme Changes
- Appendix 4: Scheme Changes Approved through Delegation
- Appendix 5: Bath Innovation: Pioneer Project – Assessment Summary Table
- Appendix 6: Avonmouth Severnside Enterprise Area Ecology Mitigation and Flood Defence – Assessment Summary Table

Report Author: Patricia Greer, Chief Executive

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 Tim Milgate and who is available on 0117 426210; writing to West of England Combined Authority, 3 Rivergate, Temple Way, Bristol BS1 6ER; email:

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Appendix 1

Summary of Approved Schemes

LGF Schemes Complete, Fully Approved or Approved with Conditions

A. Schemes which are complete:

- **Future Technology Centre** £2.74m LGF – a flagship facility based at the South West Skills Campus in Weston-super-Mare to up-skill learners with ‘work ready’ technology skills focused on the Creative and Digital, Advanced Engineering/Civil Engineering and Automated Manufacturing, and Low Carbon sectors. [Summary](#)
- **Sustainable Transport Package 15/16** £2.898m LGF - a package of transport measures including new and improved routes and facilities for walking and cycling, public transport improvements such as dedicated bus lanes and priority measures, and other sustainable transport initiatives focused on the Temple Quarter Enterprise Zone and five Enterprise Areas. [Summary](#)
- **Robotics Laboratory - BRL Institute of Technology and UEZ** £4.5m LGF - building on the strengths of the Bristol Robotics Lab, this project will provide essential start-up and grow-on space for technology and knowledge-based businesses in robotics and autonomous systems, bio-sensing and bio-technology, bio-medical and related high tech fields. [Summary](#)
- **North Somerset Enterprise Technical College** £2.177 LGF (plus £1.525m EDF) – the majority of the building works are funded by Weston College and the Education Funding Agency. The EDF funds are for specialist equipment and fit-out required to meet the business/vocational aspirations of the scheme and for construction of the Motor Sports Centre. [Summary](#)
- **Aerospace Bristol** £1.7m LGF – this attraction in the Filton Enterprise Area will showcase the brilliance of Bristol’s innovation, design and engineering and will have international appeal attracting at least 120,000 visitors per year. [Summary](#)
- **Aztec West Roundabout** £2.101m LGF (plus £370k EDF, £1.889m RIF) – widening of the roundabout and provision of associated pedestrian and cycle crossing facilities to provide additional capacity on one of the main routes serving the Cribbs Patchway New Neighbourhood and Filton Enterprise Area. [Summary](#)
- **Law and Professional Services Academy** £19.392m LGF – an inspirational learning centre located in the centre of Weston-super-Mare at the Winter Gardens and Arosfa Hotel which will support employer skills needs within the Law and Professional Services sectors, whilst providing a focus for the regeneration of Weston town centre. [Summary](#)
- **Bath & North East Somerset Construction Skills Centre** £2.731m LGF – a specialist centre which will deliver construction skills training across the full range of construction disciplines and trades, and will support the delivery of the new vision for the Norton Radstock campus which sees the site becoming a specialist skills hub focussed on construction and engineering. [Summary](#)
- **Advanced Engineering Centre Extension (AECE)** £4.003m LGF – an extension to City of Bristol College’s Advanced Engineering Centre at Parkway which will service the growing skills needs of the Advanced Engineering sector through the provision of skills training in areas such as the maintenance and operation of 3D printers, Computer Numerical Control (CNC) machining and the use of composite materials. [Summary](#)

- **Health Technology Hub** £1.33m LGF – refurbishment of a 900m² facility on the University of West of England, Frenchay Campus, to provide a centre for research and innovation for the advancement of Independent Living and Citizen-Centric Health, focussed on business support and business/academic/healthcare interactions. [Summary](#)
- **Sustainable Transport Package 2016/17** £3.739m LGF - a package of transport measures including new and improved routes and facilities for walking and cycling, public transport improvements such as dedicated bus lanes and priority measures, and other sustainable transport initiatives focused on the Temple Quarter Enterprise Zone and five Enterprise Areas. [Summary](#)
- **Saw Close Public Realm, Bath City Centre** £112k (plus £963k RIF) - delivering improvements to the public highway and footways of Saw Close and the adjacent area of Upper Borough Walls to complete the Saw Close development public realm works, supporting development for the Enterprise Zone. [Summary](#)
- **Bromley Heath Viaduct Maintenance and Improvement Programme** £2.8m LGF - work for the structural repairs and upgrading for safety, pedestrian and cycling provision on the viaduct on the A4174, with EDF funding to reduce the duration of the works from 52 weeks down to 33 weeks, reducing congestion and diversion impacts. [Summary](#)

B. Schemes which are fully approved:

- **NTProStruct** £3.858m LGF – the purchase of capital equipment at the National Composites Centre (NCC) to develop advanced manufacturing technologies for major components used in aerospace, automotive and other sectors. [Summary](#)
- **West Wick Roundabout and North South Link** £11.311m LGF - a highway link with separate cycle and footpath facilities through Parklands Village which forms part of the J21 EA connecting the A371 at Locking to the West Wick roundabout on the A370. This roundabout is also being improved to increase capacity through re-configuration and partial signalisation. [Summary](#)
- **MetroWest Phase 1 Development Costs** £10.547m LGF – reopening of the Portishead line and additional services on the Severn Beach line and to Bath. FBC for the development phase of the rail scheme through to the start of construction. [Summary](#)
- **MetroWest Phase 2 Development Costs** £3.2m LGF - reopening the Henbury line to passenger services and improved frequencies to Yate including three new stations. FBC for the development phase of the rail scheme through to the start of construction. [Summary](#)
- **Bristol and Bath Cultural Destinations Media Bank** £147k LGF – the creation of a media bank allowing members to deposit and withdraw images, audio and video material and provide much richer content for a wide variety of marketing and promotional purposes and to capitalise on the complementary nature of the tourism and cultural offers. [Summary](#)
- **Sustainable Transport Package 2017/18** £4.59m LGF – a package comprising 14 projects to improve walking & cycling links, public transport and public spaces focused on 3 key themes, stimulating growth, connectivity and low carbon. [Summary](#)
- **Superfast Broadband Extension Programme (South Gloucestershire Council)** £1.310m LGF – further extension of the Superfast Broadband network to additional homes and business premises in South Gloucestershire, with Government match funding through Broadband Delivery UK (BDUK). This involves provision of open access ducting to support the roll out of Superfast Broadband across the area. [Summary](#)

- **Bath Quays Bridge** £970k LGF – a new pedestrian and cycle footbridge over River Avon connecting Bath Quays North and South, as well as further enhancing the connectivity of Bath to its river through the Quays Waterside project. [Summary](#)
- **Cattle Market Road Demolition Works** £875k LGF – demolition of the former Post Office Sorting Depot building to clear the site and prepare it for development and increase its market attractiveness. [Summary](#)
- **Town Square, Weston-super-Mare** £2.478m LGF – to create a public space and provide connections from the seafront to High Street and University Centre campuses. The objective is to improve connectivity both physically and visually and upgrade the quality of the space. [Summary](#)
- **Increasing the capacity of the BEMA Training Centre** £75k LGF- the purchase of equipment for an expansion of the British Engineering Manufacturing Association (BEMA) existing Machine Shop, located in Yate, to respond to unmet learner and employer demand for apprenticeship provision. [Summary](#)
- **Bath Quays Phase 1a (South)** £6.245m LGF – to undertake local infrastructure works on the Bath Quays South site, comprising of demolition, remediation, floodwall and embankment works, and incoming services. This is part of a wider programme of works to support the development of the Enterprise Zone. [Summary](#)
- **Bath Quays Phase 1b (North)** £1.809 LGF - the relocation of an existing coach park, situated in the Bath Quays North development site, to the Odd Down Park & Ride facility. The enabling works will see the Bath Quays North site vacated for development whilst delivering an alternative coach park facility. [Summary](#)
- **Advanced Composites for Transport Infrastructure – Bridge Construction** £5.05m LGF - the application of innovative technology to develop an advanced composite bridge design solution that can be efficiently and economically used in a variety of locations, and to showcase this through the implementation of a pedestrian and cycle crossing of the A4174 Ring Road at Emersons Green. [Summary](#)
- **Bristol Virtual Reality Lab** £295k LGF – establishing a facility to support the development of skills, content and applications in Virtual Reality and Augmented Reality at the Leadworks on Anchor Square, providing workspaces accessible to SMEs and to researchers for R&D. [Summary](#)
- **Weston-super-Mare Transport Enhancement Scheme** £1.5m LGF - upgrading the area to create a quality, inter-connected public space through a package of works including improved pedestrian links and public realm, together with public transport and cycle improvements including the creation of a high quality bus interchange. [Summary](#)
- **Weston College Health and Active Living Skills Centre** £5.359m LGF - a training centre blending skills for health and social care with the wider health prevention and condition management agenda, delivered in one building and benefitting from existing facilities already on-site at University Campus. [Summary](#)
- **Open Programmable City Region (OPCR) – Bristol Infrastructure, Sensor Factory, CAV Access Network and Knowle West Media Centre Research Projects** £4.04m LGF - creation of a R+D testbed and three projects which will utilise the infrastructure in the areas of Connected and Autonomous Vehicle (CAV) R&D, community led high tech co-creation, design, prototyping and creative digital experimentation.
- **Weston College Construction Skills Training Centre** £3.271m LGF - the creation of a highly industry-focused Infrastructure Construction Skills Centre to address the shortage of infrastructure construction and civils skills training in the WE LEP area in response to clear employer demand. [Summary](#)

- **Colston Hall Phase 2 Transformation Project** £5m LGF – a package of works seeking to build an exceptional classical and contemporary music hall, creating world-class spaces for education and enterprise and improve backstage facilities for artists. [Summary](#)
- **FoodWorks^{SW} Innovation Centre** £11.844m LGF – First phase development of an Innovation Centre at J21 Enterprise Area, to offer end-to-end product development and testing service to food and drink producers, including incubation space for start-ups and growing businesses.
- **Purchase of land at Bristol and Bath Science Park** £5.765m LGF – purchase of the freehold of the Science Park to secure its continued development as a Science Park within the Emersons Green Enterprise Area.

C. Schemes approved with conditions:

- **Superfast Broadband Extension Programme (Connecting Devon and Somerset element)** £400k LGF - Works as part of Connecting Devon and Somerset are being undertaken in the Bath & North East Somerset and North Somerset areas.
- **Portway Station** £553k LGF - a new un-manned single platform rail station adjacent the existing Portway Park and ride site on the Severn Beach Line providing a direct, rapid and reliable means of accessing employment in the Temple Quarter Enterprise Zone and Avonmouth Enterprise Area as well as improving access to other destinations. [Summary](#)
- **Institute of Advanced Automotive Propulsion Systems (IAAPS)** £10m LGF - a new 11,000m² building on the Bristol & Bath Science Park to Create a centre of excellence for research and innovation into future advanced propulsion systems. Open to universities and businesses it will be a catalyst to develop future generations of ultra-low emission vehicles.
- **A39 Bences Garage Junction Improvement Scheme** £700k LGF – a project to ease congestion and enhance the functioning of the junction through the addition of an additional lane for vehicles on the southbound approach, building on the recently completed Three Headed Man junction improvement as part of the Sustainable Transport Package 2017/18.
- **Grow-On2 Temporary Building** £1.004m LGF - the creation of temporary grow on space at the Bristol and Bath Science Park to address the constraint at Grow-On 1 which is operating at capacity. This would provide 535m² of shared workspace via eighteen customised shipping container workhub units adjacent to the existing building.
- **Weston-super-Mare Sustainable Travel Improvements** £1.75m LGF – the project seeks to improve transport links within and to Weston-super-Mare town centre by focussing primarily on connectivity, improving walking and cycling links and giving greater priority to public transport within the centre.

EDF Schemes Complete or Fully Approved

A. Schemes which are complete:

- **North Somerset Enterprise Technical College** £1.525m EDF - see LGF A above.
- **Aztec West Roundabout** £370k EDF - see LGF A above.

B. Schemes which are fully approved:

- **Invest in Bristol and Bath** £5m EDF – a five year funding package to maintain a strong investment promotion service for the area that creates jobs by attracting new businesses and private sector investment. [Summary](#)

- **Avonmouth Severnside Ecology Mitigation and Flood Defence Development Costs** £1.9m EDF – funding associated with undertaking Phase 1 (design and development works) of these complex schemes. [Summary](#)
- **Temple Quarter Enterprise Zone (TQEZ) Programme Team £2.5m EDF** – the creation of a programme team to support the accelerated delivery of TQEZ and to ensure developments are brought forward in a co-ordinated and integrated manner. [Summary](#)
- **Bath Riverside Enterprise Zone Team £685k EDF** - the creation of a dedicated team to promote and bring forward strategic employment sites within the EZ. The funding requested covers staffing costs and those for marketing and promotion over a 3 year period. [Summary](#)

RIF Schemes Complete, Fully Approved or Approved with Conditions (via the One Front Door approval process)

A. Schemes which are complete:

- **Saw Close Public Realm, Bath City Centre** - £963k RIF – see LGF A above.

B. Schemes which are fully approved:

- **Hub Weston (Weston-super-Mare Creative Hub)** - £402k RIF to purchase and develop a new Creative Hub building in central Weston. The Hub, to be called The Stable, will offer a range of facilities, services and support to enable entrepreneurs in the digital and creative industries to take the first steps in setting up their own businesses within a collaborative community. [Summary](#)
- **Somer Valley Enterprise Zone Commercial Delivery Framework** - £50k to produce 777a Commercial Delivery Framework which will define the delivery strategy for the Somer Valley Enterprise Zone taking into account market conditions and technical utility and infrastructure issues that will aid in the master-planning and production of design guidance for the site. [Summary](#)

C. Schemes approved with conditions:

- **J21 Northbound Merge Improvement** - £450k RIF for a highway improvement scheme to increase capacity on the northbound slip road onto the M5 reducing traffic congestion in the morning peak by increasing the traffic lanes from 1 to 2.
- **South Bristol Sustainable Urban Development (SUD) Intermediate Body** £48k RIF - revenue to match fund the creation of a Technical Assistance team to support Bristol City Council's Intermediate Body (IB) role in relation to the SUD plan for South Bristol. This will be match funded by the European Regional Development Fund (ERDF).

Appendix 2

Local Growth Fund Change Requests Recommended for Approval

- **Bristol Virtual Reality Lab** - Delay of 8 months to trade visit (to March 19) and 10 months to Phase 3 equipment being operational (to May 19) to allow more time for full integration and training on the equipment.
- **FoodWorks^{SW} Innovation Centre** - delay of 3 months for market testing and tender costs (to August 18), 2 months for construction start on site (to October 18), 4 months for centre operator secured (to March 19), 4 months for construction substantial completion (to January 20) and 3 months to final milestone of operation (to January 20). Reprofitting £5.47m of LGF spend in 18/19 to 19/20.
- **Open Programmable City Region – Bristol Infrastructure, Sensor Factory, CAV Access Network and Knowle West Media Centre (KWMC) Research Projects** - delay of 3 months for Phase A infrastructure completion (to June 19), 1 month for Sensor Factory completion (to July 19), 3 months for KWMC completion (to July 19) and 8 months for CAV access network completion (to December 19). Reduction in match funding of £90k and LGF funding of £700k due to scope changes. Reprofitting of LGF spend to 19/20 and 20/21.
- **Bath Quays (Phase 1A) South** - Cost increase from inflationary pressures requiring £2m of additional LGF. Scope increase requiring further £550k to deliver technology leading free Wi-Fi service on the Quays and wider area. Costs to be met by reallocating OPCR programme allocation.
- **A4018 Corridor Improvements** - delay of 2 months for preliminary design (to September 18), 5 months for both FBC approval and signed offer letter (to March 19), 3 months for detailed design (to March 19), 3 months for TROs (to December 19), 3 months for procurement (to March 20), 5 months for construction start on site (to June 20) and 2 months for final milestone of construction substantial completion (to October 20).
- **Advanced Composites for Transport Infrastructure – Bridge Construction** - Delay of 4 months for the appointment of contractors (to October 18) not impacting on project completion.
- **Superfast Broadband Extension Programme (South Gloucestershire Council)** – delay of 3 months for milestones for Phase 3 claim 1 (to September 18) and completion of Phase 2 SEP contract closure (to December 18). Overall completion date unchanged.
- **Grow-On2 Temporary Building** – delay of 4 months to both completion of tender period (to October 18) and tender evaluation (to November 18); and 4 months delay to final milestone of contract completion (to March 19).
- **Colston Hall Phase 2 Transformation Project** – delay of 3 months to award of main contractor (to September 18) with no impact on project completion.
- **Superfast Broadband Extension Programme (Connecting Devon and Somerset)** - re-profitting of 2018/19 LGF funding of £400k to 2019/20.
- **Institute of Advanced Automotive Propulsion Systems (IAAPS)** - delays of 1-3 months across 6 interim milestones and 3 months for completion (to July 20).
- **NTProStruct** – delays of 2-5 months for the installation and operation of 3 of the pieces of equipment.
- **Bristol SETsquared Urgent Expansion** - scheme withdrawal owing to failure to secure planning and listed building consent.

Appendix 3

Economic Development Fund and Revolving Infrastructure Fund Change Requests Recommended for Approval

Economic Development Fund

- **Avonmouth Severnside Ecology Mitigation and Flood Defence Development Costs** – delay of three months to FBC submission (to June 18) and six months to project completion (to December 18) as a result of design changes to support the submission of the planning applications.
- **MetroBus Extension to Cribbs Causeway** – delay of three months to securing planning consent (to September 18) and one month to submission of Full Business Case (to November 18) as a result of additional technical work which has delayed one of the four planning applications.
- **Invest in Bristol and Bath** - delay of two months to commissioning of partnership review (to September 18) and three months for review of successes (to August 18) as a result of the increased scope of the review.

Revolving Infrastructure Fund

- **Temple Quarter Enterprise Zone Infrastructure Programme** – reprofiling of £633k from 18/19 to 19/20 reported last period, but omitted from the Committee report recommendation for approval.
- **Weston Creative Working Hub – The Stable** – delay of nine months to final milestone for Phase 2 refurbishment works (to April 19) to allow the current tenant to remain until alternative premises can be found.
- **South Bristol Sustainable Urban Development (SUD) Intermediate Body** - £3.5k reprofiled from 18/19 to 19/20 with two milestones delays of 1 month for SUD call for outline applications (to September 18) and SUD call closes (to November 18).

Appendix 4

Scheme Change Requests Recommended for Approved by the Directors Board

Local Growth Fund

- **Weston College Construction Skills Training Centre** – five milestone slippages of 2 months, including the final milestone of operation (to April 19), due to planning approval taking longer than planned.
- **MetroWest Phase 1 Development Costs** - evidence is still being gathered for the DCO application and this together with GRIP 4 delays has resulted in 4 milestone slippages ranging from 1 -2 months, which have been accommodated within the overall programme.
- **Engine Shed Phase 2** – 2 month slippage to planning consent and FBC approval (to November 19) not impacting on overall completion date.
- **Sustainable Transport Package 16/17** – milestone slippages of 1 month for smartcards live (now May 18) and 2 months for project completion (April 2019).
- **Weston College Health and Active Living Skills Centre** – delay in securing planning consent has resulted in 2 interim milestone slippages each of 1 month.
- **Portway Station** - ecology survey requirements have led to three milestones delays of 1 - 2 months, with no impact on overall completion.
- **Weston-super-Mare Town Centre Transport Enhancement Scheme** – engagement activities around the Phase 1 design have resulted in a delay of 1 month for the detailed design (now August 18) and procurement (October 18).
- **Bromley Heath Viaduct Maintenance and Improvement Programme** – minor reinstatement works have led to a two month delay to the final milestone of the construction closedown report (now August 18).
- **West Wick Roundabout & North South Link** – issues around resolving the funding gap have led to two interim milestone slippages for the appointment of the contractor (2 months to September 18) and start on site (1 month to October 18).
- **Increasing Capacity at the BEMA Training Centre** - project on hold due to changes to Apprenticeship Levy.

Economic Development Fund

- **Temple Quarter Enterprise Zone Programme Team** – milestone slippages for the annual report submissions (16/17 report, 2 months to July 18 and 17/18 report, 1 month to July 18).

Revolving Infrastructure Fund

No changes were reported for approval.

Appendix 5 - Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
Project Name	Bath Innovation: Pioneer Project	Strategic Case	<p>The project aligns with the high-level vision set out in the Economic Strategy and Bath Riverside Enterprise Zone Masterplan, which is to support economic growth, improve productivity and build a network of office spaces through which occupiers can progress.</p> <p>The project has provided a clear strategic message and demonstrated how this project would fit within the wider objectives for growth in the West of England.</p>	Funding Source(s)	Local Growth Fund
Scheme Promoter	Bath and North Somerset Council (B&NES)	State Aid	Project will proceed as Local Infrastructures under Article 56 of GBER. The offer letter will contain the claw back clauses necessary to meet the requirements of this treatment.	Approval Requested	Full Business Case Approval
Date of Submission	20/7/18	Economic Case and Value for Money	The project forecasts the creation of 124 net additional jobs (gross direct jobs net of deductions and with supply chain and induced impacts) using the agreed LEP methodology, and £8.6m of net additional GVA. This equates to a cost per net job of some £56k which is considered 'high' against HCA benchmarks.	Grant Award	Up to £8.739m
Funding Requested	£8.739m (A funding breakdown has been provided)		The Council has undertaken additional assessment using an alternative methodology which forecast 173 net additional jobs (£40k per job, being mid-point against HCA benchmarks). A letter from the B&NES S151 officer has been provided which confirms the project represents good value for money.		

Item 10 – LEP One Front Door Funding Programme

ITEM 10

Total Scheme Cost	£8.739m	Risk	<p>The refurbishment works are yet to be fully scoped, costed and programmed as it is proposed that these are undertaken on a unit by unit basis as existing leases expire and are returned to B&NES. It is proposed these works be fully defined and costed before full approval.</p> <p>The completion date of the refurbishment work is stated as 2021 with LGF funds profiled to 2020/21 but the promoter should have regard to the end of the LGF funding period when constructing the programme of works.</p> <p>A more detailed assessment of project risks is required.</p>	Grant Recipient	Bath and North East Somerset Council
Match Funding %	0%	Delivery	<p>The actual purchase price is to be finalised and any unused funding is to be returned to the LGF pot.</p> <p>Planning consent may be required to replace the windows on the southern block. This should be confirmed and any consent secured before full approval of the refurbishment works element.</p>	Payment Basis	Quarterly in arrears on defrayed expenditure
Scheme Description				Recommendation to Joint Committee	<ol style="list-style-type: none"> 1) Approval of the identified funds for the acquisition of the Pioneer building. 2) Approval of an allocation for the refurbishment works

<p>Bath and North East Somerset Council is seeking to purchase a freehold interest in an existing office property in Bath city centre and within the Enterprise Zone. This is comprised of 9 units of some 22,000 ft² which has permitted development rights for conversion to residential accommodation. The proposal is to acquire the freehold interest and then carry out a phased refurbishment of the building to provide small scale, high quality office space to accommodate high growth businesses in target sectors.</p>	<p>Conditions of Approval</p>	<p>1) None</p> <p>2) Subject to the supply of a detailed programme and cost plan supported by an appropriate level of survey and design, and securing any necessary planning consent</p>
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Record of Approval

<i>WECA S151 Officer</i>			
Name	Tim Richens	Date	18 September 2018
Signature			

<i>Joint Committee</i>	
Date of Meeting	28 September 2018
Decision	

Appendix 6 - Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
Project Name	Avonmouth Sevenside Enterprise Area (ASEA) Ecology Mitigation and Flood Defence	Strategic Case	<p>Designated as an Enterprise Area, Avonmouth Sevenside is highlighted as one of the West of England’s most important economic development opportunities with flood risk a key constraint to development, alongside the presence of the internationally important habitat. Development at ASEA is also considered as a strategic priority in the draft West of England Joint Spatial Plan and the emerging Local Plan’s for South Gloucestershire Council (SGC) and Bristol City Council (BCC).</p> <p>The project and its resulting economic impacts are also stated as a critical element of the Growth Incentive element of the City Region Deal.</p>	Funding Source(s)	Economic Development Fund
Scheme Promoter	BCC and SGC	State Aid	<p>The State Aid case presented is relevant and strong with regard to the transfer of funding from the EDF to South Glos – the provision of strategic flood defences is recognised as a public duty and providing such infrastructure does not constitute an economic activity.</p> <p>The promoter will want to reassure themselves that those developers not covered by the 57/58 consent are not being relieved of obligations that they could reasonably be expected to make (through adopted/ emerging planning policies, planning permissions, unilateral undertakings or S106s/CIL policies), but this matter does not cause a State Aid problem for WECA.</p>	Approval Requested	Full Business Case Approval

Item 10 – LEP One Front Door Funding Programme

ITEM 10

Date of Submission	5/7/18	Economic Case and Value for Money	<p>The economic case is well presented and provides an assessment of the development safeguarded, unlocked and accelerated through the provision of improved flood defences based upon jobs and GVA</p> <p>The overall economic benefit is calculated at £3.6bn from safeguarding, unlocking and the avoidance of the negative impacts of flooding to business, equating to a BCR of 44:1.</p> <p>Taking the 1,200 net jobs created alone the cost per job is £73k, considered as 'high' based upon HCA general benchmarks and compared to smaller scale flood defence schemes previously funded through the Revolving Infrastructure fund (£8-13k per job). That being said it is noted that the scheme has a significant impact on safeguarding jobs on existing sites, with the total net safeguarded or created being 6,400. This equates to a cost per job of £13k.</p> <p>A letter from the SGC S151 officer has been provided which confirms the project represents good value for money.</p>	Grant Award	£63.9m (excluding £1.9m of development funding via a separate business case)
Funding Requested	<p>£63.9m</p> <p>(Land purchase £2.05m; Construction £31.59m; Design, management and supervision £3.516m; Risk/Optimism Bias £15.145m; Maintenance commuted sum £11.599m)</p>				
Total Scheme Cost	£96.662m	Risk	<p>Whilst the tendering process is currently being undertaken, as this project is utilising a design and build approach the current level of design and specification for the works is not fully developed. On this basis significant allowance is made for risk and optimism bias of some £35m (or 48% of the construction cost).</p>	Grant Recipient	South Gloucestershire Council
Match Funding %	34%	Delivery	<p>A planning application was submitted in May and is awaiting determination.</p> <p>Land required to implement the project has either been purchased or is reported as being at an advanced stage.</p>	Payment Basis	From practical completion and in line with the terms of the EDF agreement

Scheme Description	Recommendation to Joint Committee	Approval subject to conditions
<p>The business case is for the delivery of significant flood defence and ecological assets designed to unlock and safeguard development in the Avonmouth Severnside Enterprise Area, comprising:</p> <ul style="list-style-type: none"> • <i>Flood defence</i> – to enhance and upgrade the flood defence infrastructure along a 17km stretch between Aust and Avonmouth Docks to provide flood risk management to a 1 in 200 year level. • <i>Ecology mitigation</i> – this will comprise the creation of at least 85 hectares of wetland habitat in the Northwick and Hallen Marsh areas to ensure that supporting habitats to the Natura 2000 Severn Estuary site are maintained after the industrial development takes place. 	Conditions of Approval	<p>Submission of finalised works specification and costs, detailed programme and delivery arrangements post procurement and the selection of preferred contractor.</p> <p>Securing planning consent and land acquisition.</p>

Record of Approval

WECA S151 Officer			
Name	Tim Richens	Date	18 September 2018
Signature			

Joint Committee	
Date of Meeting	28 September 2018
Decision	