

GFirst Local Enterprise Partnership

Board Paper – 10th Oct 2017

1. Agenda Item 7 : Projects Portfolio and Available Funds for Re-Allocation

2. What is this item for:

To provide a status report on the 4 ‘Growth Deal’ projects with indicative funding that were rated ‘Amber’ by board written procedure in August 2017. The projects are as follows :-

- Advanced Renewables Research Centre
- A38/B4066 Access to Berkeley Scheme
- B4063 Staverton Bridge Junction
- St Barnabas Roundabout

Note :- Since the August 2017 review Gloucestershire County Council have formally withdrawn the A38/B4066 Access to Berkeley scheme, (more detail is shown in the status table below).

To ask the board to make a decision on retaining the 3 remaining schemes within the portfolio of projects and to confirm indicative funding or not.

To approve the Advanced Renewable Research Centre proposal to proceed to full Due Diligence, in order to be presented to the Investment Panel meeting due 28-11-17 and LEP Board meeting due 12-12-17 for consideration for full funding approval.

Pending the decisions made above, to then confirm the available funds for indicative re-allocation to other projects.

To agree members of a board sub-group to take responsibility for the assessment and ranking of revised/exceptional bids (in line with assurance framework process) for the agreed total of funds that are to be re-allocated.

3. Status summary:

| Project | Value | RAG rating | Summary |
|-------------------------------------|-------|------------|--|
| Advanced Renewables Research Centre | £4m | Green | The project has now submitted a revised final business case with a number of supporting documents. The project was reviewed at a Board Sub-Group meeting on 20 th Sept and the sub-group recommendation is that the project proceeds to due diligence with particular focus on evidencing demand and testing the robustness of the revenue profile over the med-longer term to ensure sustainability. |
| B4063 Staverton bridge Junction | £1.6m | Green | GCC have confirmed that the scheme is being progressed. Preliminary design and full business case development is due to start in Q3 2018, with construction planned for 2019/20. The scheme will be combined with a £3.6m Highways England programme to enhance cycling provision on this route. The HE proposals are likely to impact on the final design and as a result GCC and HE are working jointly to develop a scheme. |

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| A38/B4066 Access to Berkeley | £1.15m | Red | Scheme has been withdrawn by promoter (Gloucs County Council). Initial design and costing work have indicated a significant deficit in funds available to deliver an appropriate scheme. Likely to have a low BCR value as a result of expected costs and modest benefits. Expected development in future years in Sharpness area, may bring forward another scheme at a later date. |
| St Barnabas Roundabout | £1.0m | Green | GCC have confirmed that the scheme is being progressed, primarily as a safety enhancement to this junction as part of a wider DfT bid to improve safety, improve journey reliability and encourage mode shift on the A4173 between this junction and Pitchcombe. This section of highway is described by DfT as “the most dangerous in the South-West”. The proposed safety enhancements are likely to have a slight negative impact on queue times and consequently a negative BCR, however it is anticipated that the scheme will demonstrate “good” value for money regarding safety and modal shift. |

4. Funds for Re-allocation

Currently the total funds available for re-allocation stands at £5.043m, comprised of the following :-

- £3.893m from the withdrawn A40 Bus Priority Scheme
- £1.15m from the withdrawn A38/Access to Berkeley scheme

At present, the funds would only be available to spend during F/Y 20/21.

If any of the ‘Green’ rated projects above are withdrawn, the funds allocated would be added to this figure.

The timetable for the re-allocation process is summarised below :-

- 10th October – LEP Board final decision on current projects and confirm available funds
- By 12th October – confirm to all promoters of previously submitted GD3 bids, the LEP board and the GEGJC (Joint Committee) the available funds and timing of those funds and the deadline for submission of revised or new ‘exceptional’ bids, i.e. Friday 10th November 2017.
- W/c 13th Nov Briefing papers prepared for sub-group meeting.
- W/c 20th Nov LEP Board sub-group meeting to review and rank the received bids for indicative funding allocation from the confirmed available funds.
- W/c 4th Dec, papers issued for final decision at 12th Dec Board meeting
- 12th Dec LEP Board meeting, final decision on re-allocation of funds.
- 13th Dec communicate outcomes to all scheme promoters.

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5. **Attachments**

ARRC full business case
ARRC Marketing Study Summary report
University of Gloucestershire STEM Strategy
Spend Profile Summary (current agreed position)

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