

Wiltshire Council

Cabinet Capital Assets Committee

14 March 2017

Subject: Wiltshire Growth Deal Update

**Cabinet Member: Councillor Fleur de Rhe-Philippe
Cabinet Member for Economic Development, Skills, Strategic
Transport and Strategic Property**

Key Decision: No

Executive Summary

The three rounds of the Swindon and Wiltshire Growth Deal were agreed between Government and the Swindon and Wiltshire Local Enterprise Partnership (SWLEP) between July 2014, January 2015, and February 2017. £168million of Government funds have been allocated to the SWLEP area to support delivery of major projects.

This report provides an update on the development and delivery of Wiltshire Growth Deal projects and provides details on the outcome of the Growth Deal round 3 bid.
Proposals

That Cabinet Capital Assets Committee notes the progress of Growth Deal projects.

That Cabinet Capital Assets Committee notes the outcome of the round 3 bid.

Reason for Proposal

To ensure Cabinet Capital Assets Committee is kept apprised of the development and delivery of Growth Deal projects, and on the outcome of successful bids to Government.

**Dr Carlton Brand
Corporate Director**

Wiltshire Council

Cabinet Capital Assets Committee

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Key Decision: No

Purpose of Report

1. To provide Cabinet Capital Assets Committee with an update on the development and delivery of Wiltshire Growth Deal projects and provide detail on the outcome of the Growth Deal round 3 bid.

Relevance to the Council's Business Plan

2. The following key actions and outcomes in the Council's Business Plan are relevant to this report:

Key Action Two: Stimulate economic growth in partnership with the SWLEP

Outcome One: Wiltshire has a thriving and growing economy

Outcome Three: Everyone lives in a high quality environment

3. The Swindon and Wiltshire Growth Deal provides capital investment towards a range of infrastructure projects that underpin our economy, including highways improvements, urban regeneration and business and economic development.

Background

4. The Swindon and Wiltshire Growth Deal was agreed between Government and the Swindon and Wiltshire Local Enterprise Partnership (SWLEP) between July 2014, January 2015, and February 2017. £168million of Government funds have been allocated to the SWLEP area to support delivery of major infrastructure projects. In Wiltshire, approximately £67million has been allocated to twelve projects (identified below), attracting additional local investment and supporting the creation of jobs.

Growth Deal Round 1 – Announced July 2014

- LTB A350 Chippenham Bypass Dualling (Bumpers Farm)
- A429 Access Improvements
- A350 Chippenham Bypass Dualling (Badger, Brook and Chequers)
- Chippenham Station Hub
- Porton Science Park

- Ultrafast Broadband

Growth Deal Round 2 – Announced January 2015

- Digital Corsham – Mansion House
 - M4 Junction 17 Improvements
 - Yarnbrook West Ashton Relief Road
5. In March 2016 the then Communities and Local Government Secretary Greg Clark announced the third round of Growth Deal funding, inviting the 39 LEPs to submit proposals for a share of the funds.
 6. The SWLEP Board met on 16 June 2016 to finalise the strategy for this funding round. The discussion covered the rationale for the bid, what projects would be included and why, and an initial debate on prioritisation of the chosen projects.
 7. At the SWLEP Board meeting on the 13 July 2016 the Board agreed an order of prioritisation for the projects that formed part of the bid. The bid was submitted to Government on the 28 July 2016. Three Wiltshire based projects (see below) were identified as high priority projects for this third round of funding.

Growth Deal Round 3 – Announced February 2017

- Regeneration of the Central Car Park and Maltings, Salisbury
 - Wiltshire College Lackham
 - Wiltshire College Salisbury
8. It was announced in February 2017 that the SWLEP had been allocated £28.09million as part of the third round of Growth Deal funding. As illustrated above this allocation will enable the delivery of; Regeneration of the Central Car Park and Maltings Salisbury, Wiltshire College Lackham, and Wiltshire College Salisbury.

Main Considerations for the Council

Growth Deal Round 1 and 2 update

9. A description of each project and update on progress can be found in table 1 below:

Table 1: Wiltshire Growth Deal Projects

Project	Growth Deal allocation	Description	Current Status
LTB A350 Chippenham Bypass Dualling (Bumpers Farm)	£1.67m	The scheme comprised capacity enhancements on the bypass, specifically in the vicinity of the Brook and Bumpers Farm Roundabouts. It is designed to increase highway capacity and act as one of the key enablers for unlocking urban expansion around Chippenham.	Completed
A429 Access Improvements	£1.4m	This scheme provided local road improvements at Malmesbury. It provided an opportunity to provide the local infrastructure improvements needed to accommodate the increased traffic movements required by the employment expansion at Dyson.	Completed
GD1 A350 Chippenham Bypass Dualling (Badger, Brook and Chequers)	£7.1m	Dualling of A350 at Chippenham between Badger and Brook roundabouts and dualling of approaches north and south of Chequers roundabout (plus works to the A4 approaches to Chequers).	Full Business Case to be considered at May 2017 SWLEP Board meeting Construction currently scheduled to commence in summer 2017, with completion in summer 2018.
GD1 Chippenham Station Hub	£16m (DfT retained – further requirements need to be met prior to receiving grant allocation). Department for Transport (DfT) agreed to allocate £350k from this £16m to support project development.	Enhancement of station facilities including increased car parking, railway crossing provision, commercial development, and public realm improvements.	Wiltshire Council, Great Western Railway, and Network Rail are working to deliver a package of station access improvements as an early phase 1 of the wider scheme. This package will be presented to the SWLEP Board for approval in May 2017. If approved, works are scheduled to commence in late 2017.
GD1	£4m	First phase of Porton Science Park,	Construction

Porton Science Park		comprising of laboratory and office space. Also includes construction of initial infrastructure, including services and utilities for the delivery of later stages of development.	<p>commenced on site in October 2016 with completion currently scheduled for December 2017.</p> <p>Porton Science Park web site is currently being developed.</p>
GD1 Ultrafast Broadband	£1m	To procure and deploy an Ultrafast / NGA (Next Generation) broadband solution in Wiltshire.	<p>Invitation to tender has been published with responses due in February 2017.</p> <p>Contract signing/sealing is scheduled for April 2017.</p>
GD2 Digital Corsham - Mansion House	£2.5m	The project aims to demolish the now disused library building and extend the capacity of and renovate the Mansion House building. The redevelopment will provide new digital learning and business space.	<p>The Mansion House project team is currently working with consultees and key stakeholders to address questions and issues raised during the planning consultation.</p> <p>Construction/renovation is due to commence in 2017 (subject to planning).</p>
GD2 M4 J17 Improvements	£0.5m	The M4 Junction 17 partial signalisation scheme will aim to make the road safer and more efficient and to provide smoother traffic flows for motorists entering and exiting the M4.	<p>Full Business Case to be considered at May 2017 SWLEP Board meeting.</p> <p>Works currently scheduled to commence and complete in summer 2017.</p>
GD2 Yarnbrook West Ashton Relief Road	£5.5m	Construction of a relief road from the A350 in the Yarnbrook and West Ashton area located to the south east of Trowbridge.	Further consideration of the Ashton Park planning application including phasing

			of the development in relation to the provision of the Yarnbrook West Ashton Relief Road.
GD3 Regeneration of the Central Car Park and Maltings, Salisbury.	£6.06m	Growth Deal funding will enable the redevelopment of the Central Car Park and Coach Park through unlocking the delivery of the first phase of a major new retail/leisure-led mixed use scheme.	Funding confirmed on 23 February 2017
GD3 Wiltshire College - Lackham	£8.2m	The plans for the Lackham campus aim to boost the rural economy with a 2,400 sq m Agricultural Technology Centre and a higher education centre which will also house incubation space for land-based businesses.	Funding confirmed on 23 February 2017
GD3 Wiltshire College - Salisbury	£13.83m	At Salisbury the funding will enable a 3,500 sq m Construction, Life Sciences and Engineering Centre, enabling it to vacate leased premises off campus, as well as a 2,200 sq m higher education centre. These additions will allow the college to introduce new curriculum and accommodate more learners.	Funding confirmed on 23 February 2017

Overview and Scrutiny Engagement

10. A Swindon and Wiltshire Local Enterprise Partnership Joint Task Group has been established. This Group acts as a critical friend, developing an overview of strategies and plans and providing independent scrutiny of the work of the SWLEP Board and Joint Strategic Economic Committee (JSEC) and comprises four elected Councillors from each of the two Unitary Authorities. It is an essential element of assuring democratic accountability for the use of public funds.
11. Although it is planning to monitor the implementation of projects in future, the Swindon and Wiltshire Local Enterprise Partnership Joint Task Group has not specifically considered this report.

Safeguarding Implications

12. There are no safeguarding issues related to this report.

Public Health Implications

13. The local economy is a known contributor to the wider determinants of health. A struggling local economy can lead to higher unemployment throughout the local population. This in turn can impact on the social, physical and mental health outcomes of the population. Getting people into work is therefore of critical importance for reducing health inequalities.
14. The work of the SWLEP delivered through nationally competitive Growth Deals, aims to deliver jobs in Wiltshire and attract millions of private sector investment to our economy. This will help ensure that Wiltshire's economy remains strong and resilient and that employment figures remain high.

Procurement Implications

15. Wiltshire Council managed Growth Deal projects and development works associated will be procured in line with the Part 10 (Procurement and Contract Rules) of Wiltshire Council's Constitution and process pertaining to corporate procurement. Advice and guidance will be sought from the Strategic Procurement Hub prior to embarking on any procurement activities.

Equalities Impact of the Proposal

16. The Department for Business, Innovation and Skills published its Equality Impact Assessment (EQIA) for Growth Deals in July 2014. The report concludes that the Growth Deal programme has no adverse impact on any protected group and that the proposed funding decision is neutral in advancing equality of opportunity between persons who share the relevant protected characteristic and persons who do not share it.
17. As projects develop, Wiltshire Council officers will continue to consider the equality implications locally and ensure that there are no negative impacts. This will be done throughout the life of their development and delivery.

Environmental and Climate Change Considerations

18. Through the development of the Growth Deal there will be an increase in demand for, and consumption of, energy in Wiltshire. However, these proposed developments also present opportunities for innovative and pioneering solutions in terms of meeting the challenges ahead of rising energy costs and disrupted supply.
19. The planned improvements provide an opportunity to embed the development of a low carbon infrastructure and sustainable building practices. This in turn will also support the local skills agenda, offering opportunities for apprenticeships, up-skilling of the workforce and supporting emerging technologies and patent development.

Risk Assessment

20. The table below captures the risks together with impacts and probability assessments and mitigation suggestions.

Risk	Impact (0-4)	Prob (0-4)	Total	Mitigation
Approved grant funding is withdrawn causing the projects to be undeliverable and creating unbudgeted revenue costs for the Council.	4	1	4	<p>The Council is in receipt of a written provisional allocation of funding from Government outlining the extent of the Growth Deal grant.</p> <p>The Council has been given no indication that LGF funding will be withdrawn, however the funding is only confirmed on a year by year basis. Therefore, there is a risk that government could pull future years funding. We are not aware of DCLG pulling such funding to date.</p> <p>This risk will be monitored regularly and any changes will communicated to Cabinet Capital Assets Committee.</p>
Project development goes over budget	3	2	6	<p>Projects will be developed to Outline Business Case level in line with DfT and HM Treasury business case standards to ensure that costs are as accurate as possible prior to detailed design work and Full Business Case development.</p> <p>CCAC will be informed if projects are indicating that they will overspend.</p>
Lack of officer resources to support project development and/or delivery resulting in increased project costs, and reputation damage	4	1	4	<p>Officer resources are in place in order to support Growth Deal programme and related projects.</p>

Financial Implications

21. Wiltshire Council are acting as the Accountable Body for the SWLEP.
22. All SWLEP grant funds are paid to Wiltshire Council and managed in accordance with the SWLEP Governance Assurance Framework and Accountable Body Agreement.
23. Local Growth Fund Grant is awarded to the SWLEP on an annual basis for non-retained projects. Wiltshire Councils Local Growth Fund projects are included in the Councils Capital Programme and are regularly monitored and reported to Cabinet.

Legal Implications

24. Lead officers have been working closely with colleagues in Legal Services to ensure that Growth Deal projects comply with European State Aid Regulations and other legal requirements. Additional and future Growth Deal projects will follow the same process to ensure that legal issues are identified and discussed at the earliest opportunity in project development so that support and advice can be provided.
25. Legal advice will be taken in respect of the procurement exercise detailed in paragraph 15, and in respect of Wiltshire Council entering into any necessary contracts.
26. Officers at Wiltshire Council have been engaging with colleagues from SWLEP and Swindon Borough Council to ensure efficient and robust governance arrangements are in place to monitor Growth Deal delivery and development.

Conclusions

27. Wiltshire continues to be successful both in the delivery of Growth Deal schemes and in securing additional Growth Deal investment to undertaken further projects. Wiltshire Council will continue to work with the SWLEP to identify and select suitable projects to be submitted for future anticipated rounds of Growth Deals with Government.

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The following unpublished documents have been relied on in the preparation of this Report: None

Appendices: None