
Title:	Local Growth Fund programme update.
Purpose:	To provide Board members with a summary update on the Local Growth Fund (LGF) Capital programme, including associated recommendations.
Recommendation:	That Board members note the content of this report, programme delivery, financial position and risks.

1 Summary

The Local Growth Fund (LGF) capital programme for Buckinghamshire LEP was reported to MHCLG, BEIS and the Cities & Local Growth Unit for the first quarter (Q1) of 2019/20 on 23rd August 2019.

A total LGF grant expenditure of approximately £45 million (75%) was reported against contracted commitment of £60million, excluding the £13.4million South East Aylesbury Link Road scheme, which is a retained scheme and financially administered direct from government.

This brings the total capital programme investment to approximately £190 million, with a total grant of circa £74million having leveraged approximately £116 million (63%) of private, public and third sector match funding.

The remaining LGF grant has been reprofiled for the remaining two years of the LGF programme taking account of previous year's slippage, recycled scheme savings and reallocated commitments to the Local Transport Body and Business and Skills Capital projects that were awarded funding earlier this year.

Forecast LGF Grant expenditure for the remaining programme is circa £10 million within 2019/20 and circa £5 million within 2020/21.

Scheme outputs have also been updated and future forecast revised based on more recent scheme data provided by project sponsors. This shows higher scheme outputs for jobs, skills, commercial space and housing than were previously forecast when business cases were originally submitted for funding and approval. These revised forecasts are now included on the Dashboard summary for the LGF data return. See Appendix.

2 Scheme Summary

- Overall delivery remains strong with number of schemes at or nearing completion in the first half of 2019/20.
- South East Aylesbury Link Road remains the highest programme risk.

Wycombe Town Centre & SQTS

- The alternative 'Gasworks' road link through High Wycombe Town Centre is nearing completion and is due to be open to traffic at the end of October.

A355 Beaconsfield Improvements

- Construction of the northern section of the new link road is due to be completed by the end of October. Discussions are ongoing with Inland Homes regarding timing of the southern section of link to the A40 Pyebush roundabout. Currently this is anticipated to be completed in 2021 as part of the phased development of the Wilton Park site.

Sustainable Links to Taplow Station Crossrail

- The cycleway scheme has made good progress and is due to be completed in November this year.

Aylesbury Eastern Link Road South (ELRS)

- Section 106 Agreements with owners for signature to secure Outline Planning Approval for the Woodlands development. Discussions are ongoing with the County Council and landowners to complete the section 106 agreement.

South East Aylesbury Link Road (SEALR)

- The preliminary design, initial public consultation and traffic modelling have been completed and the County Council project team is currently working on a planning application that will be ready for submission in October 2019.
- Recently the issue of shared value with Network Rail has been clarified in favour of the County Council.
- The estimated scheme cost has increased from original budget estimate of £23.4 million to £35.3 million, these increased costs will be met from additional developer contributions and HS2 for the railway bridge crossing.
- The County Council has yet to acquire the land for the road scheme, which subject to ongoing negotiations may need to be obtained through a statutory Compulsory Purchase Order (CPO) process. Land affected by the scheme is in multiple ownership and includes sites for housing and business development that are allocated in the draft Vale of Aylesbury Local Plan, which has yet to be formally adopted.
- Whilst the County Council aims to commit the £13m LGF3 grant to contract by March 2021, this timetable now seems increasingly unlikely. The SEALR project therefore remains the highest risk in the Buckinghamshire LEP LGF programme and may have a negative impact on future performance reviews and associated ratings for delivery.
- The LEP team has established regular programme meetings with the County Council to provide additional support and maintain overview of scheme delivery.

University Campus Aylesbury Vale (UCAV) – Digital Innovation Hub

- The ground floor fit-out of UCAV has been completed and furniture is now in place. Oxford Innovation has been appointed as the management company responsible for promoting and marketing the business incubation space and facilities space both at UCAV and the Bucks Life-science Centre innovation hub at BNU's High Wycombe

Campus. These spaces are anticipated being fully operational and to begin occupation in October.

- There are 65 desks available across the two spaces. Work to ensure strong 4G connectivity throughout the spaces and the building has been completed, with good reception and data speeds on all four major networks now available.
- A café has been constructed to the rear of the building and will serve incubation clients, students, staff and the general public.
- **Cyber investment** - The University's IT team have completed this element of the project, which creates a virtualised server environment to bring the desired cyber capabilities as well as bringing longer-term benefits to the campus's IT infrastructure. The University is now able to offer a degree programme in cyber security from the campus, as well as having a facility the incubated businesses on the ground floor can use.
- **CAD/AR investment** - £103k of equipment has been purchased to complete this element. A positive consequence of the kit purchased is that as well as creating an AR-enhanced CAD and engineering design facility, the suite will double as a gaming suite. The college successfully launched level two and three gaming programmes two years ago, the students from which have the option to progress to a higher level programme at the campus. The engineering degree students have been using the kit in the 2018-19 academic year and we have a new intake for 2019-20. The kit has played a large part in attracting the current 21 students to the programme. The facility will be used for outreach work with local schools in 2020 and for an IET event in June 2020.
- **Mobile outreach investment** - This element has been completed, with the admissions team at Bucks having purchased the mobile outreach unit. It is featuring at the Waterside Festival and at the Bucks Skills Show, where it will showcase the health programmes that the university offers to 3,000 schoolchildren and their teachers.

Marlow to Maidenhead Rail Improvements – Great Western Railway (GWR)

- GWR are progressing the preferred scheme through the Network Rail Governance in Railway Investment Projects (GRIP) approval process with a view to obtaining approval in principle in October.
- Thames Valley Berkshire LEP has provisionally allocated £1.5 million of their own LGF capital grant to the scheme which will deliver reciprocal benefits in the Thames Valley Berkshire area, including housing and commercial development linked to the scheme.
- The Berkshire LEP grant was provisionally programmed for expenditure in 2019/20 however, they have expressed concerns about ongoing scheme delays and the risk of the capital grant slipping into 2020/21 and adversely affecting delivery performance. Therefore arrangements have been agreed for Berkshire LEP to transfer the full grant to Buckinghamshire LEP on approval of the final scheme business case by Buckinghamshire LEP. Discussions are taking place with GWR around timing of Network Rail approval and we anticipate the final scheme business case being submitted to Bucks LEP for approval in November 2019.

NFTS – National Centre for Immersive Storytelling

- During August the NFTS installed Dolby Atmos in the Ossie Morris Cinema and main Dubbing Theatre DT1. Both facilities have been completed and in use from Monday 9th September.
- The Cinema has gone from 14 speakers to 41 providing side and overhead Atmos surround as well as some additional sound from behind the screen. We have significantly increased our Screen size from 7m to 10m with new tabs and curtains and in addition we have had a new carpet fitted as well as a new equipment rack at the front. There is also a red light that can be turned on when you do not want to be disturbed in your screening. New seat backs and numbers are being installed in the next week as well as the automation for the curtain.
- DT1 is now a flagship studio boasting Dolby Atmos authoring. We are the first Film School in Europe offering this facility to students. The Dubbing Theatre has been shortened with a new baffle wall that houses the speakers to bring it in line with the Dolby Atmos spec. There have been an additional 28 speakers that make up the Atmos system around the walls and ceiling. The Dubbing Theatre has also been repainted and had new carpeting throughout. The equipment installation and refurbishment of the dubbing studio and cinema scheme has made rapid progress over the summer months and the scheme is now substantially complete.
- Discussions are taking place with NFTS about media and PR to celebrate this fantastic new facility and the first of its kind in the UK.

BNU - Bucks Creates @ Pinewood

- Following award of LGF Grant earlier this year, works have made rapid progress to ensure that the facilities at Pinewood are substantially completed and ready to receive new year's intake of post graduate candidates at the end of September 2019.
- The partnership between Bucks New University (BNU) and Creative Media Skills (CMS) has been firmly established with support of Buckinghamshire LEP and formal contractual agreement in place to secure leasehold tenancy of the building at Pinewood.
- The initial stage of the building refurbishment works was a high priority and BNU were unable to procure and appoint contractors through their own internal processes in time to meet the deadline of end September. This was discussed at the project initiation meeting on 24th July, and Buckinghamshire LEP agreed with Bucks New University to directly fund CMS up to £181k to complete the initial building refurbishment and equipment installation. This work was procured directly by CMS having appointed specialist contractors Calmak from Pinewood Studios approved contract framework. LGF Grant for this work is being claimed directly from Buckinghamshire LEP.
- BNU / CMS promotion and marketing has attracted over 100 applicants for the new postgraduate courses being offered at this unique facility. Approximately 50 candidates have been accepted to start at the end of September.

University of Buckingham - School of Computing and Centre for Artificial Intelligence

- The final scheme design has now been agreed and planning application is being progressed to submission. Contract procurement will take place later this year and it is anticipated that works will commence in the spring 2020.

Satellite Applications Innovation Centre – Westcott Venture Park

- Design for the proposed Innovation Centre has been completed and planning application submitted to Aylesbury Vale District Council.
- Discussions are ongoing around the future plans for the site including the Satellite Applications DISC facility as mentioned elsewhere in this board pack and presented to this board at the July meeting.

Silverstone Sports Science and Innovation Centre

- Silverstone Sports Engineering Hub: Official Opening event and open day held on 10th September; SSEH has agreed Head of Terms with Sport England for the provision of the Swim Flume facility within the Hub – representing a £1.75m investment by Sport England;
- The next phase of development for the Silverstone Sports Innovation Campus is being considered on a phased approach. This will be led by a R & D Swimming facility to complement the Swim Flume, with the velodrome / academic facilities planned to follow. A subsequent LGF Bid to SEMLEP is therefore likely to reduce to c £7.5m to enable the Swim Facility to be delivered by 2021.

3 LGF Reporting Guidance and Submission Dates for 2019/20

Dates for the LGF data submissions for 2019/20 are show in the table below.

LGF Reporting Period	Submission Deadline
Quarter 1 (April – June 2019)	23 August 2019
Quarter 2 (July – September 2019)	22 November 2019
Quarter 3 (October – December 2019)	22 February 2020
Quarter 4 (January – March 2019)	22 May 2020

Revised guidance for Growth Deals reporting and data submission was received in July this year. No significant changes have been made to previous version, mostly clarification around use of the excel based reporting system and updated FAQs.

Board members are asked to:-

- **Note the content of this report and acknowledge summary update and risks to programme delivery.**