

ITEM 5

Somerset Rivers Authority Board Paper

Title: LEP Variation Request

RECOMMENDATION

The SRA Board is asked to:

1. Consider the need to revise and update the current Local Enterprise Partnership Funding Agreement to ensure it is consistent and accurately captures all the anticipated project outputs
2. Delegate authority to agree the final contents of the variation request to the Chairman and Vice Chairman to enable this to happen between Board Meetings
3. To note that as the accountable body Somerset County Council will ultimately sign any revised agreement

Purpose of the item:

This paper is to inform the Board of the need to review and update the current Heart of the South West Local Enterprise Partnership (LEP) funding agreement.

Background and context

The LEP funding agreement relates to £13.049m of funding provided to deliver what was termed the Somerset Flooding Project. The SRA Board has oversight of project delivery. LEP funding must be used by March 2021. There are five key elements to the project:

- a) Dredging including Strategy and Trials
- b) Sowy–Kings Sedgemoor Drain Enhancement
- c) Bridgwater Tidal Barrier
- d) Land Management
- e) Taunton Strategic Flood Alleviation Improvements Scheme (Upper Tone)

The agreement sets out what the LEP funds can be used for and what outputs must be delivered. An original agreement was signed in January 2016 and a revised agreement signed in January 2017.

If any changes are expected to what was originally agreed the LEP has a process that can be used to request a variation to the original agreement.

As Somerset County Council is the accountable body for the SRA the agreement is between SCC and the LEP.

Latest status

It is less than two years until the end of the LEP funding period. Significant elements of the Somerset Flooding project have been delivered but there are still elements to be completed such as the in-channel improvements to the Sowy-KSD and further pioneer dredging on the River Parrett.

As part of a review of the various projects it became apparent that the existing funding agreement had some inconsistencies in it and also that as the projects have developed some of them have changed in scope and approach. It is now necessary to work with the LEP to update the funding agreement to ensure it accurately reflects what outputs are to be delivered and the timescales that they should be delivered within.

Some examples of what must be updated are:

- Project completion dates are down as 2021 even though some projects were always expected to end after 2021 e.g. Bridgwater Tidal Barrier (BTB) and Taunton Flood Alleviation Improvement Scheme (TSFAIS)
- Agreed outputs are slightly different within the agreement and the project implementation plan
- Project match funding differences. For example, the TSFAIS includes full project costs whilst the BTB project only includes costs up to the date of submission for planning permission
- Sowy-KSD scheme – a reduced phase one scheme has been developed and is now proposed for delivery by 2021
- River Brue – possible change in approach to delivery

A key point is to ensure that the Somerset Flooding Project delivers the outputs that were agreed with the LEP at the outset. A recent review of the output status to date and the predicted outputs shows that projects will largely deliver the outputs as originally intended or deliver even more than originally anticipated (see below). There is only one exception to this which relates to a reduction in the acres of land protected as a result of changes to the TSFAIS.

Further work is required to finalise what changes should be asked for as part of variation request and confirm the anticipated outcomes. The intention would be to finalise the necessary variation request early in the new financial year.

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GD29 Somerset Flooding

Agreed Outputs	DELIVERED	DELAYED	ON TARGET	NO OUTPUT REQUIRED THIS YEAR		2020/21 and beyond
	2015/16	2016/17	2017/18	2018/19	2019/20	
BUSINESS – Businesses safeguarded						
Bridgwater Tidal Barrier - Bridgwater factories protected						600
OUTPUT STATUS						ON TARGET
PEOPLE – Jobs created (direct)						
EA and IDB projects	27	27	25			50
OUTPUT STATUS	DELIVERED	DELIVERED	CHECK STATUS			CHECK STATUS
Land Management (FWAG and associated contractors)	39	40				
OUTPUT STATUS	DELIVERED	DELIVERED				
PEOPLE – Jobs safeguarded						
Bridgwater Tidal Barrier - EA projects/EA staff	8	5	5	3	5	6
OUTPUT STATUS	DELIVERED	DELIVERED	DELIVERED	ON TARGET	INCREASE	INCREASE
FWAG jobs		8				
OUTPUT STATUS		DELIVERED				
PLACE - Development land released/unlocked						
Bridgwater Tidal Barrier (Parrett)						250ha
OUTPUT STATUS						ON TARGET
TSFAIS (Upper Tone)						43.5
OUTPUT STATUS						REDUCED
PLACE - New homes constructed (direct)						
Bridgwater - aligned to Tidal Barrier	125	125	125	125	125	
OUTPUT STATUS	DELIVERED	DELIVERED	DELIVERED	ON TARGET	ON TARGET	
PLACE - Homes safeguarded						
Dredging	60					
OUTPUT STATUS	DELIVERED					
Sowry/KSD						20
OUTPUT STATUS						DELAYED
Tidal Barrier						11,000
OUTPUT STATUS						INCREASE
TSFAIS						2026: 1774 2066: 2475
OUTPUT STATUS						ON TARGET
PLACE - Infrastructure safeguarded						
	A372 (at Beer Wall Taunton-Bristol rail line	Local roads in and around the Sowry/KSD river system				Local roads in and around the Sowry/KSD river system
OUTPUT STATUS	DELIVERED	PART DELIVERED				DELAYED
						Toneway - Creech Castle; County Hall/Vivary Park
OUTPUT STATUS						ON TARGET
Agricultural Land protected						
Dredging	500ha					
OUTPUT STATUS	DELIVERED					
Sowry/KSD						c.2000ha
OUTPUT STATUS						DELAYED