

Somerset Rivers Authority Joint Scrutiny Panel Paper

Title: Heart of The South West Local Enterprise Partnership (LEP) Project Update

RECOMMENDATION

The SRA Board is asked to:

1. Note and comment on the latest position regarding LEP funded projects.

Purpose of the item:

To update the Panel on progress with Heart of the South West Local Enterprise Partnership (LEP) funded projects recognising that the end of financial year 2020 - 21 was the original date by which all LEP funds were to be spent.

Background and context

In 2015 the Heart of the South Wes LEP allocated £13.049m of 'Growth Deal' funding to the 'Somerset Flooding' project. The project was described in the funding agreement as:

Phase 2 of the Somerset Levels and Moors 20 Year Flood Action Plan and consists of a package of measures to reduce the duration, depth and frequency of flooding on the Somerset Levels and Moors. This will safeguard houses, commercial premises, communities and infrastructure on the Somerset Levels and Moors and increase business confidence, contributing to the creation of new jobs and new houses.

The project funding was originally split across five distinct categories:

Category	Growth Deal £m	Status
Dredging and river management	£2.45	Spend complete
River Sowey / Kings Sedgemoor Drain enhancements (including Beer Wall and Chedzoy)	£7.984	In progress
Bridgwater Tidal Barrier	£2.0	Spend complete
Land Management	£0.55	Spend complete
Taunton Strategic Flood Alleviation Improvements	£0.065	Spend complete
Total	£13.049	

LEP funding is provided by central government through the department of Business Energy and Skills. Government set a deadline for spending of LEP funds of the end of March 2021.

Latest status

The financial year 2020 – 2021 is the final year of the LEP funding allocation. The SRA Board have been keenly focussed on successful delivery of all LEP funded projects. SRA partners have worked exceptionally hard over the LEP funding period to deliver a significant amount of work to provide an extra level of flood protection for Somerset using the LEP funding.

At the end of 2020-21 Quarter 2 £10.668m of the £13.049m of LEP funding has been spent. A further £1.23m is forecast to be spent by the end of March 2021. This will leave approximately £1.14m of funding unspent. £943k of this underspend is allocated to the River Sowey – Kings Sedgemoor Drain enhancement. £201k is underspend from dredging and river management as a result of delivering the final elements of this work under budget.

During the summer of 2020 it became apparent that it would not be possible to spend all of the LEP funds by the agreed deadline. This was in part due to the impact of Covid-19 but it was also as a result of the complexity of delivering projects on the environmentally sensitive Somerset Levels and Moors. The SRA Board took steps to work with the LEP to secure permission to draw down the remaining LEP funds after the March 2021 deadline. A funding variation request was submitted to and approved by the LEP in October 2020 ensuring that none of the £13.049m originally allocated to Somerset Flooding will be lost to the project.

The remaining £1.44m will be used to complete phase one of the River Sowey – King's Sedgemoor Drain Enhancement scheme. This is the first phase of work to deliver an increase in capacity in what is the flood relief channel for the River Parrett. Extensive mitigation activities have already been completed in preparation for work on the river banks and in the river channel itself between September and November 2021.

Detailed project information on all the LEP projects can be found on the SRA website - <https://www.somersetiversauthority.org.uk/> .

Summary:

90% of Heart of the SW LEP funding allocated to the Somerset flooding project will have been spent by the deadline of March 2021. The SRA Board took steps early to ensure that the remaining 10% will be available to the SRA partners during financial year 2021-22, ensuring that the full £13.049m allocated to the Somerset Flooding project will be used to reduce the duration, depth and frequency of flooding on the Somerset Levels and Moors.

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Date: 04 February 2021

Author: David Mitchell, Somerset Rivers Authority