

A meeting of the
**West of England Combined Authority
Overview and Scrutiny Committee**

will be held on

Date: 31 January 2018

Time: 10:30am

Place: The Council Chamber, City Hall, College Green, Bristol, BS1 5TR

Notice of this meeting is given to members of the West of England Combined Authority Overview and Scrutiny Committee as follows:

Cllr Stephen Clarke, Bristol City Council (Chair)
Cllr Steve Pearce, Bristol City Council (Vice-Chair)

Cllr Tim Ball, Bath & North East Somerset Council
Cllr Liz Richardson, Bath & North East Somerset Council
Cllr Carole Johnson, Bristol City Council
Cllr Margaret Hickman, Bristol City Council
Cllr Steve Pearce, Bristol City Council
Cllr Mark Weston, Bristol City Council
Cllr Geoff Gollop, Bristol City Council
Cllr Paul Hughes, South Gloucestershire Council
Cllr Katherine Morris, South Gloucestershire Council
Cllr Pat Hockey, South Gloucestershire Council

Copies to:

Cllr Chris Blades, North Somerset Council
Cllr Charles Cave, North Somerset Council
Cllr Donald Davies, North Somerset Council

Enquiries to:

Democratic Services
West of England Combined Authority Office
3 Rivergate, Temple Quay, Bristol, BS1 6GD
Email: democratic.services@westofengland-ca.gov.uk

West of England Combined Authority Overview and Scrutiny Committee Agenda

YOU HAVE THE RIGHT TO:-

- Attend all WECA Overview and Scrutiny, Committee and Sub-Committee meetings unless the business to be dealt with would disclose 'confidential' or 'exempt' information.
- Inspect agendas and public reports five days before the date of the meeting
- Inspect agendas, reports and minutes of the WECA Overview and Scrutiny and all WECA Overview and Scrutiny Committees and Sub-Committees for up to six years following a meeting.
- Inspect background papers used to prepare public reports for a period public reports for a period of up to four years from the date of the meeting. (A list of background papers to a report is given at the end of each report.) A background paper is a document on which the officer has relied in writing the report.
- Have access to the public register of names, addresses and wards of all Councillors sitting on WECA Overview and Scrutiny Committees and Sub-Committees with details of the membership of all Committees and Sub-Committees.
- Have a reasonable number of copies of agendas and reports (relating to items to be considered in public) made available to the public attending meetings of WECA Overview and Scrutiny Committees and Sub-Committees.
- Copy any of the documents mentioned above to which you have a right of access. There is a charge of 15p for each side of A4, subject to a minimum charge of £4.
- For further information about this agenda or how the Council works please contact Joanna Greenwood, telephone 0117 428 6210 or e-mail: info@westofengland-ca.gov.uk

OTHER LANGUAGES AND FORMATS

**This information can be made available in other languages, in large print, braille or on audio tape.
Please phone 0117 428 6210**

Guidance for press and public attending this meeting

The Openness of Local Government Bodies Regulations 2014 mean that any member of the public or press attending this meeting may take photographs, film or audio record proceedings and may report on the meeting including by use of social media (oral commentary is not permitted during the meeting as it would be disruptive). This will apply to the whole of the meeting except where there are confidential or exempt items, which may need to be considered in the absence of the press or public.

If you intend to film or audio record this meeting please contact the Officer named on the front of the agenda papers beforehand, so that all necessary arrangements can be made.

Some of our meetings are webcast. By entering the meeting room and using the public seating areas you are consenting to being filmed, photographed or recorded. At the start of the meeting, the Chair will confirm if all or part of the meeting is to be filmed. If you would prefer not to be filmed for the webcast, please make yourself known to the camera operators.

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To comply with the Data Protection Act 1998, we require the consent of parents or guardians before filming children or young people. For more information, please speak to the camera operator.

1. EVACUATION PROCEDURE

In the event of a fire, please await direction from the City Hall staff who will help assist with the evacuation. Please do not return to the building until instructed to do so by the fire warden(s).

2. APOLOGIES FOR ABSENCE

To receive apologies for absence from Members.

3. DECLARATIONS OF INTEREST UNDER THE LOCALISM ACT 2011

Members who consider that they have an interest to declare are asked to: a) State the item number in which they have an interest, b) The nature of the interest, c) Whether the interest is a disclosable pecuniary interest, non-disclosable pecuniary interest or non-pecuniary interest. Any Member who is unsure about the above should seek advice from the Monitoring Officer prior to the meeting in order to expedite matters at the meeting itself.

4. MINUTES

To consider and approve the minutes from 6 December 2017 of the West of England Combined Authority Overview and Scrutiny Committee.

5. ITEMS FROM THE PUBLIC

Members of the public can speak for up to 3 minutes each. The total time for this session is 30 minutes so speaking time will be reduced if more than 10 people wish to speak.

If you wish to present a petition or make a statement and speak at the meeting, you are required to give notice of your intention by noon on the working day before the meeting by e-mail to democratic.services@westofengland-ca.gov.uk. For this meeting, this means that your submission must be received in this office by **12noon on Tuesday, 30 January 2018**.

If you wish to ask a question at the meeting, you are required to submit the question in writing to democratic.services@westofengland-ca.gov.uk no later than 3 working days before the meeting. For this meeting, this means that your question(s) must be received in this office by **5pm on Thursday, 25 January 2018**.

6. PETITIONS

Any member of the public in the West of England Combined Authority may present a petition at a West of England Combined Authority Overview and Scrutiny Committee Meeting.

7. REGIONAL STRATEGY (COMBINED AUTHORITY AND JOINT COMMITTEE BUSINESS)

To consider and note the outputs from stakeholder engagement on the Regional Strategy. To note next steps for the Regional Strategy and Government requirements for Industrial Strategy.

8. MAYORAL, WECA AND LEP/IBB BUDGET (COMBINED AUTHORITY BUSINESS AND JOINT COMMITTEE BUSINESS)

This Mayoral, WECA and LEP/IBB Budget will be considered at the West of England Combined Authority Committee at the meeting on 2 February 2018.

9. AIR QUALITY (COMBINED AUTHORITY BUSINESS)

This paper outlines levels of local air pollution and Government requirements for clean air zones in the region.

10. ANY OTHER ITEM THE CHAIR DECIDES IS URGENT

Next meeting: 21 March 2018

**WEST OF ENGLAND COMBINED AUTHORITY:
OVERVIEW AND SCRUTINY COMMITTEE
6 December 2017**

DRAFT MINUTES

Committee Members:

Cllr Stephen Clarke, Bristol City Council (Chair)
Cllr Steve Pearce, Bristol City Council (Vice-Chair)

Cllr Tim Ball, Bath & North-East Somerset Council
Cllr Liz Richardson, Bath & North-East Somerset Council
Cllr Kye Dudd, Bristol City Council
Cllr Margaret Hickman, Bristol City Council
Cllr Mark Weston, Bristol City Council
Cllr Geoff Gollop, Bristol City Council
Cllr Paul Hughes, South Gloucestershire Council
Cllr Katherine Morris, South Gloucestershire Council
Cllr Pat Hockey, South Gloucestershire Council

Copies to:

Cllr Chris Blades, North Somerset Council
Cllr Charles Cave, North Somerset Council
Cllr Donald Davies, North Somerset Council

1	<p>WELCOME AND EVACUATION PROCEDURE</p> <p>The Chair welcomed everyone to the meeting and advice was given on the fire evacuation procedure.</p>										
2	<p>APOLOGIES FOR ABSENCE</p> <p>Apologies were noted from Cllr Katherine Morris.</p> <p>Cllr Brian Hopkinson, substituting for Cllr Katherine Morris, was welcomed to the meeting.</p>										
3	<p>DECLARATIONS OF INTEREST UNDER THE LOCAL GOVERNMENT ACT 1972</p> <p>There were no declarations of interest.</p>										
4	<p>MINUTES</p> <p>The Committee considered the minutes from the meeting of 24 October 2017.</p> <p>Cllr Paul Hughes noted a question about the mayoral budget had not been included in the minutes. It was agreed that he would speak to Tim Richens regarding this after the meeting.</p> <p>A minor error was noted on page five within the fifth bullet point; it was agreed that '6.5%' should be amended to '0.65%'. The sentence should read as follows, 'Green belt is national policy with which this plan must comply. The plan tries to protect overall function of Bristol and Bath greenbelt, some modest release (0.65%) proposed.'</p> <p>The Minutes were otherwise accepted as accurate record of the meeting.</p> <p>The Committee reviewed the actions from the meeting of 24 October, which will be included in a log to ensure actions are tracked.</p> <table border="1" data-bbox="177 1272 1399 2069"> <tr> <td data-bbox="177 1272 815 1384">Minutes 22 September: 'Helen Edelstyn to follow up with Cllr Hughes regarding Mayoral Expenses question'</td> <td data-bbox="815 1272 1399 1384">In progress</td> </tr> <tr> <td data-bbox="177 1384 815 1529">Public forum: 'Officers to provide Scrutiny Committee with summary of arrangements for dialogue with groups such as FOBSR and Bus Users US and others'</td> <td data-bbox="815 1384 1399 1529">In progress</td> </tr> <tr> <td data-bbox="177 1529 815 1682">West of England Draft JSP: 'Comments from Overview & Scrutiny to be shared with Joint Committee in advance of their meeting 30th October 2017'</td> <td data-bbox="815 1529 1399 1682">Completed</td> </tr> <tr> <td data-bbox="177 1682 815 1899">Funding for infrastructure feasibility studies: 'Comments from Overview and Scrutiny to be shared with WECA Committee in advance of their meeting on 30th October 2017'</td> <td data-bbox="815 1682 1399 1899">Completed</td> </tr> <tr> <td data-bbox="177 1899 815 2069">WECA & Mayoral Budget: 'Comments from Overview and Scrutiny to be shared with WECA Committee in advance of their meeting on 30th October 2017'</td> <td data-bbox="815 1899 1399 2069">Completed</td> </tr> </table>	Minutes 22 September: 'Helen Edelstyn to follow up with Cllr Hughes regarding Mayoral Expenses question'	In progress	Public forum: 'Officers to provide Scrutiny Committee with summary of arrangements for dialogue with groups such as FOBSR and Bus Users US and others'	In progress	West of England Draft JSP: 'Comments from Overview & Scrutiny to be shared with Joint Committee in advance of their meeting 30 th October 2017'	Completed	Funding for infrastructure feasibility studies: 'Comments from Overview and Scrutiny to be shared with WECA Committee in advance of their meeting on 30 th October 2017'	Completed	WECA & Mayoral Budget: 'Comments from Overview and Scrutiny to be shared with WECA Committee in advance of their meeting on 30 th October 2017'	Completed
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	WECA & Mayoral Budget: 'Officers to prepare report on concessionary fares underspend, reasons why and how to use this'	In progress. Tim Richens noted that the concessionary fares underspend will be addressed fully in the next budget outturn.
	AOB, meeting dates 'Chair to discuss revised dates for circulation to members'	Completed
	AOB, Access to information: 'Access to information will be requested to advisory board minutes'	Completed
5	ITEMS FROM THE PUBLIC	
	No public questions had been received.	
	Public statements had been received from David Redgewell (SWTN), Christina Biggs (FOSBR), Steve Maslin and Cllr Eleanor Combley (Bristol City Council). The Chair invited attendees to speak in the order their statements had been received.	
	David Redgewell (SWTN)	
	David's first statement was regarding Bristol Temple Meads Station and Portishead Railway Line and mentioned SWTN's concern about the lack of a master plan for the stations due to the works that are about to commence on listed buildings and consent for new entrances and a gate line.	
	David's second statement was regarding disabled access for public transport.	
	The Chair thanked David for his comments and confirmed that his statements would be appended to the minutes.	
	Christina Biggs (FOSBR)	
	Christina's statement urged WECA to develop a regional rail transport plan as part of the Joint Transport Plan 2018.	
	The Chair thanked Christina for her comments and confirmed the statement would be appended to the minutes.	
	Steve Maslin	
	Steve's statement was regarding the establishment of a West of England Inclusive Sustainability Unit and the regional pooling of resources.	
	The Chair thanked Steve for his comments and confirmed the statement would be appended to the minutes.	
	Eleanor Combley (Bristol City Council)	
	It was noted that Eleanor Combley was not in attendance. The chair confirmed that the committee would take her statement as read and would be appended to the minutes.	
6	PETITIONS FROM MEMBERSHIPS	
	There were no petitions.	
7	EMPLOYMENT SUPPORT INNOVATION PILOT	

Adam Powell, Director of Skills at WECA, and Sue Dobson, Skills Project Manager at WECA, introduced the report and drew attention to the following points:

- Providing the Committee with an introduction – and update on current position – to the Employment Support Innovation Pilot, a DWP-funded pilot programme secured through the West of England Devolution Deal.
- Seeking the Committee’s support in informing an Evaluation Strategy for the programme.
- Asking Committee members to advocate for the project within their wards and local authorities given the potential positive impact on residents participating.

The Committee raised several questions which were as follows:

- Cllr Margaret Hickman voiced her concern regarding the cost of childcare and its affordability for women who work. She felt that without this issue being addressed the scheme would not be effective for some of the clients. The officers assured Cllr Hickman that the scheme covers personalised budgets and could therefore help with this issue if relevant.
- Cllr Geoffrey Gollop raised concerns and a question which included the following:
 - The scheme being confined to social housing and not including people in private rentals who are struggling with the cost of this;
 - The scheme duplicating and/or undermining the work of other agencies like the Prince’s Trust;
 - Whether self-employed individuals or individuals wishing to move to a different job would benefit from the scheme, and;
 - Would there be any way of measuring the scheme in terms of tangible benefits?

The officers responded to Cllr Gollop’s concerns and question respectively as follows:

- This is a specific short-term project;
- The scheme does not intend to duplicate what is already out there and aims to fill in any gaps and signpost people to other service and schemes as appropriate;
- Self-employment is included within the scheme and;
- The scheme plans to capture details on benefits payments at points before and after the project so should be measurable in tangible terms
- Cllr Pat Hockey asked if the scheme would be working with housing associations and was assured by the officers that this would be the case.
- Cllr Mark Weston asked if the scheme would be engaging with council housing and was assured by officers that the scheme would work closely with the council in this respect.
- Cllr Steve Pearce stated that, in his opinion, using trade unions as sign posters and making use of trade union learning and education services would be useful

	<p>to plug into. He also confirmed that he thought that the scheme’s funding should be used to provide additional capacity and not seen as an alternative way to fund the work that partners are already doing.</p> <ul style="list-style-type: none"> • Cllr Tim Ball mentioned that, people with mental health difficulties are finding it difficult to find training and employment. He was assured by officers that the scheme would deliver a holistic service and that health and wellbeing would be part of this. • Cllr Stephen Clarke asked if there were enough people available to hit project targets if those on Universal Credit were excluded. The officers responded by saying that targets had been set using the national statistics that were available at the time and that Universal Credit full service is already in Bath and North-East Somerset, and will come to Bristol and South Gloucestershire later this year. It was also confirmed that even where there is already full service, there is no plan to migrate those on eligible benefits such as Working Tax Credit and Child Tax Credit for the next couple of years, after full service is implemented nationwide. • Cllr Steve Pearce asked if GPs and other healthcare professionals could be included in signposting for this scheme and officers confirmed that this would be possible. • Cllr Stephen Clarke asked if start-up businesses, especially in disadvantaged areas, could be included in the scheme. Officers confirmed that if all relevant criteria for these people are met then they could be included. Cllr Clarke added that it might be useful to market this scheme to small business associations. • Cllr Paul Hughes asked for the officers’ assurance that the Committee be kept updated on the scheme. A discussion was had and it was agreed that Adam Powell and Sue Dobson would report back to the Committee on the scheme’s progress every six months. <p>It was noted for the minutes that the Committee welcomes this programme, supports it and looks forward to seeing its progress.</p> <p>Action. Adam Powell and Sue Dobson to keep the Overview and Scrutiny Committee updated on the progress of the Employment Support Innovation Pilot every six months.</p>
	<p>Committee pause. North Somerset members were invited to sit alongside the Committee for discussion of items 8, 9 and 10.</p>
<p>8</p>	<p>PROGRESS REVIEW OF LOCAL ENTERPRISE PARTNERSHIP FUNDING STREAMS</p> <p>Pete Davis, Major Transport Scheme Co-ordinator at WECA, introduced the report which will be considered at the West of England Joint Committee meeting on the 7th of December 2017 and drew attention to the following points:</p>

- A consistent approach has been developed, the ‘One Front Door’, for the identification, development, approval and change management for schemes seeking funding through the LEP Local Growth, Economic Development and Revolving Infrastructure Funds. This involves recommendations being made by an Investment Panel comprising the Chief Executives of the Local Enterprise Partnership and the four local authorities, oversight by the LEP Board and formal decision making by the West of England Joint Committee. For schemes within the Economic Development Fund advice will be provided to the four Council S151 officers as part of business case approval decision.
- It is recognised that transparency, accountability and ensuring value for money must be central to these arrangements, and Government have set out their expectations in this regards in the ‘Local Enterprise Partnership – National Assurance Framework’. The West of England assurance framework sets out the way in which these requirements are met.

Pete Davis confirmed that a formal evaluation process is in place.

There were several concerns and questions from the Committee members which were addressed as follows:

- Cllr Steve Pearce queried paragraph 2.1 in the report by mentioning that there doesn’t seem to be a specific requirement for the West of England Combined Authority (WECA) Chief Executive and asked if this post would feature. Pete Davies confirmed that the LEP CEO and the WECA CEO are the same person.
- Cllr Donald Davies raised questions which included the following:
 - Referring to point 5.3 on page 62, will Invest Bristol and Bath (IBB) be continuing under the West of England regime as before or are they are now a part of the West of England Combined Authority?
 - In the previous regime a risk assessment would be completed and councillors would receive a copy of this. Where can this information now be obtained from?
 - Job Centre attendees from North Somerset are now attending the Job Centre in Central Bristol. How will this work in practice?
 - Similarly, the X3 and X4 bus services travel between Bristol and North Somerset; how will this service work in practice? Who will be doing what and when?

Pete Davies responded to Cllr Davies’ questions respectively as follows:

- IBB will continue in the same way as before and will cover the same geographical area. The only change is that IBB staff have now been TUPE’d across to WECA.
- The risk assessments are still completed and are attached to the relevant reports as appendices.
- These progress reports are updated quarterly to address any changes.

- It was noted that Cllr Stephen Clarke and Helen Edelstyn did not have the answer to hand regarding cross-border issues but would take this away to get some clarity on this question.

In relation to the above points, Cllr Stephen Clarke confirmed that he would like the Committee to see these background papers to the published report on a quarterly basis. Pete Davis confirmed that he would include these reports on a quarterly basis for the Committee's information.

- Cllr Stephen Clarke confirmed that it was agreed in the pre-meeting that this agenda item will become a recurring item.
- Cllr Stephen Clarke mentioned funding being £25 million short and asked how the decision will be made on which projects are not funded. Pete Davies confirmed that multiple projects are currently in development and that some schemes may not be brought forward. He also confirmed that there is still a lot of work to do behind the schemes to ensure that we don't over-commit and are still able to deliver.
- Cllr Stephen Clarke asked how geographical equity is ensured with the funds. Pete Davis responds by saying that the LEP Growth Fund is allocated on a priority basis; these priorities have been agreed by the councils.

Action. Pete Davies to provide the committee with quarterly progress reports on the Local Enterprise Partnership Funding Streams.

9 2016/17 CITY DEAL ANNUAL PERFORMANCE

Please note that this item should have been an addendum to Item 8 rather than an additional item on the agenda.

Tim Richens, Director of Investment and Corporate Services at WECA, introduced the report which will be considered by the West of England Joint Committee meeting on the 7th of December 2017 and provides the following purpose:

- This report provides a summary of the West of England's City Region Deals Pooled Business Rates performance for 2016/17, as used for the Economic Development Fund and in accordance with the requirements of the Business Rates Pooling Principles Agreement.

Tim Richens confirmed that this report provides further background on the Economic Development Fund (EDF) and confirmed that this is South Gloucestershire's report as they are the accountable body for the EDF Business Rates Pool.

There were several comments and questions from the Committee members which were addressed as follows:

- Cllr Donald Davies queried whether the growth and projection rates are matching what was expected. Tim Richens confirmed that each council provided their own

projections but mentioned that over the first three years growth has matched and slightly exceeded what was predicted. He confirmed that the Pooling Board have commissioned an independent review to look at future projections over the next twenty years.

- Cllr Stephen Clarke asked what the impact of the national Business Rates scheme would be on this scheme. Tim Richens responded by saying that it is currently unclear what the impact will be as HMG have not set out their parameters for the national scheme. He confirmed that the Pooling Board are modelling different scenarios to ensure that we are prepared for any potential impacts.
- Cllr Geoffrey Gollop mentioned that he'd like to see a table depicting both current figures and what we can expect to see in the future. This information together with the programming of future would be very useful with regards to scrutinising information. He mentioned that this should be presented in such a way that will make it easy for members to follow this information and that will facilitate understanding of risk. Cllr Stephen Clarke confirmed his agreement with this and requested that Tim Richens request future reports include these accompanying and easy to understand tables. Tim Richens confirmed that he would take this back to the Board.

Action. Tim Richens to report back to the Pool Board to ensure that future Pool reports and tables are presented differently to facilitate easier understanding for members.

10 METROWEST UPDATE

James White, Interim Head of Transport at WECA, introduced the report which will be considered by the West of England Joint Committee meeting on the 7th of December 2017 and aims to update members on WECA's MetroWest project.

There were several questions from the Committee members which were addressed as follows:

- Cllr Mark Weston raised questions which included the following:
 - Clarity regarding the main differences between MetroWest Phase 1 Stage B and Phase 1 Stage C;
 - If the report on MetroWest Phase 2 had been delayed as he was under the impression that this was being released this year;
 - An early decision will need to be made regarding the location of Henbury station as this will determine where the Park and Rides will go;
 - Will the decision on the Henbury loop be re-visited?

James White responded to Cllr Weston's concerns and questions respectively as follows:

- The main differences would be that for Phase 1 Stage C line speeds would be increased for regular trains, there would be sections of double tracking, more signalling in place and that the implementation of Phase 1 Stage C would bump the project cost up to £175 million;
 - The GRIP Stage 3 report for Phase 2 has been delayed by 3-4 months;
 - The understanding is that a decision on the Henbury station location will be put forward in January/February 2018;
 - The focus is on Phases 1 and 2 currently but all travel schemes will be looked at as part of the Joint Local Transport plan. The understanding from Bristol City Council colleagues is that whilst currently unfunded, there is reserve funding available when the appropriate point in Phase 1 is reached. Also, in James' opinion, the Joint Local Transport Plan will provide another opportunity to look at other rail aspirations, not just the Henbury Loop.
- Cllr Donald Davies mentioned his scepticism and concern about Phase 1 Stage B namely that, in his opinion, Network Rail are overcomplicating things, Pill needs a station on the map, whether there will be good interchanges with other transport modes, whether there would be parking and whether there would be disabled access. James White responded by saying that work on the bus strategy is about to begin and as part of this, key interchanges and facilities will be considered. He also confirmed that any new station must be accessible.
 - Cllr Steve Pearce raised concerns and questions which included the following:
 - How robust are these new costs and have we got a Plan B for funding?
 - Is there scope to put some stabling in Portishead for an extra train during rush hour?
 - Feels that the Henbury Loop should not be discounted.

James White responded to Cllr Pearce's concerns and questions respectively as follows:

- A piece of work has been done by North Somerset to review the costs of MetroWest Phase 1 and it has been concluded that, give or take some risks, there wasn't a huge amount of difference in Network Rail's and an independent reviewer's figures; the estimated overall cost of the two trains per hour scheme is £165 million.
- A 40 or 45 minutes service could be possible during peak hours with a five-carriage train to Portishead which could then be split either at Portishead or Temple Meads into two and three carriages.
- There is a risk that funding might not be obtained from the bid and that additional funding might need to be obtained from elsewhere.

	<ul style="list-style-type: none"> • Cllr Stephen Clarke referred to point 2.4 in the report and commented that, in his opinion, the statements seem overly optimistic and queried whether this would all be completed by 2021. James White responded by saying that it is key that the remodelling of Bristol East Junction in 2020 is key for Phase 1 and 2 services. Network Rail have the money available to do the design work for this but full funding for the scheme is still to be confirmed. He mentioned that MetroWest is an ambitious scheme but if there are no major issues with the completion of Phases 1 and 2, the timescales should be achievable. He confirmed that he would report back to the committee in six months' time as he would have more information on the outcome of the funding application then. He assured the committee that he'd let them know if any of the project timescales do change. • Cllr Pat Hockey asked if we would be able to influence an increase in rolling stock due to expected growth over the next thirty years as what is adequate in 2022 will not necessarily still be right in 2032. James White confirmed that we will need to begin planning beyond Phases 1 and 2 through the new Great Western Franchise. He confirmed that rolling stock is critical to meet future passenger needs. <p>Action. James White to report back to the committee in six months to let them know the outcome of the application for funding to the Department for Transport's 'Large Local Major Transport Scheme Fund'.</p>
14	<p>AOB</p> <p>Document packs. It was mentioned that officers (and the public) still find the navigation of the paperwork for these meetings challenging. Officers will investigate solutions.</p> <p>Informal Scrutiny and Overview meetings. An informal Skype meeting has been scheduled for the 10th of January 2018 and another invite will be sent out shortly for another Informal meeting to happen in February 2018 as well.</p> <p>Action. Officers to investigate solutions for issuing document packs.</p> <p>The Chair declared the meeting closed at 12.35pm.</p>

Appendix 1 : Public Statements

Statements Received

	Name, organisation
Item 1	David Redgewell, SWTN <i>Bristol Temple Meads Station and Portishead Railway Line</i>
Item 2	David Redgewell, SWTN <i>Disabled Access for public transport</i>
Item 3	Christina Biggs, Friends of Suburban Bristol Railway <i>Regional Rail Plan</i>
Item 4	Steve Maslin <i>West of England Inclusive Sustainability Unit</i>
Item 5	Cllr Eleanor Combley, Bristol City Council <i>MetroWest Update</i>

Statement 1

David Redgewell, SWTN

Bristol Temple Meads station

We are concerned about the lack of a master plan for the station due to the works that are about to commence on listed building consent for new new entrances and a gate line.

Our concerns are :-

1. On the Bonnaparte corridor it is the effect of having new gates on the platform of the listed building.
2. The need for full disabled access and ticket gates wide enough for wheelchairs.
3. a full DIA of the scheme by Network Rail including the addressing the issue of the bollards on the North entrance.
4. The need to design the scheme to be adaptable for when Platforms 1 & 0 are brought into use to allow cross platform interchange and connections with buses/taxis in the Friary and the ferry terminal. How will this work when these platforms are open?
5. Queen Annes gate should be fully accessible and the cobbles/setts need to be removed for full disabled access. This could mean relaying the setts for wheelchairs/buggies. A full DIA is required.
6. The ferry terminal needs to be fully accessible.
7. Bus shelters should be provided on the approach road.
8. Zoe Willcox needs to fully involved in the decision making process.

Portishead railway line

1. Portishead railway station needs a full DIA of interchange between modes bus/taxi/wheelchair space.
2. Ease of connection to local buses needs to be designed into the scheme.
3. Pill station - a full DIA is required including links to the X4 bus stops from Station Road to the main road including Castle kerbs/dropped kerbs and waiting shelters.
4. with regards to the ramp an evaluation should be made for a lift alongside it.
5. Ashton Gate - the ramp is useful but not essential but passive provision should be made for the station at Barons Court.
6. Parson Street - provision should be made for a lift within Phase 2 of MetroWest.
7. Handrails and access improvements to the subway and CCTV are required at Bedminster station.
8. Lawrence Hill and Stapleton Road station need full disabled access.
9. Avonmouth station requires handrails for disabled access.
10. Sea Mills and Shirehampton need CCTV as does Severn Beach which should have a new car park.
11. MetroWest Phase 2 needs fully accessible stations at Charfield, Ashley Down, Henbury for the Mall, Filton North.
12. An evaluation is required for Saltford, Ashton Gate, Corsham, Stonehouse Bristol Road, Horfield and St Annes as part of ongoing works on MetroWest with MetroBus connections to Yate, Wotton-Under-Edge, Thornbury, Clevedon, Whitchurch and Clevedon.
13. On tram-train evaluation needs to take place on the Thornbury line, Whitchurch line and Midland Railway line from Bath to Bristol and Yate shared with a cycle path similar to Midland Metro.

14. We urgently require a WECA bus strategy and work on interchanges such as Bath Spa bus station and MetroBus to Bristol Parkway/Temple Meads/Cribbs Causeway.

A lack of a master plan means that the project is going ahead in a piecemeal fashion.

Regards
DAVID REDGWELL SWTN

Statement 2

David Redgewell, SWTN

Disable access for public transport

Please find our response to the following issues :-

RAIL

We wish to see a rolling programme of fully accessible stations with each Network Rail route having a budget eg the Western Region should be able to provide full disabled access at Lawrence Hill, Stapleton Road, Patchway, Parson Street as part of Metro West, lifts at Weston-Super-Mare, Nailsea and Backwell and Cheltenham Spa. Rural stations Saltash, Crediton, Yeoford, Bruton, Dorchester West, Yeovil Pen Mill and Junction also need to be fully accessible. There should be no derogation to Network Rail under the Equalities Act.

First Group has been pushing hard for Network Rail to adhere to design standards for accessible railway stations to include fully accessible toilets and baby changing places.

The Access For All Programme is far too slow and needs speeding up on a Mayoral and regional basis especially around Temple Meads station North entrance.

We believe it is important to maintain buffets to be specified with railway branding by Network Rail and the DFT with adequate opening hours in the same way as they did with British Rail (Travellers Fayre). On train catering is very important to disabled people and should be maintained in the franchise agreements by the DFT and Welsh/Scottish Governments.

We are concerned over the move away from maintained buffet services to trolleys and no buffet/trolley service whatsoever on Chiltern Railways and Southern Railways.

Action Point 9, 10, 11, 12, 13, 14, 15 & 16 we want to see the delivery of fully accessible trains speeded up by 2020. The scrapping of all Pacer units in the South West, all units refurbished to PRM-TSI standards. There should be no derogation by DFT/ORR and the Welsh Government.

Action 20 all buses should be fully accessible with folding ramps including rail replacement services which should be specified by the DFT as part of franchises.

Many areas of the South West don't have fully accessible taxis and this needs to be rectified in West Dorset and Stroud.

All new franchises should have an Equalities Customer Panel including Network Rail routes and disabled mystery travellers in all franchises similar to First Group operations.

All disabled facilities should be tested.

We need to respond to the new Great Western franchise keeping it as one whole unit with Network Rail Western. We do not support a loss making West of England Seven County franchise + the line to London.

You should also respond to the South West Railways consultation Bristol - Exeter - London/Weymouth lines.

COACHES/BUSES

All coach stations should be audited and fully accessible including Megabus and National Express.

The worst examples of poor facilities are Bridgwater services, Birmingham Hill St, Newcastle library.

Coach stations and stops need improving including dropped kerbs, shelters, RTI and subsidy.

FERRIES

These should be fully accessible on estuary's and local services eg Falmouth, Bristol Harbour.

AIRPORTS

Need improvement in customer service assistance to disabled people in the Airport Master Plan.

METROBUS

It needs to be developed at Bristol Parkway with access to the station as a matter of urgency and we support the UWE - Parkway link to Cribbs Causeway.

We must not use standard wheelchair widths from the DFT as it traps my wheelchair at Temple Meads.

Regards

DAVID REDGWELL SWTN

Statement 3

Friends of Suburban Bristol Railway

Friends of Suburban Bristol Railways (FOSBR) Statement to West of England Combined Authority Overview and Scrutiny Committee Wednesday 6 December 2017



FOSBR note that WECA still do not have a regional rail plan, and urge WECA to develop such a rail plan as part of the Joint Transport Plan 2018, along the lines of the attached FOSBR Rail Manifesto 2017. In particular we urge WECA to:

A. Henbury Loop re-examination

We note that the proposed Bristol City Council Rail Resilience Study referred to by WECA at the meeting on Monday 30 October 2017 is currently unfunded. We ask that WECA address FOSBR's challenges (attached) to the flawed 2015 CH2MHill report that we consider grossly underestimated the potential ridership on the Henbury Loop at that time, as follows:

1. recalculating the benefit–cost ratio (BCR) by including Severnside employment, the boost to existing Severn Beach Line stations from connectivity with the Henbury Loop, and ridership from Portway Park and Ride (none of which were considered in 2015);
2. carrying out a well-publicised public survey of likely new orbital journeys around the Henbury Loop and comparing rail transit times with bus times (not assuming everyone has a car, as in the 2015 study);
3. keeping the BCR on a level playing field by not assuming (as in 2015) a 30-year subsidy for the Loop line as against a 3-year subsidy for the Spur, and bringing the study up to date by:
4. revisiting the case for extending the Henbury Loop to Bristol Parkway now that Parkway's fourth platform has been built, and considering double-tracking across the Filton Diamond;
5. considering recent employment growth at Severnside and a possible station at Chittingen;
6. including the potential of the Brabazon hangar at North Filton, whether for the arena or another public amenity;
7. considering engineering solutions to mitigate the effect of the current level crossing at St Andrew's Gate on road traffic to the port, whether by resignalling or alternative road access;
8. investigating sources of funding from Highways England and the DfT (e.g. their fund for eliminating level crossings) for solving the port access issue;
9. considering other park and ride sites around the Henbury Loop, such as Henbury West and an A38 park and ride to serve Filton College.

B. Rail Infrastructure – Bristol East Junction and Westerleigh Junction

We draw WECA's attention to the works currently proceeding well on Filton Bank, just four years after Filton Bank was made a campaign priority by local politicians. Please continue to make the case for Bristol East Junction to be funded in Control Period 6 (2019–24) to allow MetroWest Phase 1 and 2 local services to run. In addition we note that Westerleigh Junction is currently inadequately configured for the current high volume north–south and east–west services.

C. Maximising use of existing suburban rail stations

We note that WECA is being offered further funding from central government, and urge that those funds are not simply spent on feasibility studies alone. We suggest WECA construct a list of minor infrastructure improvements that can be delivered by using the new funding, such as replacing the footbridge at Pilning for £2m to permit a Park and Ride service. This could be used by Thornbury residents, for example, as soon as 2018.

D. Joint Transport Plan 2018

We also ask WECA to consider station and line reopenings not mentioned in the Joint Transport Study (September 2017). We are cheered that WECA has promised to look again at our Thornbury Line proposal, and we draw WECA's attention to the full list of stations (including Chittening, Coalpit Heath, Corsham, Long Ashton and Locking) contained in our FOSBR Rail Manifesto 2017. We believe the FOSBR proposals would better serve the needs of the Joint Spatial Plan.

Christina Biggs (FOSBR Secretary)

Response to CH2M Hill's MetroWest Phase Two report

Statement to West of England Joint Transport Board, July 17th 2015, together with additional information for the Bristol City Council West of England Scrutiny (Call-in) meeting, 7th August 2015:

- Rob Dixon, FOSBR/TFGB transport campaigner

PART ONE: Original Statement to West of England Joint Transport Board, July 17th 2015

Summary:

Many things have been ignored or not considered in the MetroWest Phase 2 report: access to/from Severnside is not considered or even an objective of the scheme, despite the councils saying how important this area is for our economy and the fact that public transport in that area is very limited. We find this astonishing. We also find it hard to believe that only four extra journeys would be made each day from Henbury station on a loop service in view of the comparative ease of travelling to the Severnside employment area on that service. Related to these issues the report fails to acknowledge the impact of poor public transport journey times and their improvement (particularly by Henbury Loop) on attractiveness and patronage.

The demand forecasts are inadequate. They do not consider the impact on the network as a whole and demand that will be created by improved services, only the number of journeys from new stations. Worryingly the forecasts are calculated using incorrect and outdated Network Rail figures. This is an obvious example of the poor standard of analysis shown throughout the report. Having failed to consider key issues at all we believe the report is fatally flawed and wholly inadequate and does not provide an effective basis for good decision making.

This report illustrates the total lack of ambition of our local authorities. The most important objective appears to be to provide a rail scheme within the existing funding rather than creating an integrated and attractive network. Having carried out their analysis, under instruction from the councils, an option has been adjusted to make it cheaper with minimal further analysis.

Additionally the report has been produced ten days before the decision will be made and without any scrutiny whatsoever. This is poor practice and indicates the councils do not believe in what they are doing or have confidence in the consultants report. We certainly do not have confidence in the report.

1) Despite saying that the Severnside and Northern Fringe would be the area that would benefit most from rail improvements, access to Avonmouth - Severnside enterprise zone has not been considered and is not even one of the objectives of the MetroWest Phase Two!

The report lists objectives including access to areas of economic growth (section 2.4). However access to Avonmouth-Severnside is not listed as one of them. In addition to the 14,200 people employed in Avonmouth-Severnside in 2010, the LEP estimates there will be 6,000 to 12,000 additional jobs by 2026. The report notes that local employers are already concerned about the lack of public transport to serve their

employees who travel to work from a wide area. Much of Severnside is not currently served by any public transport and journey times to Avonmouth can be poor.

The report refers repeatedly to the need to promote economic growth and for rail improvements to avoid constraining growth and talks of the need for regeneration. However nowhere does it mention the need or desire to improve access Severnside and it is clear that this has not been considered.

The report draws on Atkins' *GVA Impacts of Major Transport Schemes*. However, Atkins also failed to consider the potential for improved access to Severnside. (The working assumption was of a Henbury spur). Atkins stated that "the impacts of rail schemes are likely to be concentrated on Temple Quarter and Bath." They considered that phase 1 (the Severn Beach line) was the relevant scheme for Severnside and ignored the potential for accessing Severnside via Henbury Loop. This historic ignorance of the line's potential is why access to Severnside has also not been considered in the current report.

We believe the potential impact of the Henbury Loop on access to employment around the network would be considerable. As well as the line enabling direct travel from elsewhere, the Park and Ride rail station at Portway could act as a park and ride for the North Fringe, while a park and ride at North Filton station (on the A38) would serve Severnside.

2) Accessing Severnside by public transport is simply not possible at the moment and the report fails to acknowledge this.

"The Henbury Loop would provide quick and efficient public transport from North Bristol and the North Fringe where currently none exists".

This report compares journey times to Severnside by public transport but fails to acknowledge that buses only serve Avonmouth or an hourly bus to Severn Beach, which does not run at times convenient for most shift workers. At the moment there is no public transport to most of the business parks at Severnside. There is no acknowledgement that those without a private car have difficulty accessing the area and that only rail services on the Henbury Loop could provide an opportunity for this, particularly for those living in areas of significant deprivation in the inner city.

3) There is no acknowledgement or analysis of the impact of better journey times or more convenient public transport journeys on car use and congestion by Henbury Loop

While the report notes that a Henbury Loop would provide faster journey times to Severnside destinations from North Bristol and the North Fringe in comparison to a Spur, the importance for this in terms of attractiveness of service or to encourage people to use public transport instead of their car is not considered.

There is no acknowledgement that current journey times by bus (or service timings) are unattractive and unacceptable to most potential users or that proposed journey times via the Henbury spur and Severn Beach line would be little better and unlikely to encourage use of public transport. It would take 65 minutes to travel from Henbury to Severn Beach or 56 minutes to Avonmouth via Henbury spur train, rather than 26 minutes or 11 minutes by the Henbury Loop. Such journey times via the spur would not encourage people to use

public transport.

The Henbury Spur would only provide quick public transport into central Bristol. It would do nothing for people wanting to travel between Henbury and Avonmouth. We do not believe that the long journey times by Henbury Spur would not make these journeys attractive by public transport or encourage people out of their cars. The report has not considered this at all."

4) The importance of cost rather than quality of service:

Having considered the different service options, since all four options exceed the current budget the consultants have proposed removing Constable Road (Horfield/Lockleaze) station from the cheaper option in order to stay within the budget. The impact of this is not considered in any detail.

The most important objective appears to be to provide a rail scheme at the minimum cost.

Rather than attempt to seek funding for better, more attractive options that maximise the potential of the whole network the report appears to value ensuring that any proposed scheme is within the current budget, over its effectiveness. This highlights everything that is wrong with the values of the consultants' report and of our local authorities: cheap is valued over ambition, attractiveness and effectiveness.

5) Inadequate demand forecasts that do not consider the impact on the network as a whole, only the demand at new stations

- there is no mention of journeys to/from Severnside and no forecast of demand travel to new stations, i.e. there is no recognition that people may want to travel between Avonmouth and Henbury, e.g. to access work at Severnside or North Fringe.
- there is no forecast of any impact of Metro Phase 2 on demand at existing stations, i.e. the potential for increases in passenger numbers due to more convenient and new journeys around the network as a whole.
- other stations are only mentioned in relation to the negative impact of new stations on existing ones, not any stimulation of demand.

6) There is no consideration of the potential for rail improvements encouraging people to use public transport.

Despite mentioning the large increases of passenger numbers on the Severn Beach line, it fails to consider that these have resulted from service improvements which made the service more attractive. We believe a more attractive rail network would have a similar but greater impact.

The report predicts minimal change to road congestion based on current "low" rail usage. As found throughout the report, it does not consider the potential for a more attractive service across the local network to encourage more people to use public transport rather than driving, as has been seen on the Severn Beach line where passenger numbers doubled when the service was improved.

7) The report report predicts that only *four* more journeys would be made from

Henbury and North Filton stations with a Loop compared to the spur. This seems highly unlikely!

Do the consultants honestly think that *only four people* will take advantage of easy access to employment at Severnside from North Bristol and the North Fringe or travel in the opposite direction to employment from Severnside?! As elsewhere this ignores the effect of convenience on people's willingness to take the train.

8) Poor assumptions of the growth of demand based on the use of incorrect and outdated Network Rail figures

The use of old and incorrect figures illustrates a poor standard of analysis, shown throughout the report.

It is concerning to note that the figures used in the report for future growth are outdated ones from old Network Rail reports (3% p.a. to 2019 and 2.3% p.a. 2020-2023) and which have subsequently been revised upwards (5% p.a. 2012-2023). As it is Network Rail's future forecasts have been criticised as too low by the West of England authorities and Severnside Community Rail Partnership.

Despite highlighting and listing the large increases in passenger numbers on local rail lines in the last 10 years, the report refers to a lower regional average as the current rate of growth. It also makes the assumption that increases will reduce from 10-12% per annum at Bristol and South Glos local stations to only 3% by 2017 – in two years' time. There is no sign of this happening.

There is no mention of growth around the network due to the release of latent demand by service improvements.

9) Finally we see that the report notes that there has been **no passive provision made for construction of stations on Filton Bank** at Ashley Hill and Constable Road so the costs of building these stations include costs for resignalling and/or the movement of electrification equipment. This, despite the need having been highlighted by campaigners three years' ago.

PART TWO: Further information for the Bristol City Council West of England Scrutiny (Call-in) meeting, 7th August 2015

“CLARITY OF AIMS AND DESIRED OUTCOMES” – ACCESS TO SEVERNサイド
Peter Mann's '*Officer Response to Councillors*' in Appendix E of the documents prepared for this meeting that, “The Business Case has identified that the stated objectives for MetroWest can be achieved through the progression of Henbury Spur...” is disingenuous.

Access between the North Fringe and Severnside is *not* an objective of MetroWest Phase Two. It has been considered only in terms of its impact on the economy. How to best serve this passenger demand has not been considered. This indicates a lack of strategic thinking.

The stated objectives of MetroWest Phase Two (listed in Section 2.4 of the report) do

not include access to and from Severnside and Avonmouth, i.e. between Severnside and the North Fringe. **Access to Severnside is considered an objective of MetroWest Phase One, the half hourly service on the Severn Beach line. As is repeatedly made clear in the CH2M Hill report, MetroWest Phase Two provides access to Severnside via the Severn Beach Line from Temple Meads or Stapleton Road, which is considered sufficient.**

Comparison timings are given for buses for journeys to Severnside but these are also inaccurate (see below) and only relate to journeys to Avonmouth. Such inaccuracies may have an impact on passenger demand predictions.

Despite the Henbury Loop providing more attractive and quicker access to Severnside and around the over the network as a whole the report states that only twelve extra journeys a day would be made over the whole network with the Loop in comparison to the Spur in 2031 – which equates to about eight journeys (four returns) a day in 2021 after the report's (low) predicted increases in demand are taken into account. These figures seem highly unlikely in view of the West of England LEP's estimate of 6,000 to 12,000 new jobs in Severnside by 2026, in addition to the 14,200 employed there in 2010.

FORECASTS OF INCREASE IN PASSENGER NUMBERS

Peter Mann is technically correct to say that “historic growth” levels have been considered. However they have only been used to show buoyant demand for rail as evidence of the need for MetroWest but that is all. **CH2M Hill report assumes that high levels of growth seen for the last 10 -15 years will suddenly cease, dropping from 10-12% in 2013-4 to 3% in 2017.**

As noted in my statement to the Leaders' Board, the figures used in Section 3.3.4 are outdated and/or misleading and lower than Network Rail's cautious predictions:

- Current and past increases in passenger numbers are assumed to suddenly taper off by 2017.
- Rather than taper the increase from figures for the area in which the new stations are located – Bristol (12%) and South Glos (10%) – the lower West of England average of 5.6% is used for 2014.
- The figure tapers down to reach “the RUS average rate” of 3.0% for 2018 and 2019. This figure was that proposed for 2009-19 in Network Rail's Rail Utilisation Strategy. These growth predictions were exceeded at most regional stations by 2013/4. Their predictions were superseded and twice revised upwards in the Great Western Route Strategy and its preparatory work (2013/2014), to 47% then 54% (for 2012-23), i.e. 4% per annum. These figures were also considered by many to be too cautious. This has been confirmed by growth of about 20% in Bristol & South Glos for 2012-14 (five years' predicted growth).
- **The MetroWest report uses irrelevant figures for 2023 to 2043.** Although Network Rail's Route Strategy gives four different economic scenarios with different growth rates (6%, 14%, 35% and 54% for 2012-23, and 22%, 52%, 64% and 121% for 2023-43), Network Rail focus on the highest figures (54% for 2012-23 or an average of 4% p.a. and 121% for 2012-2043 or an average of 1.8% after 2023). Their investment plans are made on those assumptions.

However the MetroWest report uses an average of Network Rail's scenario figures for 2020 onwards, despite two of these already having been exceeded for 2012-23. Instead of 4% p.a 2012-23 tapering to 1.8% p.a after 2023, they describe tapering from 3% in 2019 to 2.3% in 2023 reducing to 1.3% after this.

To summarise, the figures in the CH2M Hill MetroWest report used are lower than Network Rail's (already cautious) figures and unlikely to give an accurate picture of passenger demand. CH2M Hill's figures assume growth of 29% to 2023, whereas Network Rail's are almost double at 54%. The figures after 2023 This weakens the business case and the Benefit Cost Ratio for both Loop and Spur.

DEMAND FORECASTS – comparison with existing stations

The CH2M Hill Report predicted passenger numbers for the new stations are unrealistically low. They have 'paired' them with existing stations to which they are supposed to be similar. **The predicted use is much lower, lower in fact than any Bristol or South Glos station except Shirehampton and Sea Mills. For example the 2013/4 figure for Ashley Down (paired with Montpelier) is 63,295 (spur) / 63,331 (loop) compared to Montpelier's 121,294.**

CH2M Hill give figures for 2021. To compare them to existing stations' use in 2013/14 (for when most recent data is available), these have been reduced by 29.2% in line with CH2M Hill's own predicted passenger increases, (which we consider unrealistically low). This suggests the following:

Constable Road 26,692 (spur)/ 26,727 (loop)
Ashley Down 63,295 (spur) / 63,331 (loop)
Montpelier (paired with Ashley Down) 121,294
Henbury 69,986 (spur) / 70,800 (loop)
Patchway (paired with Henbury) 90,404
North Filton 65,348 / 65,986 (loop)
Avonmouth 111,440
Bedminster 83,242
Redland 93,176
Parson Street 102,654

Additionally, according to CH2M Hill's report, between 78,000 and 120,000 extra journeys will be made at existing stations in 2031. Reducing these figures to consider growth in passenger demand from 2014 to 2031, these equates only to between 44,600 and 68,200 journeys per annum. If we consider that Bristol and South Gloucestershire's local stations had 2,117,270 passengers in 2013/4, this assumes an increase of only 2 – 3%. Since the improved service on the Severn Beach line (from hourly to approximately every 45 minutes) resulted in an increase of 37% at those stations this appears low.

As noted previously, there are also low figures given for the impact of Henbury Loop in comparison to the spur, which appear unlikely in view of easier access to Severnside, which is largely inaccessible by bus at present.

These low figures and poor growth assumptions will have impacted

negatively on the assumptions about revenue support, the business case and the Benefit Cost Ratio for both Loop and Spur.

WEST OF ENGLAND ASSURANCE FRAMEWORK

Peter Mann states in the '*Officer Response to Councillors*' that a Loop option could not be chosen because it commits the West of England authorities to only approve schemes that have a BCR exceeding 2:1. This is not, as he suggests, because government insist on this, but because the authorities have chosen to do this.

Other authorities, such as those in and around Manchester and Birmingham, have different rules that allow the building of strategically important schemes, (such as Docklands Light Railway), that do not meet BCR requirements.

THE BUDGET

Much has been made of the current budget of £41.6 million. It should be noted that **this figure was arrived at in the study of the proposed costs of the Henbury Spur, not by any process to consider what was required.**

Due to the need for resignalling around Avonmouth and the Port of Bristol, which has not been included in Network Rail's resignalling programme, and issues of access to the port, **the budget for Henbury Loop is likely to unfairly include items for which the local councils should not be responsible. It is vital that the councils put continuous and active pressure on government and Network Rail to pay for these issues for which they are and should remain responsible.**

DUE CONSULTATION

A decision was made on July 10th, three days after the report was released. The media report a decision had been made and it had been announced to staff of one of the local authorities by their Chief Executive the previous month. There was no consultation whatsoever. Regular meetings with stakeholders about MetroWest have taken place over the last two years but these are of an 'information provision' nature, rather than to seek or encourage stakeholder views.

CONCLUSION

In conclusion, FOSBR believes that the CH2M Hill report is of poor quality, fails to consider key issues, in particular access to Severnside, and includes poor predictions of passenger numbers and growth. It fails to adequately consider strategic objectives and needs. These factors mean that the the business case and the Benefit Cost Ratio for both Loop and Spur are inaccurate and the report is flawed.

FOSBR Rail Manifesto 2017

FOSBR calls on the West of England Combined Authority, our MPs and councillors to secure funding for the following projects for Network Rail to deliver within Control Period 6 (2019-2024):

- four-tracking of Filton Bank and remodelling of Bristol East Junction;
- cross-regional plan for Park and Ride, prioritising Portway P&R;
- MetroWest Phase 1 to Portishead via Pill and a half-hour service from Avonmouth to Bath, as these are long overdue and urgently needed;
- MetroWest Phase 2 to Henbury, Yate and Gloucester via Ashley Hill;
- electrification to Bristol Temple Meads via Filton and Bath;
- Temple Meads Spatial Plan to include Station Street as a minimum;
- redeveloping and regenerating suburban stations for best use of land.

We also press WECA and the constituent local authorities to make sure the following is included in the Great Western Franchise 2020—2027/2030:

- maximising use of the existing local rail network by optimising public access to all local stations (disabled access, local signposting and cycle storage at stations and on trains, rail-bus interchange, shelter);
- multi-modal smart ticketing, with guards for safety on all trains;
- improve the timetable to complete a 30 minute service to currently ill-served local stations such as Parson St, Bedminster and Patchway;
- ensuring that the Phase 1 hourly service to Severn Beach is reliable;
- increasing service frequency to 20 or 15 minutes according to passenger demand, by providing passing loops such as at Sea Mills;
- replace the footbridge at Pilning to permit a meaningful commuter service, starting with a trial daily commuter service to build the business case for a Park and Ride serving the M49.

In the longer term, we also urge WECA to make sure the following are included in the Joint Spatial Plan (JSP) and Joint Transport Study, and that these elements are funded by the 30-year devolution deal as a priority:

- JSP stations Horfield, St Anne's, Saltford, Ashton Gate & Charfield;
- Completion of Henbury Loop and double-tracking Severn Beach Line;
- Adding FOSBR MetroWest Phase 3 proposals for five further stations at Coalpit Heath, Chittening, Uphill/Locking, Corsham & Long Ashton;
- electrification of local lines using hybrid or battery trains;
- extending the Tytherington freight line to Thornbury.



The Future of MetroWest Phase 3



gpr-USBK/2017

Statement 4
Steve Maslin



Proposal:

- To establish a unit to support public sector entities within the West of England (former Avon area) with regards to fostering and delivering Inclusively Sustainable Environments under the Social Value Act, Health and Social Care Act, Health and Social Impact Assessments, and the Equality Act (including its Public Sector Equality Duty). In other words providing technical support in relation to wellbeing of diverse people in the region, including disabled people, younger people and older people, whilst also seeking to help public sector organisations to address short term and long term costs.
- There is also scope to source/ provide additional assessment capabilities within a Systems approach to wider Sustainability, such as: Social Return on Investments assessments, Environmental Accounting, Environmental Impact Assessments, Strategic Environment Assessments and Economic Evaluations. This could then provide opportunity of wider contextual insights if sought after - in addition to diverse public engagement and inclusive health and social (environment and service) assessment.
- Envisaged participants include:
 - Public sector entities such as:
 - West of England Combined Authority (WECA),
 - West of England Local Enterprise Partnership,
 - Bristol, South Gloucestershire and BANES within WECA,
 - North Somerset,
 - local NHS trusts,
 - local Universities
 - and other organisations within the region who undertake public functions, such as utilities;
 - Other organisations within and outside the region wishing to participate, who wish to better address their duties under legislation
- Incubated via the Schumacher Institute as a Social Enterprise (possibly CIC) aimed at assisting participating organisations with their statutory duties - in keeping with the Schumacher institute's' People Matter theme.

- To provide a context in which expertise and public engagement can influence decision making as it impacts on the people who live in, work in and visit our region – particularly disabled, younger and older people.
- To provide means by which members of existing representative / stakeholder groups can, not only continue to interact with decision makers, but that outcomes might also improve as a result of a change of approach.

Reasons:

- Strategic opportunities are being missed as it applies to considering the health, wellbeing, living, education, employment and economic implications of project decisions.
- Meanwhile, It is apparent that projects are being delivered in the region (either through public bodies or through the planning and building regulations) process that often fail to engage with people and fail to properly scrutinise proposals nor properly apply legislation, regulations, standards and guidance.
- By establishing such a unit, one could achieve economy of scale through regional pooling of resources.

Core Aims:

- To provide strategic Inclusive Sustainability Design thinking on **Policy** to the extent that it impacts on project briefs through to execution.
- To provide brief development input and scrutiny to:
 - o **Project Proposals** emanating within participating organisations and
 - o through the pre-application and **Planning** application processes of Local Planning Authorities and Building Control

Core Objectives:

- To enable participating organisations to better consider health and diverse social needs, including disabled, younger and older people during decision making processes - *with* the intention of raising the quality of the User Experience / Usability of environments for everyone – (including people from different cultures and identities) - ranging from young children through to older people.
- To enable participating organisations to better instruct their project managers, design consultants, contractors and facilities managers – whilst better understanding the implications and impacts upon their own overall duties under the Public Sector Equality Duty, Equality Act and Social Value Act etc.

Additional Opportunities:

- To develop methodology, standards and means for evaluating and accrediting cities and regions with regards to the organisational **Attitude** and **Action** towards inclusive sustainability and the level of **Accessibility** achieved within given contexts relating to disabled, younger people, older people etc...
- To foster and engage in action research.
- In order to sustain and support the core aims there are potential opportunities:
 - o To facilitate training and to mentor members of representative / stakeholder groups wishing to upskills and participate in audits and reporting.

- To facilitate Continuing Professional Development (CPD) and mentoring to employees of participating organisations involved in policy, decision making, facilities management and scrutiny.
- To facilitate CPD and mentoring to members of external organisations contracted into project delivery - ranging from design team members through to construction team members.

Core Cost Drivers:

- Base, Oversight, Administration, Employing Expertise, Transport, use of Engagement Venues and Inclusive Communication / Interpretation.

Revenue Sources:

- Baseline membership fee from participating organisations in order to sustain a core functions.
- Not for-profit based fees for undertaking virtual in-house project by project support services
 - In order to enable participating organisations to address their statutory duties
 - supported by standing orders within participating organisation to submit their projects
- Not for profit fees for supporting project by project core planning and building control scrutiny processes.
- Training course fees
- Research grants.

Strap Line: A region where everyone – i.e. “We is You” - are included in project decisions and outcomes: We is You - WE IS U - WEISU - West of England Inclusive Sustainability Unit

Statement 5

Cllr Eleanor Combley, Bristol City Council

MetroWest Update

I welcome the ambitious rail infrastructure here – new local lines and stations are sorely needed. I know the proposed Ashley Hill station in my own ward would have a big impact on relieving transport issues as well as being of benefit to our local football and cricket clubs. That said, given that large projects like this are prone to slippage, I do wonder how realistic the deadline of 2021 is for all the stated work.

I also note with disappointment the continued refusal to reopen the Henbury loop to passenger services. This seems to me a missed opportunity to add flexibility and resilience to our rail network.

ITEM: 7

REPORT TO: WECA SCRUTINY COMMITTEE

DATE: 31 January 2018

REPORT TITLE: REGIONAL STRATEGY

AUTHOR: HELEN EDELSTYN / JESSICA LEE

Purpose of Report

- 1.1 To consider and note the outputs from stakeholder engagement on the Regional Strategy
- 1.2 To note next steps for the Regional Strategy and Government requirements for Industrial Strategy

Issues for Consideration

- 2.1 The West of England Strategy Discussion Paper was launched by Mayor Tim Bowles and Interim LEP Chair Steve West on the 26 July for a 9-week engagement period finishing on 27 September.
- 2.2 During this period, a programme of activities was established to reach key stakeholders within both the business and CVS community with the purpose to:
 - Inform key stakeholders about the Regional Strategy discussion document
 - Provide the evidence base gathered that has fed into the document
 - Engage, seek views and gather feedback
- 2.3 The engagement programme included a range of methods through both online and offline channels, reaching over 15,000 individuals/organisations. 301 respondents provided feedback via an online survey.
- 2.4 A full summary of the out puts from the engagement programme is attached at appendix 1. Overall, the engagement was supportive of our vision and principal areas of focus set out within the Regional Strategy Discussion Document with over 85% of those responding to the survey either strongly agreeing or agreeing with the principal areas of focus. Many respondents referred to the challenge of transport for the region (including infrastructure, public transport, cost and congestion), others referenced equality and diversity as an issue, with a particular need for a strategy that provides benefit for all. The environment featured strongly as another challenge with disappointment that there was not more explicit reference to climate change, air quality, and protecting our natural environment.

- 2.5 The next iteration of the Regional Strategy will build on the outputs of the engagement exercise. In addition, the constituent councils are working alongside the WECA team to ensure the views of the constituent councils are considered and form part of the next iteration Regional Strategy.

Industrial Strategy

- 2.6 On the 27 November HMG published its Industrial Strategy 'Building a Britain fit for the future'. Its aim is to 'create an economy that boosts productivity and earning power throughout the UK'. Importantly the White Paper recognises the role 'places' can play in boosting the national economy; 'we will build on the strong foundations of our city, growth and devolution deals and continue to work with local leaders to drive productivity'.

The White Paper sets out five foundations of productivity:

- **Ideas**, *the world's most innovative economy*
- **People**, *good jobs and greater earning power for all*
- **Infrastructure**, *a major upgrade to the UKs infrastructure*
- **Business Environment**, *the best place to start and grow a business*
- **Places**, *prosperous communities across the UK*

And four grand challenges:

- **AI & Data Economy**, *put the UK at the front of AI and data revolution*
- **Clean Growth**, *maximise the opportunities of a global shift to clean growth (moving towards a regenerative circular economy (raising productivity by using resources more efficiently))*
- **Future Mobility**, *become a world leader in the future of mobility*
- **Ageing Society**, *harness the power of innovation to help meet the needs of an aging society*

- 2.7 The White Paper sets out a requirement for Mayoral Combined Authorities, supported by Local Enterprise Partnerships, to agree Local Industrial Strategies. Local Industrial Strategies will build on local strengths and deliver on economic opportunities. They will help to identify priorities to improve skills, increase innovation and enhance infrastructure and business growth, as well as guide the use of local funding streams and any spending from national schemes. They will be developed locally and agreed with HMG.

- 2.8 An initial tranche of Local Industrial Strategies will be agreed with Government by March 2019. We believe that we are well placed – building on the work of our Regional Strategy - to be in this initial tranche. Clearer guidance on Local Industrial Strategy is expected in the spring 2018.

Next steps

- 2.9 Feedback from the stakeholder engagement exercise as well as the views of our constituent councils, business and others will be reflected in a revised Regional Strategy that is developing now (jointly with our constituent councils).
- 2.10 We will report back to Scrutiny in May on the developing Regional Strategy. Our ambition is that the regional strategy will be embraced by organisations across the region and be used to guide and steer activities across the region. It will also inform the West of England Combined Authority Business Plan, shape the organisations' activities and help inform scheme prioritisation. It will also strengthen our region's case for investment and further

devolution.

Consultation:

- 3 This report sets out the results of a stakeholder engagement exercise that took place between July and September 2018

Other Options Considered:

- 4 Not applicable at this point

Risk Management/Assessment:

- 5 The Regional Strategy forms part of good corporate governance and will ensure investment in regional priorities. The Regional Strategy is listed on the Corporate Risk Register.

Public Sector Equality Duties:

- 6 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- 6.1 The Act explains that having due regard for advancing equality involves:
- Removing or minimizing disadvantages suffered by people due to their protected characteristics.
 - Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
 - Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
- 6.2 The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.
- 6.3 A full equalities impact assessment will be developed alongside the developing Regional Strategy taking into account the feedback from the stakeholder engagement exercise and assessing the impact of the policy proposals that emerge. We will share the EqIA as part of the package on the final Regional Strategy.

Economic Impact Assessment:

- 7 A full economic impact assessment will be developed alongside the next iteration of the regional strategy taking into account the feedback from the engagement exercise and assessing the economic impact of the policy proposals that emerge.

Finance Implications:

- 8 There are no direct financial implications that arise from this report. However, the Regional Strategy, once finalised will help shape the West of England investment programme

Legal Implications:

- 9 There are no legal implications that arise directly from this report. However, the comments of the Scrutiny Committee will form part of the formulation of the final Strategy document.

Land/Property Implications;

- 10 There are no land / property implications as a direct result of this report.

Human Resources Implications:

- 11 There are no human resource implications as a direct result of this report.

Chief Executive Comments:

- 12 This report has been approved by the Chief Executive.

Recommendation:

- 13 To consider and note the outputs from stakeholder engagement on the Regional Strategy
To note next steps for the Regional Strategy and Government requirements for Industrial Strategy

Report Author: Helen Edelstyn / Jessica Lee

West of England Combined Authority Contact:

Background Papers

Any person wishing to inspect the Background Papers, used in the preparation of this Report, should seek the assistance of the Contact Officer for the meeting, who is Helen Edelstyn at Democratic.Services@westofengland-ca.gov.uk

West of England Strategy Discussion Paper Summary of Engagement

Introduction

Our vision is for all residents to benefit from more job opportunities, a stronger economy and higher quality of life. To achieve this, we need to develop a strategy that will be owned by everyone, allowing us to present a joined-up voice to government and promote the region nationally and internationally.

Earlier this year, we worked with the Local Enterprise Partnership, our constituent councils, business and others to develop a regional strategy discussion paper. Economic growth that benefits every resident is our main goal and the discussion paper includes high-level plans for delivering economic growth for all, under three pillars:

- Businesses that succeed
- World class skills for employment
- Infrastructure fit for the future

Engagement Activities

We want businesses, organisations and others to engage with us as we develop our strategy and it's vital we capture their views on how we can improve our ways of working and ensure we can drive economic growth and improve the quality of life for all.

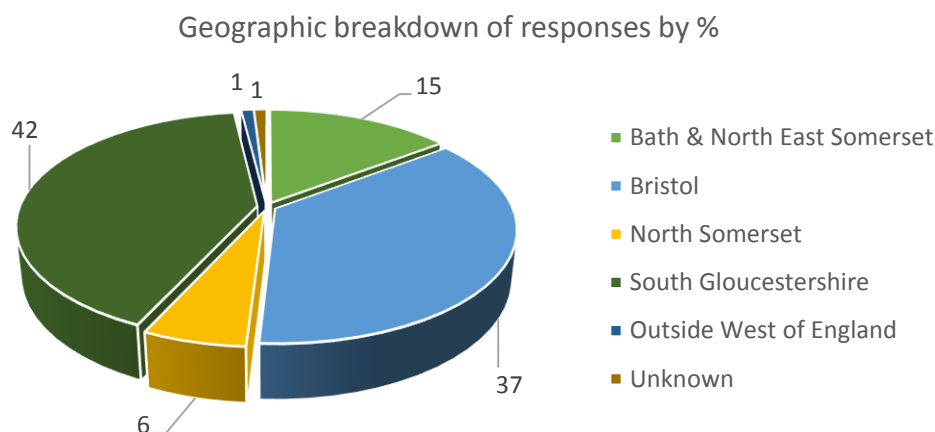
We launched the West of England strategy discussion paper at the Bristol Business School at UWE on Wednesday 27 July. This event marked the beginning of our engagement activities to reach key stakeholders within both the business and CVS community with the purpose to:

- Inform key stakeholders about the West of England strategy discussion paper
- Provide the evidence base gathered that has fed into the document
- Engage, seek views and gather feedback

We used online and offline channels to reach over 15,000 organisations and individuals. For more information on our methods for reaching stakeholders please see Annex 1.

Respondent demographics

The majority of responses we received were from South Gloucestershire, followed by Bristol and then Bath & North East Somerset.



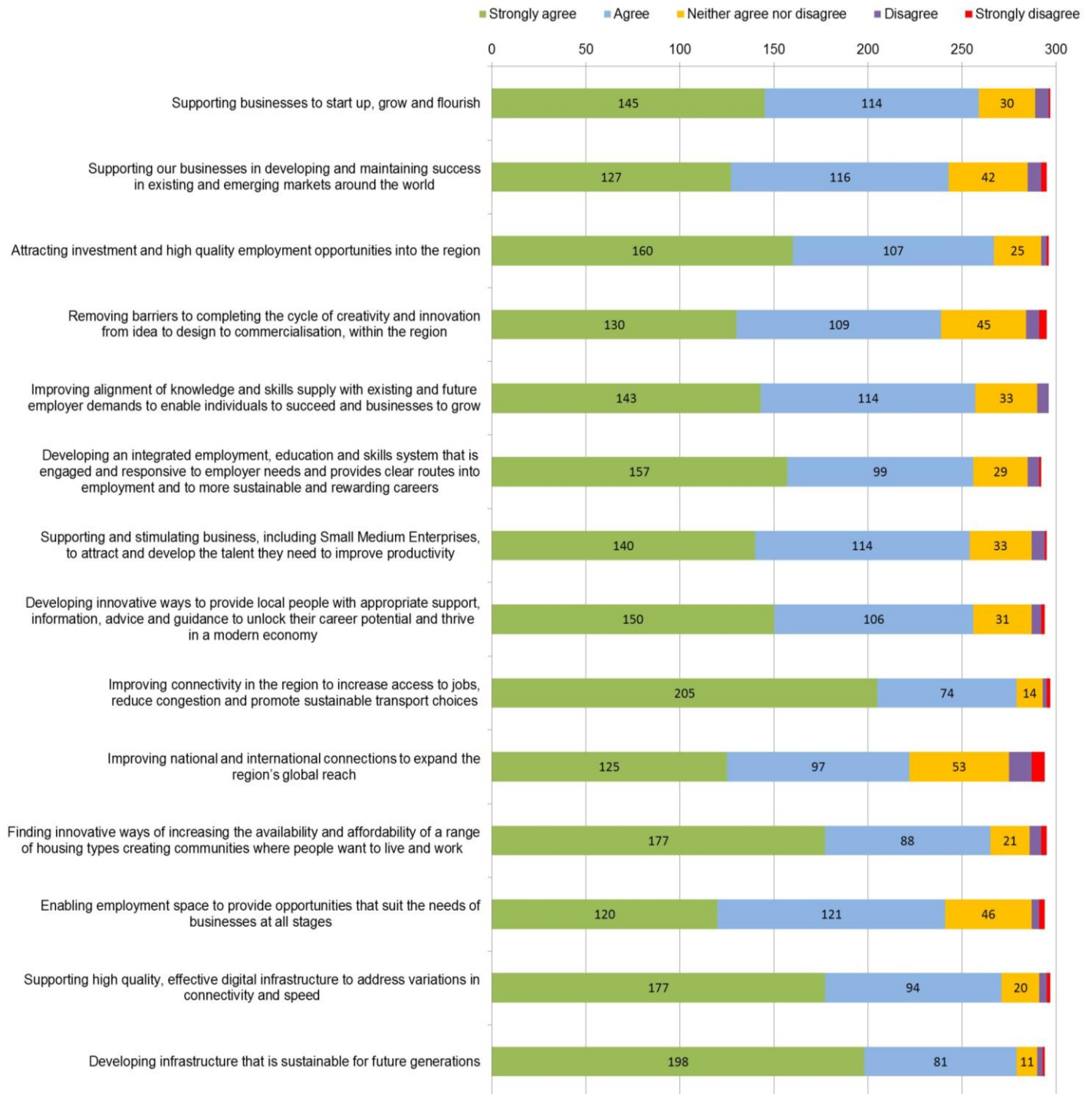
For more a further break down on age, gender, ethnicity and disability status, please see Annex 2.

Findings

An online survey was open for 9 weeks, from 27 July to 27 September. 301 respondents provided feedback via the online survey.

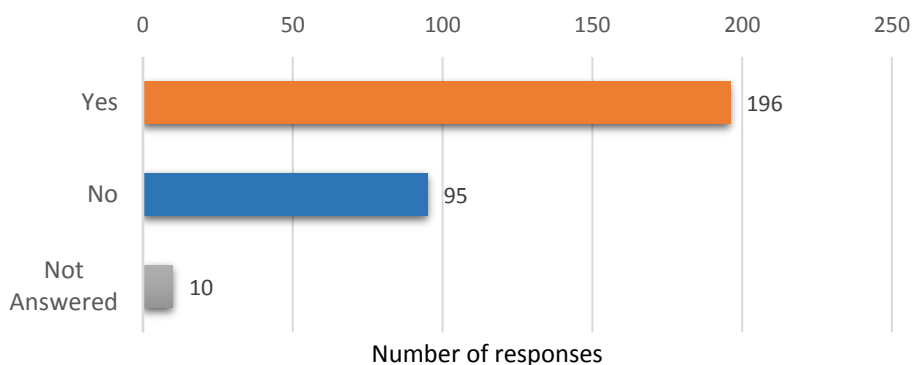
Overall, 85% either Strongly Agreed or Agreed with the principal areas of focus.

Support for Areas of focus
Number of respondents



As a follow up, respondents were further asked to comment on any other challenges to future prosperity they thought the strategy should address.

Are there any other challenges to future prosperity you think we should address?



196 online respondents commented within the free text responses. All free text responses were read and analysed independently by two individuals.

The highest number of responses (almost 30%) referred to the challenge of **transport** for the region (including infrastructure, existing and as related to potential new developments, public transport, cost and congestion). There were a number of direct responses relating to Bristol Airport through the online survey, received via email, and drop in sessions.

13% referenced **equality and diversity** as an issue, with particular reference to need for a strategy that provides benefit for all.

The **environment** featured strongly as another challenge with disappointment that there was not more explicit reference to **climate change** (almost 13%) **air quality** (6%) and **protecting our natural environment** (8%).

8% of on-line respondents made a reference to the fact that the region covers a large **rural** area as well as urban environment, and both need to be served by this strategy.

6% of respondents explicitly referenced **skills** and the need for skills for all, not just the young, nor just high tech. **Brexit** was identified as a specific issue (6%) that may impact on the region. 4% referenced the **creative and visitor economy** that is so important to this region. Digital and digital connectivity were recognised as opportunities with their own challenges.

Next steps

Feedback will be reflected in a revised regional strategy that will be published in early 2018.

The Strategy will form the basis of the business plan for the West of England Combined Authority and will inform the regional response to the Government's Industrial Strategy.

Annex 1: Engagement Activities

The engagement programme included a range of methods through online and offline channels, reaching over 15,000 individuals/organisations.

Online activities:

Websites – WECA, LEP and external partners

- 3762 people visited the strategy page of the West of England Combined Authority website

Press Releases and newsletters:

- 442 people visited the news release page about the strategy, which was promoted in the West of England Combined Authority newsletter

Social Media:

Twitter, LinkedIn and Facebook

- @westofenglanca posted 21 tweets with links to the discussion document and dates for 1:2:1 sessions. These generated 163 clicks through to our website with a total of 587 engagements (any interaction with the tweet). In total, the tweets had 33,193 impressions – that is the number of times users saw the messaging.
- The document was independently promoted on twitter by @bw_businesswest, @FSBGlosandWoE, @policybristol, @duriejames, @sust_ian, @bleadernews and @darrenhall2015 as well as by local authorities.

Emails:

- LEP Sector groups, Key Business Stakeholders, Community Groups, Training Providers

1:2:1 sessions:

- 20 people attended the 6 drop-in sessions

Roundtables:

- 77 people attended and took part in the 7 roundtables

Offline activities:

Six drop-in sessions were held within the Local Authority areas, these were publicised through multiple online channels. 20 people took up the opportunity to speak to someone 1:2:1. Most individuals booked an appointment in advance.

- Monday 11 September – Kingswood, South Gloucestershire
- Tuesday 12 September – The Hive, North Somerset
- Wednesday 13 September – Engine Shed, Bristol
- Monday 18 September – Filwood Green Business Park, Bristol
- Monday 25 September – The Guildhall, Bath & North East Somerset
- Tuesday 26 September – Bristol & Bath Science Park, South Gloucestershire

Seven Roundtables were held with targeted audiences to discuss some of the key issues in the West of England Strategy discussion paper and to obtain their professional input. In total 77 people took part in these discussions.

- Tuesday 19 September (AM) – High Tech
Hosted by the LEP High Tech sector group and facilitated by Mike Bartley, High Tech sector chair
- Tuesday 19 September (PM) – Business Roundtable
Hosted by West of England Combined Authority and facilitated by Tim Bowles, West of England Mayor
- Wednesday 20 September (AM) – SME Breakfast
Hosted by NatWest and facilitated by Matt Hatcher, Director Commercial Banking
- Wednesday 20 September (PM) – Skills Roundtable
Hosted by West of England Combined Authority and facilitated by Tim Bowles, West of England Mayor
- Thursday 21 September (AM) – Sustainability, Energy and the environment
Hosted by Bristol Green Capital Partnership (BGCP) and facilitated by Ian Townsend, Chief Executive
- Thursday 21 September (PM) – Creative
Hosted by the LEP Creative sector group and facilitated by Paul Appleby, Creative sector chair
- Friday 29 September (AM) – Infrastructure Roundtable
Hosted by West of England Combined Authority

The face to face roundtables, drop in sessions and emailed responses were almost all representations from sector or interest groups, from the business sector, to civic groups, from the construction industry, 6 groups representing those with an interest in the environment, parish groups (2), and the LEP interest groups (3). Only one appeared to be from an individual. The no shows at booked drop in session have not been included in the numbers (3).

Email submissions

- The West of England Combined Authority received over 40 responses via email or post.

Annex 2: Demographics for the online survey

We received 301 responses via the online survey, below are the geographic statistics from the submissions:

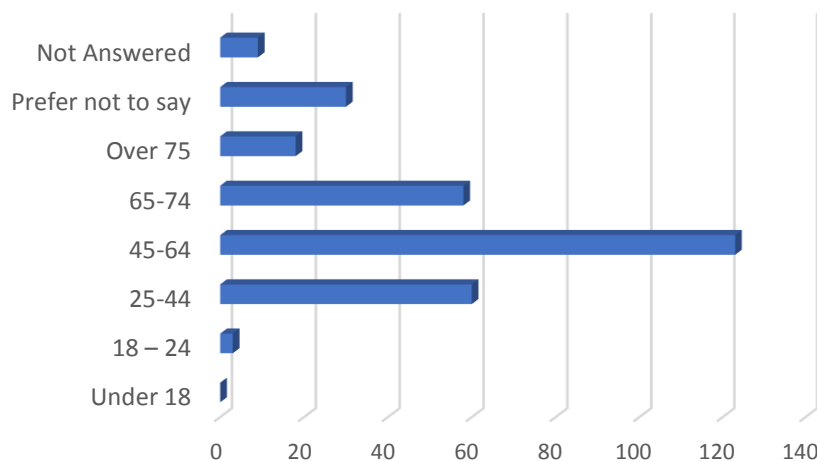
LOCAL AUTHORITY	% OF ONLINE RESPONSES (ROUNDED)
BATH & NORTH EAST SOMERSET	15
BRISTOL	37
NORTH SOMERSET	6
SOUTH GLOUCESTERSHIRE	42
OUTSIDE WEST OF ENGLAND	1
UNKNOWN	1

A breakdown by Ward is available

Several respondents to the online survey also attended a drop-in session, a round table or emailed a response to WECA office (info@westofengland-ca.gov.uk).

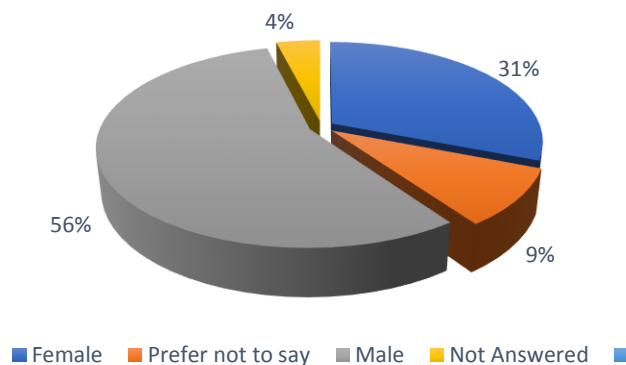
Age of respondents

87% of the total responses provided their age and the results included:



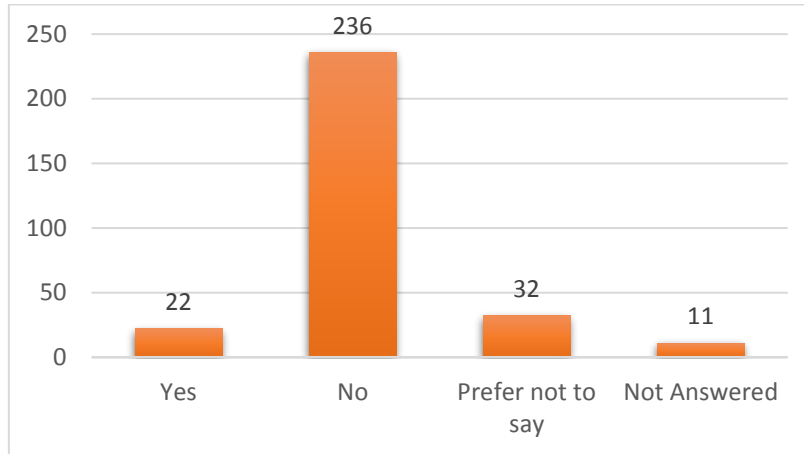
Gender of respondents

87% of the total responses provided their gender and the results included:



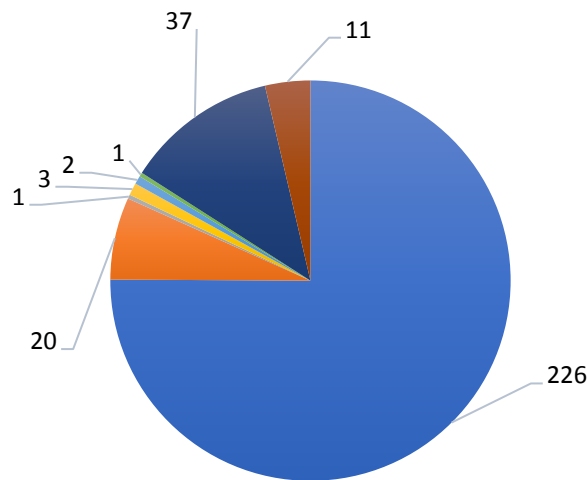
Disability of respondents

86% of the total responses answered the disability question and the results included:



Ethnicity of respondents

84% of the total responses provided their ethnicity and the results included:



- White British background
- Other white background
- Mixed / Dual Heritage
- Black / Black British
- Asian / Asian British
- Other ethnic group
- Prefer not to say
- Not Answered

ITEM: 8

REPORT TO: WEST OF ENGLAND COMBINED AUTHORITY

DATE: 2 FEBRUARY 2018

REPORT TITLE: MAYORAL BUDGET SETTING REPORT 2018/19

AUTHOR: Tim Richens – Director of Investments & Corporate Services

Purpose of Report

1. To consider and approve a Budget in respect of Mayoral Functions for 2018/19.

Issues for Consideration

2. This report deals with the proposed Mayoral Budget for 2018/19 as set out at Appendix 1.

The Budget Proposal

3. This Mayoral Budget covers the financial year 2018/19 and builds on the first year position to reflect all decisions and funding allocations made to date.
 - 3.1 As set out in Appendix 1, the Mayoral Budget provides for the running costs for the Mayor's Office together with an annual provision for future election costs.
 - 3.2 The key element of the Mayoral Budget relates to the provision of significant funding amounting to £17.572M directly to the constituent councils for Highways and Transport works and improvements.
 - 3.3 The budget also reflects the start of significant investments in feasibility and business case work to bring forward priority infrastructure schemes – this begins the process of delivering improvements in infrastructure across the West of England Combined Authority area.
 - 3.4 Funding for the Mayoral Budget comes from a combination of retained business rates under the 100% Pilot for Highways and Transport costs, together with use of the WECA Investment Fund.
 - 3.5 The total Mayoral Budget for 2018/19 is estimated at £20.944M

Financial Implications

4. There financial implications are set out in the specific Budget proposals included at Appendix 1 to this Report.

Legal Implications

5. The Budget proposals have been developed in accordance with appropriate Local Government Regulations, including the specific funding and related governance requirements set out in the The West of England Combined Authority Order 2017 and The Combined Authorities (Finance) Order 2017.

Human Resources Implications

6. The funding for all appropriate staffing costs for the Mayoral office is included in the Budget proposal.

Environmental Implications

7. None arising directly from this report.

Social Implications

8. None arising directly from this report.

Equality Impact Assessment

9. All key service delivery functions will continue to be delivered by the relevant constituent councils and impact assessments for service delivery, particularly highways and transport are included as appropriate within their individual Budget reports.

Risks, Mitigations and Opportunities

10. The estimates produced for the purposes of the proposed Budget are based on reasonable assumptions and in accordance with standard accounting practice. Robust financial management arrangements and controls including budget monitoring and reporting are in place. Financial risks will be managed alongside those for the WECA more widely as set out in the WECA Budget proposal also on this Agenda.

RECOMMENDATIONS

The WECA is recommended to:-

1. **Approve the Mayoral Budget for 2018/19 together with the funding contribution from the WECA Budget of £3.372M as set out in Appendix 1.**
2. **Agree the specific Highways and Transport Capital Grant allocations totalling £17.572M to the constituent councils for 2018/19 as set out in Appendix 1, Annex 2 (table 2).**

Author: Tim Richens, Director of Investments & Corporate Services:

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the Contact Officer for the meeting who Joanna Greenwood on 0117 426210; writing to West of England Combined Authority, 3 Rivergate, Temple Way, Bristol BS1 6ER; email:

democratic.services@westofengland-ca.gov.uk

APPENDIX 1

MAYORAL BUDGET 2018/19

1. Budget Summary

- 1.1. The Mayoral Budget relates to those functions that fall under the specific responsibility of the Mayor in accordance with the West of England Combined Authority (WECA) Order 2017.
- 1.2. For 2018/19 these functions primarily relate to the payment of Highways and Transport Capital grants.
- 1.3. The Budget proposal also includes the costs of the Mayor and related office expenses and election costs.
- 1.4. The funding for the Mayoral budget comes from the Retained Local Business Rates Pilot to meet the majority of Transport Costs together with grant funding from the Department for Transport and a contribution from the West of England Combined Authority.
- 1.5. The 2018/19 represents the first year for the Mayoral Budget to be agreed in accordance with the provisions of the Combined Authorities Finance Order 2017.
- 1.6. The proposed Mayoral budget for 2018/19 is set out at Annex 1 (Table 1)

2. Mayoral Costs

- 2.1. Provision has been included for the relevant allowance for the Mayor which is subject to regular review by the Independent Remuneration Panel. Additional costs related to a single policy support officer, PA support, running costs and expenses are also provided for. These reflect the actual experience of costs for the current financial year following the mayoral elections in May 2017.
- 2.2. Mayoral elections will be held every 4 years and the costs associated with this are an appropriate charge to the Mayoral Fund. An annual provision is now included to spread the costs of this over the election term period.

3. Transport and Highways Capital Grants

- 3.1. The West of England Combined Authority is the Transport Authority and assumes a number of functions and responsibilities as part of this role. The Mayor is responsible for the payment of £17.572M of transport related annual capital grant funding streams previously distributed directly by the Department for Transport (DfT), including:
- Highways maintenance grants
 - Highways incentive grants
 - Integrated transport grants
- 3.2. As proposed capital grants, funding is transferred (where appropriate) as a Revenue Contribution to Capital Outlay (RCCO) to the WECA Capital programme before distribution to the constituent councils.
- 3.3. For 2018/19 it is again proposed that no changes are made to the distribution of this funding to the constituent councils as set out in the Roads Funding announcement by DfT in January 2017. This results in a grant distribution to the constituent councils as set out at Annex 1 (Table 2). Details of the specific highways and transport priorities and schemes supported by this funding is then set out within the Budgets for each of the constituent councils and appropriate arrangements are in place to support the monitoring of this funding by the WECA.
- 3.4. As a devolution area, the constituent councils will automatically receive the highest level of Highways Incentive Grants worth a total of £1.061M in 2018/19 to the area.
- 3.5. Going forwards, distribution may change to reflect future proposals and priorities including meeting the costs of the Key Route Network which will be considered further during the course of the financial year.

4. Planning, Transport & Housing Strategy

- 4.1. The WECA Committee meeting on 15th September 2017 agreed the allocation of £1.2M over two years (2017/18 and 2018/19) to support the development of business cases for priority schemes in support of the Joint Strategic Plan. This is provided as a revenue grant to Bath & North East Somerset Council who are leading the commissioning of this work on behalf of the WECA.
- 4.2. A further £3.15M was agreed by the WECA Committee on 30th October to be allocated to feasibility studies for priority schemes. The funding is provided as revenue grant to the relevant constituent council to deliver the feasibility studies accordingly.

5. Mayoral Budget Funding

- 5.1. **The Business Rates Retention Pilot** - as agreed in 2017/18, the Pilot will continue to incorporate funding for the core Highways and Transport Grants from the DfT. This provides for a degree of stability and flexibility on how this funding might be used going forwards.
- 5.2. A proportion of Business Rates (5%) collected by the constituent councils will therefore be allocated to the WECA, the majority of which (£17.572M) is payable directly to the Mayoral Budget to replace the grant funding which would have been received from the DfT.
- 5.3. **A Contribution from WECA** of £3.372M is proposed for the Mayoral Budget in 2018/19 to meet the costs of the already agreed JSP scheme development and priority feasibility studies, together with the running costs and election cost provision. This would be allocated from WECA Investment funds.
- 5.4. In the future, the Mayor may be able to propose a **Supplementary Business Rate** of up to 2p per £ of rateable value in agreement with local business for infrastructure schemes. Full details of this scheme and how it will operate have yet to be set out by Government.
- 5.5. Total funding for the Mayoral Revenue Budget is £20.944M for 2018/19

Table 1 – The Mayoral Budget (Fund) 2018/19.

	2017/18 Revised Budget	2018/19 Budget	Total Increase (+) / Decrease (-)
	£000's	£000's	£000's
Revenue Expenditure			
<u>Mayoral Expenses / Support</u>			
Staffing	135	155	20
Travel	0	2	2
Premises	0	20	20
Supplies & Services	15	13	-2
Support Services	15	19	4
	165	209	44
Mayoral Election Costs (May 2021) - transfer to Reserve	1,645	388	-1,257
Planning, Transport & Housing Strategy	1,475	2,775	1,300
<u>Contributions to Capital - Highways & Transport Grants</u>			
Integrated Transport Grants	5,183	5,183	0
Highways Maintenance Grants	11,328	10,254	-1,074
Highway Incentive Grants	1,061	2,135	1,074
	17,572	17,572	0
Total Expenditure	20,857	20,944	87
Income			
Business Rates Retention Pilot	17,572	17,572	0
Government Grant	0	0	0
Funding contribution from WECA (Investment Fund)	3,285	3,372	87
Total Income	20,857	20,944	87

Table 2 - Highways & Transport Grant Allocations

	B&NES	BCC	SGC	TOTAL
	2018/19	2018/19	2018/19	2018/19
	£000's	£000's	£000's	£000's
Highways Maintenance	3,034	3,132	4,088	10,254
Highways Incentive	632	652	851	2,135
Integrated Transport	1,163	2,743	1,277	5,183
TOTAL	4,829	6,527	6,216	17,572

ITEM: 8

REPORT TO: WEST OF ENGLAND COMBINED AUTHORITY

DATE: 2 FEBRUARY 2018

REPORT TITLE: WECA BUDGET SETTING REPORT 2018/19

AUTHOR: Tim Richens – Director of Investments & Corporate Services

Purpose of Report

1. To consider and approve a Budget in respect of the WECA for 2018/19.

Issues for Consideration

2. This report deals with the following items:
 - **The proposed WECA Budget for 2018/19 (Appendix 1)**
 - **The Medium Term Financial Plan Narrative 2018/19 to 2020/21 (Appendix 2)**
 - **The WECA Capital Programme 2018/19 to 2020/21 (Appendix 3)**
 - **The 2018/19 Pay Policy Statement (Appendix 4)**

The Budget Proposal

3. This WECA Budget proposal covers the financial year 2018/19 presenting both the Revenue and Capital proposals. It builds on the first full year of operation for the WECA and reflects all of the in-year decisions and funding allocations made which have ongoing impacts.
 - 3.1 The WECA Budget has been prepared on the basis that the separate Budget Proposals put forward in the Mayoral Budget (elsewhere on this agenda) are approved as presented.
 - 3.2 There are still elements of the WECA Budget that retain the historic arrangements in place with the constituent councils, particularly relating to delivery of transport functions. These elements will be reviewed during 2018/19 and any changes proposed then considered as part of the 2019/20 budget.

- 3.3 **The proposed WECA Budget** is set out in detail at Appendix 1 and includes provision for the Governance, Management and Administration of the WECA's functions and responsibilities, including the considerable funding streams for Infrastructure, Transport and Skills.
- 3.4 Funding for these costs comes via a Transport Levy of existing costs previously met by the constituent councils for transport delivery functions, retention of business rate growth (previously paid to central government) and a charge against the new grant funding provided by the government (for Mayoral costs and investment funding).
- 3.5 No additional costs will fall on the constituent councils and, where possible efficiencies will continue to be sought through economies of scale, optimising the use of existing resources and delivering value for money.
- 3.6 **The Medium Term Financial Plan Narrative** for the WECA is set out at Appendix 2. This narrative summarises the financial considerations for WECA over the next three years and includes the sustainability of funding, the alignment of investment proposals with the Strategic Plan and the key financial challenges and opportunities.
- 3.7 **The proposed Capital Programme** is set out in Appendix 3 with specific details provided in Appendix 1. The programme focuses on the Highways and Transport Capital Grants, together with preparatory work to develop business cases for the future infrastructure programme.
- 3.8 In addition, the Capital Programme identifies some indicative funding allocations to begin to support development of the priorities outlined in the emerging Strategy.
- 3.9 **The Pay Policy for 2018/19 is set out at Appendix 4** and reflects the policy recently approved by the WECA Committee for 2017/18, with some minor updates to reflect the new Living Wage Foundation Living Wage figures, and our intention to move towards a set of WECA pay scales up to and including Head of Service level during 2018/19

Financial Implications

4. There financial implications are contained in the specific Budget proposals set out in the Appendices to this Report.

Legal Implications

5. The Budget proposals have been developed in accordance with appropriate Local Government Regulations, including the specific funding and related governance requirements set out in the The West of England Combined Authority Order 2017 and The Combined Authorities (Finance) Order 2017.

Human Resources Implications

6. The funding for the staffing establishment for WECA functions is provided for within the proposed Budget in line with the resourcing requirements agreed by the WECA Committee in October 2017. There are no direct human resource implications arising from the report itself.
- 6.1 The 2018/19 Pay Policy at Appendix 4 sets out the pay arrangements for staff at WECA. There is no change to the pay arrangements for staff from the 2017/18 policy recently approved at WECA Committee in December 2017.

Environmental Implications

7. None arising directly from this report.

Social Implications

8. None arising directly from this report.

Equality Impact Assessment

9. All key service delivery functions continue to be delivered by the relevant constituent councils and impact assessments for service delivery, particularly highways and transport are included as appropriate within their individual Budget reports. Specific provision has been put into place to ensure that the Concessionary Travel scheme across the WECA area remains consistent.

Risks, Mitigations and Opportunities

10. There is no statutory requirement for the Chief Finance Officer to produce a Section 25 report on the Robustness of the Budget Estimates for the WECA as is the case for most local authorities. This report would provide specific assurances relating to the robustness of the Budget Proposals. However, the key elements have been assessed by the Chief Finance Officer as set out below:
 - The estimates produced for the purposes of the proposed Budget are based on reasonable assumptions and in accordance with standard accounting practice.
 - Robust financial management arrangements and controls are in place including budget monitoring and reporting.
 - WECA operates with limited financial reserves although range of options have been identified and set out within the Budget to manage unforeseen costs.
 - The Medium Term Financial Plan identifies the key financial risks and opportunities which will need to be managed over the period 2018/19 to 2020/21.
 - Further work has been undertaken as part of the budget development for 2018/19 to ensure consistency and appropriateness of constituent council estimates for the cost of transport functions.

RECOMMENDATIONS

The WECA is recommended to:-

1. **Agree the Transport Levy to be issued to the constituent councils totalling £14.670M in respect of Transport functions as set out at Appendix 1.**
2. **Agree that no additional contributions should be requested from the constituent councils to meet the costs of the WECA.**
3. **Agree the commission and grant arrangements for the delivery of concessionary fares, community transport grants and bus information services from the constituent councils for 2018/19 in accordance with the budgetary provisions set out in Appendix 1.**
4. **Agree that the detailed allocation of Mayoral Capacity Funding will be delegated to the WECA Chief Executive in consultation with the WECA Mayor and the WECA S151 Officer, and in accordance with the grant offer conditions**
5. **Agree the WECA capital programme for 2018/19 as set out at Appendix 3 including Approved and Indicative allocations together with the planned sources of funding, and noting that no borrowing is required for 2018/19.**
6. **Notes that the WECA will continue to operate with limited financial reserves for 2018/19 and that any unforeseen costs will be met in accordance with the options set out in Appendix 1 (Para 9.3).**
7. **Approve the WECA Budget for 2017/18 as set out at Appendix 1**
8. **Approve the Pay Policy Statement as set out at Appendix 4**

Author: Tim Richens, Director of Investment and Corporate Services – Tel: 0117 370 1959

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the Contact Officer for the meeting who is Joanna Greenwood on 0117 426210; writing to West of England Combined Authority, 3 Rivergate, Temple Way, Bristol BS1 6ER; email: democratic.services@westofengland-ca.gov.uk

APPENDIX 1

WEST OF ENGLAND COMBINED AUTHORITY BUDGET 2018/19

1. Budget Context

- 1.1. The West of England Combined Authority (WECA) Budget relates to all the functions with the exception of those relating specifically to the Mayor which are set out separately on the Agenda for this meeting. The WECA Budget may include any specifically agreed contributions from the WECA to meet Mayoral costs.
- 1.2. The financial year 2018/19 is based upon a combination of costs derived from each of the constituent councils for any functions transferred under the devolution arrangements, together with an estimate of specific costs associated with the delivery of the WECA's functions and statutory responsibilities.
- 1.3. The funding for the WECA comes from 3 main sources:
 - Investment funding provided by the Government as part of the Devolution Deal
 - A levy on the constituent councils for the costs of transport functions that transferred to the WECA
 - A small share of business rates under the 100% Business Rates Retention Pilot
- 1.4. There continues to be no additional costs related to the WECA falling on any of the constituent councils.
- 1.5. The proposed WECA Budget for 2018/19 is set out at Annex 1 (Table 1) including details of the current approved Budget for 2017/18.

2. Transport Services

- 2.1. The WECA is the Transport Authority for the West of England and a range of related functions and responsibilities. The principles relating to delivery and funding of these areas into 2018/19 were considered by the WECA at its meeting on 7th December 2017. This included maintaining existing arrangements for the delivery of concessionary fares, community transport and bus related information systems to secure continuity of service. The assumptions set out below have therefore been used as a basis for the Budget in line with proposals for service delivery from lead transport officers.
- 2.2. **Concessionary Fares** – no changes are proposed to the concessionary fares scheme which was previously agreed for 2017/18. The WECA has commissioned the core bus related contracts through South Gloucestershire Council who will continue to provide this service for 2018/19. Smaller commissions are in place for the constituent councils to continue to assess eligibility and issue of related travel passes.
- 2.3. Forecast costs for the concessionary travel scheme are based actual data to September 2017, together with demographic assumption particularly concerning the impact of the equalisation of female and male retirement ages. A reduction in overall costs are anticipated as a result and the benefits will be passed back to the constituent councils through appropriate reductions in the transport levy.
- 2.4. **Community Transport Grants** – grant funding will be made to each of the constituent councils in line with financial allocations for 2017/18. Each council will continue to maintain their existing approach to the support for these services for 2018/19.
- 2.5. **Bus Information Services** – the WECA maintained appropriate bus information services by continuing the existing arrangements within the constituent councils. Bristol City Council continues as lead for real time information services.
- 2.6. As agreed by the WECA committee on 30th October 2017, Bristol City Council have undertaken a new procurement for the delivery of real time information services including the Metrobus extension. The resulting capital costs arising were agreed by the WECA and are reflected within the Capital Programme. Some increases are anticipated in revenue operating costs as a result of the procurement in 2018/19.
- 2.7. There will be a small impact from the real time information systems for the Bath Transport Package now reaching the end of the related maintenance warranty period. This is reflected in the value of the commission and the transport levy to Bath & North East Somerset Council.

- 2.8. **Supported Bus Services** – these services continue to be led and funded by the constituent councils. As these services are now delivered under joint powers, the WECA will be appropriately engaged going forwards.
- 2.9. The proposed value of transport commissions with each of the constituent councils in respect of the functions set out above is set out at Annex 1 (Table 2).
- 2.10. **Future arrangements** – going forwards the WECA will consider opportunities to deliver efficiencies through revised approaches to service delivery and provision. All such proposals will be subject to the approval of the WECA.

3. WECA Delivery and Running Costs

- 3.1. The detailed staffing resource arrangements for the WECA were considered by the WECA Committee on 30th October 2017. A revised budget was agreed and the ongoing cost of these arrangements forms the basis for the 2018/19 including, as appropriate the impact of the nationally agreed 2% pay award from 1 April 2018.
- 3.2. The WECA is responsible for in excess of £500M of agreed funding in it's initial five years and this continues to increase as new and additional funding streams are directed to combined authorities.
- 3.3. **None of the delivery and running cost will fall on the constituent councils. Further details are set out below:**

Infrastructure

- 3.4. Provision has been made for resources to manage, develop and commission the range of infrastructure related functions and responsibilities of the WECA including Transport, Highways, Housing and related Investment programmes.
- 3.5. WECA officers work closely with colleagues in the constituent authorities to deliver services and prioritise resources effectively, this includes identifying potential opportunities with the constituent councils to deliver efficiencies around the delivery and governance arrangements.

Business & Skills

- 3.6. It is anticipated that, subject to ongoing discussions with the Skills Funding Agency, the WECA will take on responsibility for the 19+ Adult Education Budget, which will be devolved from academic year 2019/20. As such the WECA will then be responsible for allocations to providers and the outcomes to be achieved, consistent with statutory entitlements.

- 3.7. This is a new area of responsibility and appropriate transitional and preparatory work will be required. The budget already reflects approved management resourcing for this area and further transitional funding may be allocated directly by the Government to support work in this area.
- 3.8. Employment Support Innovation Pilot – the WECA Committee on 30 October 2017 approved the £4M funding offer and associated direct and grant funding budgets for this pilot which runs until 2019. This is at a net nil cost to the WECA acting as Accountable Body and managing agent for ring-fenced grant funding to be distributed to the constituent councils for delivery.
- 3.9. This area also includes up to £50K as a one-off provision for the development of a cultural (including sports) strategy across the West of England.

Resources

- 3.10. Includes costs for Finance, Information Technology, Accommodation, Procurement, Audit and the range of support services and charges necessary to meet statutory and fiduciary responsibilities. A range of support services are commissioned directly from the constituent councils to support value for money and efficiency of delivery.

Corporate and Governance

- 3.11. Provides for the costs related to governance arrangements for the WECA, including democratic support and monitoring officer, together with strategy development, performance management, communications and the Chief Executive office.

4. Mayoral Capacity Funding

- 4.1. The Government has announced the provision of £1M of funding for each Mayoral Combined Authority, to provide further programme management and delivery capacity specifically within the Combined Authority.
- 4.2. The primary purpose of the funding will be to facilitate and accelerate delivery of infrastructure and related investment projects funded from the significant investment resources now being directed toward combined authorities. The funding will be subject to a light touch assurance process from the relevant Government Accountable Officer.
- 4.3. The funding is an annual amount for 2-years to enable the WECA to consider its longer term sustainable delivery options. It is proposed that the detailed allocation of this funding will be made by the Chief Executive in consultation with the WECA Mayor and the WECA S151 Officer, and in accordance with the grant offer conditions.

5. 2017/18 to 2020/21 Capital Investment Programme

- 5.1. The proposed WECA Capital programme is set out at Appendix 4 and differentiates the currently approved and proposed Capital Schemes. All proposed schemes are classified as follows:
- **Approved** – these schemes are fully agreed to be progressed and will be taken forwards in line with financial regulation, standing orders and the relevant assurance framework.
 - **Indicative** – these schemes will need to be brought back to the WECA Committee for further approval before they can be progressed. The indicative approval provides a guide to officers in prioritising resources to work up schemes for further consideration.
- 5.2. The **Approved** capital proposal to be agreed by the WECA is as follows:
- 5.3. **£17.572M for Highways Maintenance and Integrated Transport** – in line with the proposals outlined in the Mayoral Budget for 2018/19 set out separately on this Agenda and allocated as capital grant funding to the constituent councils.
- 5.4. The **Indicative** allocations to be agreed by the WECA are as follows:
- 5.5. **Annual allocations of £17.572M for Highways and Integrated Transport Funding for 2019/20 and 2020/21** – these are the remaining elements of the four-year allocations for transport committed by the DfT as part of the devolution deal. The actual allocation of this funding will be subject to the further work during 2018/19 on the Key Route Network and related delivery arrangements as set out in the Mayoral Budget.
- 5.6. **Up to £34.2M to support the delivery of fully worked up business case scheme** - this funding will be specifically allocated to support the delivery of business cases from the currently prioritised schemes approved for business case development. The actual value required will be determined following approval by the WECA of the business cases to be taken forward for further development.
- 5.7. **Allocations totalling up to £93M to support the emerging Strategic Plan priorities** – this represents the remaining investment funds over the first five-year period to 2020/21 at which point the Government Gateway review will take place.
- 5.8. This indicative allocation will support further development and prioritisation of specific schemes to support the delivery of the Strategy and will include a key focus on public sector match funding and private sector investment to support projects coming forwards for consideration.

- 5.9. **Further funding announcements** – a number of further announcements are expected from government over the coming months including confirmation of £80M from the recently announced Transforming Cities Fund specifically for the WECA to deliver strategic transport investment across the area. Detailed proposals will be brought forward for consideration by the WECA once confirmation of funding and any relevant criteria have been received.
- 5.10. **Capital Funding** – All capital costs will be met from Government grants, devolution investment funding or revenue contributions to capital outlay (RCCO). The capital funding period to 2020/21 covers the first five-year period of the investment funding received and further funding beyond this period will be subject to meeting the Government's 5 yearly gateway review.
- 5.11. **Borrowing** - no borrowing is proposed for the WECA to meet capital commitments for 2018/19 although the regulations to permit such borrowing will be progressed by Government as set out separately on this Agenda.

6. Accountable Body Functions

- 6.1. The WECA acts as the Accountable Body for the West of England Local Enterprise Partnership (LEP) and Invest in Bristol & Bath (IBB). The LEP and associated accountable body functions are funded from existing grants and contributions with no costs falling on the WECA. The LEP and IBB Budgets are approved and monitored by the West of England Joint Committee.
- 6.2. The staffing structures of the LEP and WECA teams have been reorganised to provide the most efficient and effective delivery and support structure to meet the respective functions and responsibilities as set out in Para 3.1 of this report.

7. Mayoral Costs

- 7.1. The WECA will make a proposed contribution of £3.372M in 2018/19 to meet Mayoral costs primarily those relating to funding of approved feasibility and business cases together with the Mayoral Election provision and Mayoral Office Costs. Further details are set out in the Mayoral Budget separately on the Agenda for this meeting.

8. Funding

- 8.1. The funding to meet the costs of the WECA are received from the following sources:

- 8.2. **A Levy on the constituent councils** limited to meet the costs associated with transport functions of the WECA. It is proposed that the Levy is set in line with the estimated costs which would have been incurred by the relevant constituent council (i.e. a revenue neutral basis). The proposed Levy for each council is set out at Annex 1 (Table 3) and represents a reduction overall of £611k particularly due to reducing concessionary travel costs.
- 8.3. **The 100% Business Rates Retention Pilot** - agreed by the constituent councils means a proportion of Business Rates (5%) collected by the constituent councils are be allocated to the WECA. The majority of this (£17.572M) is allocated to the Mayoral Budget to replace the grant funding which would previously have been payable by the Dept for Transport.
- 8.4. A relative proportion of business rates growth (previously paid to central government) is retained by each of the participating WoE councils including the WECA. For 2018/19 this is estimated at £1.105M for the WECA.
- 8.5. The sustainability of this funding will need to be reviewed as the government moves to a national 75% business rates retention system from 2020.
- 8.6. **Investment Fund Revenue Contribution** – as part of the WoE Devolution Deal, the government allocated £30M per year to the WECA for a 30-year period. This will be used primarily for infrastructure investment with an element available to meet ongoing running costs.
- 8.7. For 2018/19 the proposed drawdown of Investment funding to meet revenue costs for feasibility and business case studies, together with Mayoral running costs is £3.447M. This corresponds to funding requested for the Mayoral Budget together with related (one-off) direct costs. All WECA running costs can be met through other income streams.
- 8.8. **Government grant** funding streams are in respect of the Employment Innovation Pilot (Para 3.9) and the Mayoral Capacity Fund (Para 4)
- 8.9. **Interest on Balances** reflects investment earnings on the cash flow balances for treasury investments in line with the approved WECA Treasury Strategy.
- 8.10. **No contributions are required from the constituent councils to meet any WECA running costs.**

9. Reserves

- 9.1. The WECA was not be established with any general or earmarked reserves or balances transferring from the constituent councils. Over time it will be the intention to establish appropriate risk assessed level of reserves based on the specific activity and financial risks to the WECA. The outturn Budget position for 2017/18 to be considered by June 2018 may provide the first opportunity to do so.
- 9.2. A full range of financial controls and budget monitoring is in place to provide early identification of any potential cost variations and manage financial risks as far as practicable within the Approved Budget. This includes regular report to the WECA Committee.
- 9.3. In the event of extraordinary costs arising the WECA will be able to consider a range of options to deal with these:
- Re-prioritisation of financial commitment and commissions.
 - Use of any flexibility available in the applications of funding streams.
 - Use of the Investment funding as appropriate.
 - Request voluntary contributions from the constituent councils (for example if newly introduced policies or discretionary measures in a particular council, affects the aggregate demand across the region resulting in funding pressures).
 - An application to the government emergency Bellwin fund if qualifying criteria are met (only available for significant unforeseen emergency circumstances).
 - Appropriate use of reserves as set out in 10.4 below
- 9.4. An element of the reserve of £278K(estimated) related to LEP functions and potential liabilities will be available to the WECA as Accountable Body to meet financial risks relating to these functions.

Table 1 – The WECA Budget 2018/19.

	2017/18 Revised Budget	2018/19 Budget	Total Increase (+) / Decrease (-)
	£000's	£000's	£000's
Revenue Expenditure			
<u>Transport Functions</u>			
Concessionary Fares	13,208	12,378	-830
Community Transport	1,702	1,690	-12
Bus Real Time Information	371	602	231
	15,281	14,670	-611
<u>Delivery & Running Costs</u>			
Infrastructure	360	608	248
Business & Skills	0	187	187
Investment & Corporate Services	581	235	-346
Corporate & Governance	678	699	21
	1,619	1,729	110
Mayoral Capacity Fund	0	1,000	1,000
Employment Support Innovation Pilot	311	2,333	2,022
Set-up & Implementation Costs	1,650	0	-1,650
Contribution to Mayoral Fund	3,285	3,372	87
Capital Financing	0	0	0
Total Expenditure	22,146	23,104	958
Income			
Levy from CA's for Transport Functions	15,281	14,670	-611
Contributions from CA's	0	0	0
Business Rates Retention Pilot	945	1,105	160
Government Grant	311	3,333	3,022
Other Recharges	0	29	29
Investment Fund - Revenue Contribution	5,359	3,447	-1,912
Interest on Balances	250	520	270
Total Income	22,146	23,104	958

Table 2 – Transport Commissions to Constituent Councils

	Concessionary Fares	Bus RTI	Community Transport	Total
	£000's	£000's	£000's	£000's
B&NES	50	53	379	482
BCC	98	500	874	1,472
SGC	12,230	49	437	12,716
Total	12,378	602	1,690	14,670

Table 3 – LEVY to the WECA by the Constituent Councils for Transport

	Concessionary Fares	Bus RTI	Community Transport	Total
	£000's	£000's	£000's	£000's
B&NES	3,701	193	379	4,273
BCC	6,763	275	874	7,912
SGC	1,914	134	437	2,485
Total	12,378	602	1,690	14,670

APPENDIX 2

West of England Combined Authority Medium Term Financial Plan Narrative

1. Emerging Regional Strategy

The West of England is one of the UK's most prosperous regions. The creation of the West of England Combined Authority (WECA) provided the opportunity to build on this and make it even better for everyone.

Working with our constituent councils and partners including the West of England Local Enterprise Partnership, North Somerset Council and other local service providers, our aim is to deliver inclusive economic growth for the region and address some of the challenges we face together.

We are in the process of developing an ambitious Regional Strategy that will give us greater clarity about what we want to achieve together. Whilst still the Regional Strategy is still under development we are expecting it to prioritise three areas:

- Businesses that succeed
- World class skills for employment

Infrastructure fit for the future

WECA, working with our partners, will enable a more ambitious approach to the joint delivery of the strategy and these priorities. We will work collaboratively and to take collective decisions about what is best for the region and prioritising resources to support the delivery of the strategy.

2. Operating Principles

In terms of operation the WECA intends:

1. To be lean and efficient making the most of existing resources (only doing things once – across the WoE)
2. To deliver the vision for inclusive economic growth in the West of England
3. To make the most of existing capabilities building on the strengths and capacity within the constituent councils
4. To provide accountable and transparent governance

The WECA will work in partnership with constituent councils to ensure that there is a clear, transparent process for prioritising investment. Future delivery mechanisms will be designed in the most efficient and effective way taking account of constituent councils existing capabilities and capacities.

3. Expenditure

The WECA (including the Mayoral Budget) currently has three main areas of expenditure which need to be considered for future financial planning:

- (i) **Resourcing and Running Costs** – the WECA approved the revised staffing structure on 30th October 2017. The Budget for 2018/19 includes all anticipated cost including pay award (2% provided) and employer pension costs etc.

Looking beyond 2018/19, core pay costs will increase by around £11k per annum based upon each 1% pay increase. Changes to the establishment will reflect the future delivery arrangements for WECA responsibilities and these will be considered during 2018/19 as any proposals for changes to existing delivery arrangements are brought forwards.

- (ii) **Highways and Transport Grants** – these currently represent the largest area of expenditure currently running at £17.572M per annum. This level is likely to remain fixed based upon DfT allocations through to 2020/21.

Allocated via the Mayoral Budget, this funding is currently directed through to the constituent councils based upon the DfT historic allocation formula. The fixed quantum of funding represents a reduction in real terms over the period to 2020/21 although the highest level of Highways Incentive funding (estimated to be worth around and extra £1M per annum) is automatically received for Combined Authorities.

During 2018/19 further consideration will be given to the agreement of a Key Route Network for the WoE and the allocation of this funding may have regard to this from 2019/20 onwards.

- (iii) **Transport Authority Costs**

The WECA transport authority responsibilities include concessionary fares, community transport and bus information. The most significant element of these is concessionary travel – currently estimated at £12.4M for 2018/19 out of total cost of £14.7M.

Delivery of these functions is currently commissioned directly from the constituent councils based upon historic arrangements. The WECA agreed in December 2017 that this would continue allowing for this to be reviewed during 2018/19. This will include consideration of the future costs and efficiencies that could be delivered over the medium term.

Going forwards it is anticipated that from the start of the 2019 Academic Year, the responsibility for **Adult Education Budgets** and related commissioning may pass to the WECA. Negotiations are currently underway with the Dept for Education to ensure this aligns with the objectives of the WECA and provide assurance that the approx. £20M annual funding will meet anticipated commitments and financial liabilities.

Any future transfer of AEB funding and responsibilities will be subject to appropriate approvals and consents, including a detailed analysis of the financial impacts.

4. Sources of Funding

The Mayoral Budget receives funding from the 100% Business Rates Retention Pilot to meet the costs of the Highways and Transport grants. Under the terms of the pilot, funding equivalent to Dept for Transport grants are allocated to the Mayoral Fund for this purpose – funding at this level is protected under the terms of the pilot and cannot fall below this level (currently £17.272M per annum).

Other Mayoral costs are met through a funding request to the WECA Budget (for costs to be met from the revenue element of Investment Funding).

WECA receives a number of income streams as follows:

- **A Transport Levy**, to meet the costs arising from the WECA transport responsibilities as set out in Section 3 (iii). The levy is a charge on the three constituent councils currently in direct proportion to the relevant share of costs based on historic and forecast spend (proposed at a total of £14.67M for 2018/19). This basis could be reviewed after 2018/19 to reflect alternative arrangements – for example a population based levy.
- **A 5% share of growth from Business Rates**, under the terms of the 100% Business Rates Retention Pilot. This is estimated at £1.1M for 2018/19. Future income will depend the growth in business rates (above a baseline from October 2013) being sustained over this period. This represent a direct payback for the delivery of economic growth across the WECA area. The 100% Pilot is expected to remain in place to 2020/21 (see section 7 below).
- **Government Grants, for specified purposes.** Currently these grants cover capacity fund and the Employment Support Innovation Pilot and are for a fixed period. Only agreed costs can be charged against these funds and all related funding commitments have been matched to the specific grant funding.
- **Investment Funding** – the government has allocated £30M of Investment (gainshare) funding to the WECA for a 30-year period under the terms of the devolution agreement. This funding is comprised 50% revenue and 50% capital resource and will be used to support delivery of the objects set out in the emerging strategy. The funding is reviewed on a 5-yearly basis by a panel appointed by Her Majesty's Treasury to evaluate the success in delivering economic growth for the area. All funding allocations are agreed by the WECA Committee and the Budget for 2018/19 provides commitments against this over the first 5-year period to 2020/21.
- **Investment Earnings** – all cash received by the WECA and which is not immediately required to meet expenditure, is invested in accordance with the WECA Treasury Strategy. This relatively short-term cash holding generates interest earnings available to meet wider WECA costs. Such interest earnings are estimated at approximately £520k for 2018/19 based on actual balances held and average rates around 0.6% per annum. Future earnings will be linked to the speed with which investment funding received annually is actually defrayed and the prevailing interest rates.

5. Capital Investment

The Capital Investment approvals and proposals totalling some £211M are set out in the WECA Capital Programme 2017/18 to 2020/21. This includes funding allocations from the Investment Fund and For Highways and Transport Grants.

It is anticipated that further significant capital grant funding may come forward from Government over the medium-term period and indeed the £80M Transforming Cities Fund is expected to be confirmed in the next few weeks.

The focus of capital investment will be to support the delivery of the strategy objectives set out in Section 1 above. The early focus has been on feasibility and business cases to support the delivery of key priority infrastructure schemes with further funding allocated to support full delivery subject to the outcome of this work.

At this stage, all capital investment is being considered on a “pay as you go” basis with no provision for borrowing to support an accelerated programme of delivery. Regulations will shortly be in place from Government to permit borrowing by Combined Authorities although with no independent

income stream, careful consideration would need to be given to the sustainability of any borrowing by the WECA.

6. Financial Sustainability

The WECA is a new and evolving combined authority, as such there are a number of emerging factors which will impact on the future financial sustainability of the WECA.

Whilst the key expenditure and sources of funding are set out in sections 3 and 4 above, it will be important to ensure new responsibilities are aligned to sustainable funding streams and this should be a key factor as part of the process for consenting to such transfers.

The recent Local Government Financial Settlement in December 2017, confirmed that a new funding system will be introduced for local government from 2020/21 including a revised needs assessment and a new national business rates retention scheme. From a WECA perspective this confirms the ending on the 100% Business Rates Retention Pilot which makes a key contribution to the annual running costs of the WECA – currently £1.1M per annum. It will be important for government to recognise the funding requirements of combined authorities as part of the design process for the new system

The WECA is currently not able to raise a Council Tax precept and as such is the only of the Mayoral Combined Authorities without this power. It will again be important that Government understands this position and the reliance of the WECA on other funding streams to meet its range of running and service delivery costs.

All other costs are linked to direct, fixed term, government grants and whilst it is envisaged that all costs and commitments against this funding will be on a fixed term or marginal basis linked to the grant term, this could give rise to significant changes in the delivery and resourcing arrangements for the WECA as these funding streams mature.

7. Reserves and Financial Risk Management

The WECA was not established with any specific general or earmarked reserves to meet unanticipated costs or liabilities. This forms a key consideration of the annual budget setting process and the specific financial risk management procedures in place as a result are set out in Section 9 of the WECA Budget proposal at Appendix 1.

As part of the Outturn Budget closedown and approval process for 2017/18, it will be necessary to consider where such reserves may be appropriate and these may include the following:

- Business Rates – to deal with any in-year variations including the provisions of the statutory override.
- Election Costs – recognizing the 4-yearly cycle of such costs. The 2018/19 Mayoral Budget makes provision for 25% of the anticipated costs.
- Transport Costs – to earmark provisions to smooth impacts of annual variations in demand.
- Carry Forwards – to meet agreed costs expected to arise in 2017/18 but which have been deferred to 2018/19

Other reserves and balances may also be established to recognize grant funding streams which have yet to be fully allocated or for which costs have not yet been fully defrayed.

Appendix 3

WECA and Mayoral Capital Programme 2017/18 to 20/21												
	Budgeted Spend								Funded by:			
	Approved	Approved	Indicative	Approved	Indicative	Approved	Indicative	TOTAL				Total
	17/18	18/19	18/19	19/20	19/20	20/21	20/21	4yrs	Inv Fund	DfT Grant	RCCO	4yrs
Existing Schemes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Economic Model & Scheme Prioritisation	400							400	400			400
Real Time Information (WECA Oct 2017)	600							600	600			600
WECA IT & Building Alterarions	300							300	300			300
Highway and Transport Grants	20,475							20,475		2,903	17,572	20,475
Pothole Action Grant (WECA Jun 2017)	891							891		891		891
Business Case Development (WECA Oct 2017)	750	1,615		430				2,795	2,795			2,795
MetroWest (WECA Dec 2017)						6,000		6,000	6,000			6,000
	23,416	1,615	-	430	-	6,000	-	31,461	10,095	3,794	17,572	31,461
Proposed Schemes												
Highway and Transport Grants		17,572	-		17,572		17,572	52,716		17,572	35,144	52,716
Business Case Schemes Delivery					14,200		20,000	34,200	34,200			34,200
Allocation to support the Emerging Strategy			8,000		32,000		53,000	93,000	93,000			
	-	17,572	8,000	-	63,772	-	90,572	179,916	127,200	17,572	35,144	179,916
Grand Total	23,416	19,187	8,000	430	63,772	6,000	90,572	211,377	137,295	21,366	52,716	211,377

Note: RCCO indicates a Revenue Contribution to Capital Outlay

Pay Policy Statement 2018 -19

Introduction

The West of England Combined Authority is made up of three of the local authorities in the region – Bath & North East Somerset, Bristol and South Gloucestershire.

Working with our partners including the West of England Local Enterprise Partnership, North Somerset Council and other local service providers, our aim is to deliver economic growth for the region and address challenges including productivity and skills, housing and transport.

1. Purpose and scope

- 1.1 The purpose of the statement is to provide a clear and transparent policy to the public, which demonstrates accountability and value for money.
- 1.2 The policy statement will meet the Authority's obligations under the Localism Act 2011 [Section 38 (1)] and the associated statutory guidance set out in the Openness and Accountability in Local Pay: Guidance and Supplementary Guidance under section 40 of the Localism Act (February 2012 & 2013) together with the Local Government Transparency Code 2015 (February 2015)) from the Department for Communities and Local Government.
- 1.3 It will articulate the Authority's policies towards a range of issues relating to the pay (including severance pay) of its direct workforce its Chief Officers, as defined by the Local Government and Housing Act 1989 and all other employees (in accordance with provisions in the Localism Act). The policy will be reviewed, at least annually. to reflect any statutory changes (particularly in relation to public sector severance payments), anticipated in the coming the year.
- 1.4 The Authority's pay arrangements will reflect the need to recruit, retain and motivate skilled employees to ensure high levels of performance balanced with accountability on the public purse. The policy will be underpinned by principles of fairness and equality and will need to recognise the flexibility which is essential in delivering a range of services.
- 1.5 The statement will be reviewed annually in advance of the financial year to which it relates. It's approval and any subsequent amendments will be considered at a meeting of the Combined Authority. The statement will be published on the Authority's public website

2. Definitions

For the purposes of this Pay Policy Statement the following definitions apply:

- 2.1 **'Pay'** in addition to base salary includes charges, fees, allowances, benefits in kind, increases in/enhancement to pension entitlements and termination payments where applicable.

'Chief Officers' refers to the Chief Executive, as 'Head of Paid Service' and posts reporting to that postholder, excluding administrative support functions

'Lowest paid employee' refers to those employees in substantive full-time employment at the lowest scale point of the Authority's pay scale

3. General principles & practice

- 3.1 The West of England Combined Authority's employment practice will be governed generally by the relevant national and European legislation and, where relevant, specific local government legislation and regulation.
- 3.2 **Principles:** The Authority values all its employees and aims to apply a consistent and fair approach to pay and benefits, in line with the following principles:
- ✓ To work within financial constraints using those limited funds in the most effective way to support the Authority in the provision of quality cost effective services.
 - ✓ To take account of affordability in the introduction and maintenance of any changes to pay structure.
 - ✓ To support a flexible approach to the acceptance of changes to tasks, duties and responsibilities by employees and allow for flexibility between posts.
 - ✓ To be mindful of the market in making decisions about pay and benefits enabling the Authority to attract and retain its employees and to respond to situations where market forces dictate the necessity to apply supplements to established salaries.
 - ✓ To actively work towards reducing any unjustified gender pay gaps and promote an equal pay agenda ensuring that transparent and accessible pay and job evaluation systems, processes and systems meet legislative requirements.
 - ✓ To be clear about the recognition and reward of performance, whether at whole organisation, service, team or individual level.
 - ✓ To manage pay and benefits processes appropriate to service delivery in a fair and consistent way, and in line with a commitment to remaining within the framework of the relevant national pay and conditions agreements.
 - ✓ To aim to retain a core set of benefits for all employees.
- 3.3 **Practice:** Basic pay will be determined through:
- The job role and its accountability in the overall context of the Authority's services and responsibilities using a job evaluation process based on objective criteria and free from discriminatory bias.
 - Ensuring that all employees are dealt with on this basis with no distinction being made for senior management appointments, including Chief Officers, their Deputies and staff generally.
 - The terms of the relevant national agreements on pay and conditions of service.
 - The amount available for the pay review process is also impacted by what the Authorities which are party to the national agreements can collectively afford.
 - A comprehensive pay and grading structure will be adopted that must be affordable and offer recruitment and retention incentive.
 - The outcome of reviews into the local pay and grading structures are determined within the terms of this policy and the Authority's governance arrangements.
- Note: The pay rate for apprentices, interns and trainees, will reflect the degree of training and development required in the roles.*
- 3.4 **Equal pay:** The Authority is committed to the principle of equal pay for all posts of the same size and value. To put its commitment to equal pay into practice, it will:
- Regularly review its pay grade and rates for all current staff and starting pay for new staff in line with Equality and Human Rights Commission guidance to ensure a robust and consistent approach.
 - Inform employees of how these practices work and how their own pay is arrived at.
 - provides training and guidance for managers and supervisory staff involved in decisions about pay and benefits.
 - Regularly monitor pay and grading data and statistics and will publish pay equality data as statutorily required

4. Senior pay

- 4.1 The remuneration of the Chief Executive and other senior management appointments in the Authority is undertaken by external analysts using the Hay Job Evaluation process. Levels of pay have been market-related by being compared to a national data base maintained by the Hay Group of similar posts in a wide range of public and not for profit sector organisations and recognising regional influences. The pay structure for Chief Officers takes account of clearly defined 'statutory responsibilities'. Four pay bands will be available for the most senior officers, as set out below:

BAND	MIN/MID/ MAX POINTS	Composition, Terms & Conditions
CHIEF EXECUTIVE/ HEAD OF PAID SERVICE & other senior management appointments*		
Band 1	Fixed/Spot	<ul style="list-style-type: none"> - A fixed salary within the range £135,000 to £155,000 pa taking account of current public sector market median data provided by the independent analysts with recognition of regional influences and the Authority's general starting salary policy. - No variable element within the remuneration package e.g. bonuses, charges, fees or allowances, benefits in kind - Salary subject to annual review to take account of factors such as performance, capability, JNC national pay settlements. - Other conditions of service are those determined nationally by the JNC specifically for these appointments or, as locally determined for all other staff.
Band 2	Fixed/Spot	<ul style="list-style-type: none"> - A fixed salary within the range £110,000 to £125,000 pa taking account of current public sector market median data provided by the independent analysts with recognition of regional influences and the Authority's general starting salary policy. - No variable element within the remuneration package e.g. bonuses, charges, fees or allowances, benefits in kind - Salary subject to annual review to take account of factors such as performance, capability, JNC national pay settlements. - Other conditions of service are those determined nationally by the JNC specifically for these appointments or, as locally determined for all other staff.
Band 3	Fixed/Spot	<ul style="list-style-type: none"> - A fixed salary within the range £90,000 to £99,000 pa taking account of current public sector market median data provided by the independent analysts with recognition of regional influences and the Authority's general starting salary policy. - No variable element within the remuneration package e.g. bonuses, charges, fees or allowances, benefits in kind - Salary subject to annual review to take account of factors such as performance, capability, JNC national pay settlements. - Other conditions of service are those determined nationally by the JNC specifically for these appointments or, as locally determined for all other staff.
Band 4	Fixed/Spot	<ul style="list-style-type: none"> - A fixed salary within the range £80,000 to £90,000 pa taking account of current public sector market median data provided by the independent analysts with recognition of regional influences and the Authority's general starting salary policy. - No variable element within the remuneration package e.g. bonuses, charges, fees or allowances, benefits in kind - Salary subject to annual review to take account of factors such as performance, capability, JNC national pay settlements. - Other conditions of service are those determined nationally by the JNC specifically for these appointments or, as locally determined for all other staff

**In accordance with decisions of the Employment & Appointments Committee: 24 May 2017*

- 4.2 The Authority has adopted a pay range to allow flexibility in candidate attraction. Individual appointments will be made on a 'fixed or spot salary'. Pay increments with time served progression are not appropriate. Placement within the range will reflect factors such as capability, experience, previous salary history, and marketability.
- 4.3 Senior staff will not be differentiated from other members of staff in terms of remuneration on resignation or termination. The Authority's general arrangements for severance and scheme for discretionary payments will be developed and adopted prior to publication of the next annual statement.

- 4.4 If proposed severance packages are likely to in exceed £99,999 (this threshold includes [but is not limited to] any proposals in respect of salary to be paid in lieu, redundancy compensation, pension entitlements and holiday pay as appropriate) will be considered in accordance with agreed Authority governance arrangements. This provision will be reviewed to comply with any legislative changes made during the year.
- 4.5 The Authority's threshold level for disclosure of senior staff salaries will be at the minimum point of the senior civil service pay scale and above as at 31 March of any given year to which this policy applies.

5. Pay of the lowest-paid employees

- 5.1 The Authority has resolved that no employee will be paid less than the UK Living Wage, which is set by the Living Wage Foundation. The Authority has adopted this definition because it has decided that none of its employees should be paid less than the UK Living Wage.
- 5.2 For 2018/19, the UK Living Wage is £8.75 per hour, which equates to a minimum salary of £16,882 (based on a full-time week of 37 hours).
- 5.3 Apprentices and interns are normally exempt from the provisions of the Living Wage.

6. Relationship between senior pay and the 'lowest paid Authority employee'

- 6.1 As a newly established employer, the Combined Authority is developing the organisational and pay structures to best meet its service delivery needs.
- 6.2 Given the maximum salary for the Chief Executive Officer is £155,000 and the lowest paid member of staff will never receive less than the Living Wage as defined by the Living Wage Foundation (£16882 per annum pro rata), the maximum possible pay ratio from the highest to the lowest-paid employee would be 9.2 to 1 based on a 37 hour working week.
- 6.3 The lowest-paid current employee at the Authority receives a salary of greater than the Living Wage, such that the actual ratio of highest to lowest-paid employee is in fact less than the theoretical maximum stated in 6.2 above.

7. Pay Bands

- 7.1 The Authority will adopt the job-evaluated pay structure used by Bath and North East Somerset Council for all staff below Chief Officer and Head of Service level. While it may be necessary in the future for the Authority to develop its own pay and grading scheme, this position takes account of the fact that the majority of current Authority staff are on Bath and North East Somerset Council terms and conditions, as well as the fact that there is a clear job evaluation scheme in place which has been fully approved by the Unions and is in line with Joint National Council (JNC) provisions.
- 7.2 For staff at Head of Service level, whose salary range sits above the Bath and North East Somerset Council pay scale maximum but below Chief Officer, a spot salary will be paid which will be commensurate with benchmarked market rates for the role. This will be broadly based on Bristol City Council's revised pay scales for Heads of Service.

8. Pensions

- 8.1 Subject to the provisions of the relevant scheme, all directly employed staff will be enrolled into the Local Government Pension Scheme, a statutory contributory scheme. They may choose to opt out of membership. In accordance with the statutory requirement, the Authority will determine its policy in respect of discretionary provisions available within the scheme prior to publication of its next annual statement.
- 8.2 The Authority will develop a policy for flexible retirement which is specifically authorised by statute whereby individual staff, with employer approval, may draw their pension and continue in employment at a lower pay grade/ working shorter hours.

9. Use of consultants, contractors and temporary 'agency' staff.

- 9.1 Ordinarily staff will be engaged directly by the Authority as employees but on an exceptional basis, if circumstances deem it necessary, people may be engaged under 'contracts for services' as consultants or contractors or on an 'agency basis'. When this situation arises, the Authority will give detailed prior consideration to the benefit of doing so and that the overriding need to ensure value for money is achieved. Such arrangements must be in accordance with the Authority's Codes of Practice and Financial Regulations.

10. Publication

- 10.1 The Authority's approach to the publication of and access to information on the remuneration of Chief Officers is to include it on its public website as part of its requirements within the Accounts and Audit (England) Regulations 2011 and in accordance with the Code of Recommended Practice for Local Authorities on Data Transparency. A copy of the Pay Policy Statement will be published on the Authority's website.

Further information

For further information on the pay policy please contact the Authority as follows:

Email: info@westofengland-ca.gov.uk

Telephone: 0117 428 6210

REPORT TO: WEST OF ENGLAND JOINT COMMITTEE

DATE: 2 February 2018

REPORT TITLE: REVENUE BUDGET SETTING REPORT - 2018/19

AUTHOR: TIM RICHENS, DIRECTOR OF INVESTMENT & CORPORATE SERVICES

Purpose of Report

1. To consider and approve the Budget in respect of the Local Enterprise Partnership (LEP) and Invest in Bristol and Bath (IBB) for 2018/19

Issues for Consideration

2. The West of England Combined Authority (WECA) acts as the Accountable Body for a range of funding streams on behalf of the West of England Councils and LEP. This report sets out details of the proposed budgets for the LEP and IBB for the 2018/19 financial year.

2.1. **Appendix 1 outlines the proposed LEP Budget for the 2018/19** financial year based on latest available information, the key points to consider are:

- 2.1.1. Staffing costs reflect the emerging balance of resourcing between the WoE LEP Office and WECA following a review of the structures in October 2017 to better reflect the changing focus and work of the team. This results in savings to the proposed budget offset to some degree by a continuing provision for historic pension costs following the transfer of the accountable body function from B&NES to the WECA.
- 2.1.2. A more detailed budget analysis has been provided for the range of support costs following a detailed review of budgets following the transfer of the accountable body role.
- 2.1.3. The LEP is partly funded through direct grants totalling £500K per annum from the Department for Business, Energy and Industrial Strategy (BEIS) and it is anticipated this will continue for 2018/19. This is subject to a 50% minimum matched funding requirement (i.e. £250k) from the WoE local authorities. Funding beyond 2018/19 will be subject to future government funding decisions
- 2.1.4. The 4 local authorities have historically contributed £150K per annum towards the costs of the LEP including to provide the match funding element to government grant funding. It is proposed that these contributions are reduced by £40k per annum for each authority for 2018/19 to reflect the efficiencies now being generated as LEP functions are more closely integrated with those of the WECA Office.
- 2.1.5. Interest on cash balances are projected to increase reflecting the new year-end flexibility to carry forward funding (Local Growth Fund) together with higher interest rates for cash deposits following the recent base rate rise.

2.2. **Appendix 2 outlines the proposed IBB** for the 2018/19 financial year - the main points to note are:

- 2.2.1. Following the transfer of the accountable body function from Bristol City Council to the WECA in 2017/18, a review of all budgets has been undertaken and budget provisions updated. This has identified a number of areas where budgets were out of alignment with costs although overall the Budget is contained within the total income available.
- 2.2.2. A provision for historic pension deficit costs (estimated at £17K per annum), has been made pending clarification of responsibility for these liabilities with Bristol City Council (the previous accountable body for IBB).
- 2.2.3. Funding for this activity is secured by way of an annual grant (for five years from 2015/16 to 2019/20) from the Economic Development Fund and underwritten by the four West of England Councils. Management will continue to manage activity to balance the budget within available grant resources.
- 2.2.4. Funding may also be generated from sponsorship and contributions from business and 3rd parties to support specific marketing activity – such spend will only be incurred once such funding is secured and reflected in regular outturn monitoring reports.
- 2.2.5. It is proposed that a Strategic Review of IBB will be undertaken for early in 2018/19 with the Terms of Reference to be agreed by the LEP Chief Executive in consultation with the member of the Joint Committee. The ToR will include its strategic objectives, implications from the Industrial Strategy, the role of the WECA and long term financial sustainability. The costs of the review will be met from within existing IBB budget allocations.

2.3. **The WoE Capital Funding Streams** administered by the Accountable Body including Local Growth Fund, Economic Development Fund and Revolving Infrastructure Fund are dealt with in a separate report on this Agenda.

Consultation:

3. Consultation has been carried out with the Chief Executives, S151 Officers and Monitoring Officer.

Other Options Considered:

4. None.

Risk Management/Assessment:

5. The West of England Office agreement underpins the LEP; a Memorandum of Understanding between the four West of England UAs underpins IBB. These agreements deal with the risk sharing mechanisms between the four West of England councils. For all other WoE budgets administered by the WECA, it acts as “agent” with a direct pass through of funding and related costs.

Public Sector Equality Duties:

6. There are no specific public sector equalities issues arising from this report although budget managers are reminded to consider how they could positively contribute to the advancement of equality and good relations. This requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.

Economic Impact Assessment:

7. There are no direct economic Impacts arising as a result of this report although the activities of the LEP and IBB are predominantly aimed at supporting economic growth across the West of England .

Finance Implications:

8. The financial implications are contained within the body of the report.

Legal Implications:

9. This report sets out the proposed Budgets for LEP and IBB for 2018/19. The budgets have been prepared in accordance with relevant Local Government Financial Regulations, Accounting Standards and relevant Grant Offer Letters. The West of England Combined Authority acts as agent for the transactions of the LEP and IBB.

Environmental Implications:

10. There are no direct environmental implications arising as a result of this report.

Land/Property Implications;

11. There are no direct land/property implications arising as a result of this report.

Human Resources Implications:

12. The proposed Budgets include all appropriate staff costs for continuing activities for the LEP and IBB .

Recommendations:**13. The Joint Committee agrees that:**

- 13.1. **The LEP Budget for 2018/19 as set out in Appendix 1, is approved.**
- 13.2. **The contribution required from each of the WoE Councils to support the LEP Budget is set at £110K each for 2018/19.**
- 13.3. **The IBB Budget for 2018/19 as set out in Appendix 2, is approved,**
- 13.4. **The LEP Chief Executive be asked to commission a Strategic Review of IBB with the Terms of Reference to be agreed in consultation with the members of the Joint Committee**

Report Author: Tim Richens, Director of Investment and Corporate Services, WECA

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the Contact Officer for the meeting who is Joanna Greenwood on 0117 426210; writing to West of England Combined Authority, 3 Rivergate, Temple Way, Bristol BS1 6ER; email:

democratic.services@westofengland-ca.gov.uk

ITEM: 8

APPENDIX 1

LEP Budget 2018/19

	2017/18 Revised Budget	2018/19 Budget	Total Increase (+) / Decrease (-)
	£000's	£000's	£000's
Revenue Expenditure			
Staffing	976	937	-39
Premises	73	101	28
ICT	0	33	33
Support Services	0	62	62
Project spend	179	61	-119
	252	258	6
Total Expenditure	1,228	1,195	-33
Income			
UA Contributions	600	440	-160
DCLG Core & Capacity Grant	500	500	0
Skills Grants	37	75	38
Energy Strategy Grant	50	0	-50
Transport Grant	25	0	-25
LEP Reserve	-34	-18	16
Interest on Balances	50	198	148
Total Income	1,228	1,195	-33

IBB Budget 2018/19

	2017/18 Revised Budget	2018/19 Budget	Total Increase (+) / Decrease (-)
	£000's	£000's	£000's
Revenue Expenditure			
Staffing	705	536	-169
Premises	45	84	39
ICT	0	23	23
Support Services	0	44	44
Sector Specialists	0	200	200
Marketing Costs	250	112	-138
	295	464	169
Total Expenditure	1,000	1,000	0
Income			
Economic Development Fund Grant	1,000	1,000	0
Total Income	1,000	1,000	0

ITEM: 9

REPORT TO: WECA SCRUTINY COMMITTEE

DATE: 31 JANUARY 2018

REPORT TITLE: AIR QUALITY

AUTHOR: PAUL HOLLOWAY / JAMES WHITE

1 Purpose of Report

- 1.1 The West of England is regularly recognised as one of best places to live, visit and invest in the UK, and is supported by a community that is passionate about improving the attractiveness of the region. The prosperity of the region is very much dependent on the quality of life of residents and the natural and built environment for visitors. However, a risk to our continued attractiveness is the long-standing problem of air pollution, particularly in areas of Bath and Bristol.
- 1.2 Alongside 22 other Local Authorities, the Department of Food, Environment and Public Affairs (Defra) has directed Bristol City Council (BCC) and Bath & North Somerset Council (BANES) to produce local clean air plans that can deliver air quality compliance in the shortest time possible. The Government has requested that early consideration of options, and preferred options, need to be identified by the end of March and by end of 2018 respectively.
- 1.3 This paper outlines: the impacts of local air pollution and the contribution of traffic; progress to date in tackling roadside pollution; current Government strategy; requirements of local authorities; and, emerging proposals for Clean Air Zones and links to transport proposals for the region. It then outlines the steps involved to confirm the proposals for the region.

2 Issues for Consideration

2.1 Why is action needed?

- 2.1.1 The urgent need to prevent long-term problems related to public health and air quality is increasingly being recognised. Exposure to poor air quality seriously affects the most vulnerable such as the very young, very old and people with cardio-respiratory problems. An estimated 300 premature deaths a year in Bristol are attributable to poor air quality. Poor air quality is also damaging the natural environment across the region, risks holding back economic growth due to the impacts of poor health on productivity, and negatively impacts on quality and the perceived quality of life of the region.

2.2 Air quality and transport

- 2.2.1 A key traffic pollutant is Nitrogen Dioxide (NO₂) which is produced both directly from vehicle

tailpipes and from Nitrogen Oxides (NO_x) vehicle emissions that react in the air and turn into NO₂. Road transport is responsible for around one third of NO_x emissions overall, rising to 80% of NO_x concentrations at the roadside, with diesel vehicles being the largest source.

2.2.2 Levels of NO₂ have started to fall in recent years, however despite newer vehicles replacing dirtier older ones, the contribution from road vehicles has fallen at a lower rate due to an increased share in diesel vehicles, including a significant increase in light passenger and commercial diesel vehicles. The switch to diesel, rather than petrol, was previously encouraged by Central Government as a measure to reduce carbon emissions.

2.3 What has been done and what further is required?

2.3.1 Air Quality Management Areas (AQMAs) have been in place for a number of years in Bath, Bristol and South Gloucestershire, focusing on city centres and main traffic routes. Also, AQMAs are in place in five other locations where NO₂ levels remain above the national objective: central/east Salford, centres of Keynsham, Kingswood-Warmley and Staple Hill and near Junction 17 of the M5 at Cribbs Causeway). However since the Cribbs Causeway AQMA was declared, the NO₂ levels have been below the annual mean objective so revocation of this AQMA is being considered.

2.3.2 While there have been localised improvements in air quality at some locations, these tend to fluctuate on an annual basis, and the overall trend in the urban areas of Bath and Bristol is no significant improvement. NO₂ at all areas remain above the Government's objective, hence the AQMAs remain in place.

2.3.3 The Government's National Air Quality Plan for NO₂ (July 2017) includes a requirement for 24 local authorities, including BCC and BANES, to produce Clean Air Plans. Whilst NO₂ levels on the A4 London Road in Bath and M32 in Bristol are forecast by Defra to remain non-compliant in 2021 and therefore requiring action, local monitoring and analysis suggests that the locations of noncompliance will be far wider than estimated by Defra in both cities. The Government has asked the 24 local authorities to:

- By 31 March 2018 – undertake a feasibility study and consider a wide range of options (including changing road layouts at congestion and air pollution pinch points, encouraging public and private uptake of Ultra-Low Emission Vehicles (ULEVs), using innovative retrofitting technologies and new fuels and encouraging the use of public transport) to identify a shortlist of options that deliver compliance with legal limits for NO₂ in the shortest possible time. Following a successful legal challenge by the environmental lawyers Client Earth scheme costs can only be considered for options which are expected to deliver compliance in the shortest time possible (i.e. quicker than all other options). If these alone are not sufficient in achieving legal limits for NO₂ in the shortest possible time, Clean Air Zones (CAZs) can be established. These would set access restrictions on vehicles, such as charging zones or measures to prevent certain vehicles using particular roads at particular times. Government suggests that these may only be necessary for a limited period and could be lifted once legal compliance is achieved and there is no risk of legal limits being breached again.
- By 31 December 2018 – identify a preferred option in the form of an approved local Clean Air Plan by the end of 2018, including implementation arrangements for air quality initiatives to comply with national standards by 2021. If this is not achieved there is a risk that the Government will impose measures directly to ensure that requirements are met.

2.4 Emerging Clean Air Plans in Bristol and Bath

2.4.1 Emerging work (led by Bristol but working with South Gloucestershire) on the Bristol Clean Air Plan includes consideration of non-charging initiatives (traffic management, excluding

diesel cars from polluted areas, support for retrofitting, encouraging uptake of electric vehicles, cleaning up the bus and taxi fleet, encouraging public transport and cycle usage), which will complement measures set out in transport and other relevant plans as well as a feasibility study on CAZs.

2.4.2 An engagement and consultation strategy is in place to raise awareness and build an understanding of the collective responsibility for air quality, comprising:

- Stated Preference survey (late January 2018) to 1,100 selected drivers (including some freight vehicles) to provide evidence of the likely responses to a charging CAZ in Bristol and inform the appropriate level of charge;
- Engagement with public and key stakeholders (late January to August 2018) covering politicians, local government, transport operators, user groups, business groups, key service providers. These have been split into decision makers, delivery partners, engagement partners and influencers; and,
- Formal scheme consultation (October to December 2018) on a preferred scheme. Note that this will focus on identifying mitigation measures, defining exemptions/discounts and tweaking the boundaries within the available limits.

2.4.3 BANES has been preparing a replacement Air Quality Action Plan for the city; consultation on the draft document closed in November 2017. It sets out the actions proposed to improve air quality in Bath, between 2017 and 2022. Policy measures (in existing strategies) include undertaking a feasibility study into a CAZ for the city. The consultation response to this will inform the next stage of work as required by Government.

2.4.4 An early CAZ scoping study is also underway by BANES to develop a Strategic Outline Business Case by March 2018 to establish the funding required from the Government's Joint Air Quality Unit, and to identify possible schemes/options to consider. They then expect to take a similar approach to some stated preference surveys, engagement and consultation as Bristol. This will allow the establishment of a preferred option by the end of 2018 to meet Government timescales.

2.4.5 The initial assessment will consider charging CAZs which include all vehicle types to understand what level of intervention is required to achieve compliance. A scheme covering A4 London Road only (the only location highlighted by Defra as being non-compliant in 2021) is likely to be insufficient as modelling based on local monitoring data has suggested that much more of the city would also remain non-compliant without action.

2.5 A Regional Approach

2.5.1 Whilst the Mayor and the Mayoral Combined Authority has the power to create CAZs (with the affected highway authority(ies) consent), CAZ option development in Bath and Bristol is being led from within the respective Local Authorities as part of their consideration of wider options. Provisions for charging vehicles in these would remain a function for the individual authority(ies), who would be responsible for managing and operating such schemes.

2.5.2 The impacts of any option will be felt by road users across the wider region since many journeys are to or from locations outside these areas. A regional approach is therefore required to:

- Share knowledge and understanding of emerging air quality challenges, options and plans for implementation (such as consistent hours of operation, vehicle classes affected, payment systems etc);

- Support authorities in lobbying the Government to support investment and to fostering a consistent approach across the country;
- Ensure the measures emanating from CAZs are integrated with, and support, the longer-term spatial planning and transport strategies for the area which, in addition to improved air quality, will continue to focus on tackling congestion, climate change, health and accessibility. This includes the Joint Spatial Plan, Joint Local Transport Plan and Energy Strategy; and,
- Support engagement activities of the respective councils to help ensure that the residents and businesses understand, and are therefore supportive of, the need for such measures, and start considering how they can prepare themselves to best reduce the impacts.

2.6 Next steps

2.6.1 Through the course of 2018:

- WECA will facilitate monthly progress meetings with the BCC and BANES officers leading on the development of the respective proposals along with the monitoring offices of the all three authorities to be kept aware of latest developments and discuss emerging issues, including those relating to powers;
- Interim updates will be provided to the WoE Mayor; in recognition of the Mayoral powers relating to CAZs, it has been agreed with BANES and BCC that approval of schemes be given by the Mayor once they have been endorsed by the constituent councils;
- Consideration will be given in due course to how the establishment of the national Major Road Network and regional Key Route Network may impact on the declaration, management and operation of a CAZ charging zone; and,
- An update on CAZ proposals in the region will be provided at ongoing relevant Chief Executive and Joint Committee meetings.

3 Consultation:

- 3.1 As noted above, Bristol City Council is now commencing engagement with the public and key stakeholders, including the launch of stated preference surveys with a selection of drivers. Formal public consultation will take place on the autumn. Bath & North East Somerset are expected to undertake similar engagement.

4 Other Options Considered:

- 4.1 The Government has directed Bristol City Council and Bath & North Somerset Council to produce local Clean Air Plans, and to consider the establishment of Clean Air Zones to deliver air quality compliance in the shortest time possible.

5 Risk Management/Assessment:

- 5.1 There are no direct financial implications arising from this report.

6 Public Sector Equality Duties:

- 6.1 The impacts on, and benefits arising to, low income households and other community groups is being assessed as part of the feasibility studies. Feedback will be sought from affected communities as part of the respective council's engagement and consultation strategies to meet their duties under the Equality Act 2010.

7 Economic Impact Assessment:

7.1 The feasibility studies will include an assessment of the economic impact on the respective areas.

8 Finance Implications:

8.1 There will be an ongoing need to resource meetings and related activities.

9 Legal Implications:

9.1 There are no immediate legal implications arising from this report. The proposed monthly meetings with Bristol City Council and Bath & North East Somerset Council officers (including monitoring officers) will determine any emerging issues relating to legal powers.

10 Land/Property Implications;

10.1 None arising from this report.

11 Human Resources Implications:

11.1 There will be an ongoing need to resource meetings and related activities.

12 Chief Executive Comments:

12.1 None.

13 Recommendation:

13.1 The recommendation is to approve the proposed approach to WECA supporting the ongoing Clean Air Plans work in the region and next steps, as set out in sections 2.5 and 2.6 above.

Report Author: Paul Holloway / James White

West of England Combined Authority Contact: james.white@westofengland-ca.gov.uk

Background Papers

None.