

**COMMENTS RECEIVED FROM THE AUTHORITY'S
AUDIT COMMITTEE**

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West of England Combined Authority Audit Committee - Statement to Combined Authority Committee on 26 January 2024

Audit Committee refers initially to matters discussed at its meeting on 11 December 2023:

1. Audit Committee is disappointed to note that whilst the issues in the Transformation Plan that relate to officers are making some slow progress, that those that relate specifically to the Mayor and to a lesser extent the Local authority leaders are not. We have repeatedly emphasised the importance of co-working. The MCA has to operate as a consensus not a personal platform. Cllr Guy and the report of the last committee meeting both highlight a failure to acknowledge or try to resolve the failures highlighted by the first 2 statutory recommendations in Grant Thornton's VFM report. (There appeared to have been no improvement made to SR1 Working Relationships and SR2 Consultation on Key Proposals).
2. If the MCA and the metro mayor are incapable of solving those issues very quickly, the solution will be taken out of the MCA's hands. We suggest the Committee commit to co-working and prioritise external consultants such as SOLACE to expedite the adoption of consensual working with the constituent Local Authorities.
3. A number of points were raised about the West of England Combined Authority Committee meeting held on 6th October. Whilst much of that meeting went well there were several aspects that did not. The discussion about BSIP saw the practice of members of the committee tabling amendments with short or no notice. It was felt impossible for informed bystanders to follow in the room and would have been meaningless to anyone trying to watch online. Audit Committee asks that this be corrected as a matter of urgency. The Constitution may allow amendments being brought at short notice, but this is not good practice. We urge members to agree that amendments should be tabled with sufficient notice for them to be circulated to those present at the venue and also posted to modern.gov.
4. In relation to the item on mass transit. a detailed paper had been prepared and circulated. There was no agreement; a debate took place. The chair of the LEP made an impassioned plea to continue highlighting the cost to the Authority of delay. The Metro Mayor voted against a motion supported by the 3 UAs and vetoed the decision. Audit Committee does not expect unanimous agreement on every issue but it does expect enough discussion to have taken place in advance for an item to be deferred by agreement and not publicly highlighting a division between the Committee members. There appears to be no recognition of the reputational risk to the Authority of such public display of disagreement in the eyes of residents and potential funders.

In addition, Audit Committee has had a number of briefings following concerns expressed by members about the governance, decision making and Value for Money in respect of the Bus Service Improvement Plan (BSIP) in general and Demand Responsive Transport (DRT) in particular. Audit Committee wanted to share with you the specific concerns raised.

- Officers were keen to ensure compliance with Department for Transport requirements. Whilst we would expect compliance with the funders' requirements, we would also expect performance to be measured against predetermined performance measures set at the approval stage of the project.

- In the case of DRT, the only criterion appeared to be keeping the subsidy at below £40 per journey.
- The average journey cost appears to be just under £30 per journey for 105,000 journeys (average of 403 per day)
- There appeared to be no target demographic or target journey type.
- The major effort understandably went into trying to provide a workable service.
- Scrutiny expressed concern at the start that the risk register understated the seriousness of the risks. It appears that the efforts to achieve the right number of buses and drivers has been a major concern.
- Members believe the Committee should see reports showing the costs and the number of journeys and consider whether this really appears to represent value for money.

Although received too late for comment by audit committee members, I welcome the belated agreement to undertake a role and purpose review of the combined authority with the mayors and leaders. This is fundamental to establishing direction and future strategic priorities.