

Public Document Pack

A meeting of the
West of England Joint Committee

will be held on

Date: Friday, 8 April 2022
Time: 3.00 pm
Place: South Gloucestershire Council Chamber, Kingswood Civic Centre, High St, Bristol BS15 9TR

Notice of this meeting is given to members of the West of England Joint Committee as follows

Metro Mayor Dan Norris, West of England Combined Authority
Cllr Kevin Guy, Bath & North East Somerset Council
Cllr Toby Savage, South Gloucestershire Council
Mayor Marvin Rees, Bristol City Council
Cllr Donald Davies, North Somerset Council

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West of England Combined Authority Committee Agenda

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1. WELCOME AND INTRODUCTIONS

In the event of a fire, please await direction from South Gloucestershire Council 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 ACTION 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

5 - 8

To consider and approve the minutes from 28th January 2022 of West of England Joint Committee Meeting.

5. CHAIR ANNOUNCEMENTS

To receive announcements from the Chair of the West of England Joint Committee.

6. COMMENT FROM CHAIRS OF LOCAL ENTERPRISE PARTNERSHIP AND OVERVIEW & SCRUTINY

To be presented by the Chairs of the West of England LEP and Overview & Scrutiny.

7. 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. **The deadline is 12pm on 7th April 2022.**

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 clear working days before the meeting. **The deadline is 5pm on Monday 4th April 2022.**

8. PETITIONS

Any member of the West of England Joint Committee may present a petition at a West of England Joint Committee Meeting.

9. LATEST LOCAL ENTERPRISE PARTNERSHIP REVENUE BUDGET OUTTURN REPORT

9 - 24

This report presents the forecasted revenue outturn for the West of England Joint Committee for the financial year 2021/22 based on data for the period April 2021 to February 2022. The report covers the Local Enterprise Partnership (LEP) and Invest Bristol and Bath (IBB) revenue budgets.

10. JOINT COMMITTEE GOVERNANCE REVIEW

25 - 36

This report has been produced by Unitary Authorities CEOs, in consultation with the Monitoring Officers of the Unitary Authorities, S151 Officers. There also been engagement with the Chief Executive and the Chair of the LEP Board prior to the publication of this report. This report sets out a series of recommendations to renew the

governance arrangements for the West of England Joint Committee that will ensure effective collaboration between all West of England authorities as a way of ensuring maximum impact.

Minutes

West of England Joint Committee

Friday 28 January 2022

Members present:

Metro Mayor Dan Norris, West of England Combined Authority (Chair)

Councillor Toby Savage, Leader, South Gloucestershire Council

Mayor Marvin Rees, Bristol City Council

Councillor Kevin Guy, Leader, Bath & North East Somerset Council

Councillor Donald Davies, Leader, North Somerset Council

Richard Bonner, Chair, West of England Local Enterprise Partnership (non-voting member)

1. WELCOME AND INTRODUCTIONS

The Chair welcomed attendees to the meeting and introduced the members of the Joint Committee.

2. APOLOGIES FOR ABSENCE

There were no apologies for absence.

3. DECLARATIONS OF INTEREST

There were no declarations of interest.

4. MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting of the West of England Joint Committee held on 17 December 2021 be confirmed as a correct record subject to the following amendments:

In respect of Item 9 the wording be amended from “the Chair welcomed the clarification given in this report on the voting arrangements” to “the Chair said that he did not formally note the report”.

In respect of Items 10 and 14 the voting to be recorded as 4 in favour and one against.

5. CHAIR'S ANNOUNCEMENTS

There were no Chair's announcements.

6. ITEMS FROM THE PUBLIC (QUESTIONS; STATEMENTS)

The Chair advised that 29 questions had been submitted in advance of this meeting on the following subjects:

Q 1 Anthony Domaille – Thornbury High Street

Q 2 Chris Holland – Thornbury High Street

Q 3 Ashley Smith – Thornbury High Street

Q 4 Jane Mitchell – Thornbury High Street

Q 5 Ann Probert – Thornbury High Street

- Q 6 Helen Reeves – Thornbury High Street
- Q 7 Jeanette Walters – Thornbury High Street
- Q 8 John Lee – Thornbury High Street
- Q 9 John Reynolds – Thornbury High Street
- Q 10 Vivien Reynolds – Thornbury High Street
- Q 11 Tanisha Dagger – Thornbury High Street
- Q 12 Colin Wise – Thornbury High Street
- Q 13 Paul Morrish – Thornbury High Street
- Q 14 Meg Wise – Thornbury High Street
- Q 15 Peter Mannion and others – Thornbury High Street
- Q 16 David Redgewell – Transport – passengers forum
- Q 17 David Redgewell – Transport – customer service website
- Q 18 David Walker-Cornes – Thornbury High Street
- Q 19 Chris Roberts – Thornbury High Street
- Q 20 Susan Blick – Thornbury High Street
- Q 21 Jill Cyphus – Thornbury High Street
- Q 22 Thornbury Town & District Residents Association – Thornbury High Street
- Q 23 Rob Galpin – Thornbury High Street
- Q 24 Julia Galpin – Thornbury High Street
- Q 25 Malcolm Best – Thornbury High Street
- Q 26 Sheila Watson – Thornbury High Street
- Q 27 John Nash – Thornbury High Street
- Q 28 Rob Cyphus – Thornbury High Street
- Q 29 Julie Roberts – Thornbury High Street

The Chair then confirmed that written replies had been sent to all questioners in advance of the meeting. The questions and replies had been circulated to committee members and were available to view on the Combined Authority web site.

The Chair then advised that 69 statements had been received in advance of the meeting. The statements had been circulated to committee members and were available to view on the Combined Authority web site. The statements received were on the following subjects (statements were presented by those in attendance):

- Dave Redgewell – Transport Issues
- Rob Galpin for Thornbury Town and District Residents Association - Thornbury High Street
- Gil Gilroy – Thornbury High Street
- John Reynolds – Thornbury High Street
- Malcolm Best – Thornbury High Street

NB - Rob Galpin made two statements, one on behalf of the Thornbury Town and District Residents Association and one on behalf of himself at the discretion of the Chair.

7. COMMENTS FROM THE CHAIR OF THE WEST OF ENGLAND LOCAL ENTERPRISE PARTNERSHIP

Richard Bonner, Chair of the Local Enterprise Partnership Board commented that the issues identified in the LEP budgets and that these proposals allowed ongoing value and allowed the Authority to continue to go forward.

8. COMMENTS FROM THE CHAIR OF THE COMBINED AUTHORITY'S OVERVIEW & SCRUTINY COMMITTEE

The Chair advised that Councillor Winston Duguid, Chair of the Combined Authority's Overview and Scrutiny Committee had submitted comments on behalf of the committee following on from their meeting held on 24 January 2022. These comments had been circulated in advance of the meeting and were available to view on the Combined Authority web site.

Councillor Duguid presented these comments and stated that he would have a meeting with the LEP Chair to discuss the LEP budget in more detail.

9. LOCAL ENTERPRISE PARTNERSHIP REVENUE BUDGET SETTING REPORT 2022/23

The Joint Committee considered a report which sought approval of the Local Enterprise Partnership revenue budget for 2022/23 (agenda item 9).

The Chair stated that he had received a letter from the Thornbury Town and District Residents Association asking whether the vote on that issue could be postponed. The Mayor stated that this would be a matter for the voting members of the Committee as he did not have a vote on this matter.

Councillor Savage acknowledged the strength of feeling and concerns expressed at the meeting about the Thornbury High Street proposals but stated that this was part of an overall scheme to improve accessibility and linking to other transport schemes and would therefore be supporting the recommendations.

The Chair then moved the report recommendations.

This motion was seconded by Mayor Rees.

The Joint Committee **RESOLVED:**

1. To approve the LEP Budget for 2022/23 as set out in Appendix 1.

Voting: Simple majority vote of those members present and voting, EXCLUDING the Metro Mayor.

2. To approve a 2022/23 contribution of £110k per each West of England Unitary Authority, (to be reviewed for 2023/24 onwards), as match funding to attract the government's LEP Capacity Funding.

Voting: Unanimous vote of those members present and voting, EXCLUDING the Metro Mayor.

3. To approve a £160k drawdown from the LEP General Reserve to fund the shortfall in 2022/23 LEP operating costs.

Voting: Simple majority vote of those members present and voting.

4. To note the forecasted LEP revenue outturn for 2021/22 as set out in Appendix 2.

Voting: noted, no vote required.

5. To delegate the approval of the reallocation of funds through the Getting Building Fund, (GBF), and Economic Development Fund for schemes within the programme on an overall cost neutral basis, to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent councils.

Voting (in relation to EDF delegation): Simple majority vote of those members present and voting, EXCLUDING the Metro Mayor.

Voting (in relation to GBF delegation): Simple majority vote of those members present and voting.

6. To approve the Outline Business Case for Thornbury High Street and allocate £4.577m for the delivery of the scheme from the EDF, pending ongoing discussions about Investment Fund headroom, and where there is urgency to delegate the approval of the Full Business Case to the Combined Authority Chief Executive in consultation with the West of England Chief Executives.

Voting: Simple majority vote of those members present and voting, EXCLUDING the Metro Mayor.

7. To approve the change requests for schemes within the Local Growth and Getting Building Fund programmes as set out in Appendix 3.

Voting: Simple majority vote of those members present and voting.

8. To approve the change requests for schemes within the Economic Development and Revolving Infrastructure Fund programmes as set out in Appendix 4.

Voting: Simple majority vote of those members present and voting, EXCLUDING the Metro Mayor

The Chair then closed the meeting at 4.00 p.m.

REPORT TO: WEST OF ENGLAND JOINT COMMITTEE ITEM

DATE: 08 April 2022

REPORT TITLE: LEP & IBB BUDGET OUTTURN APRIL- FEB 2022

DIRECTOR: RICHARD ENNIS, INTERIM DIRECTOR OF INVESTMENT AND CORPORATE SERVICES

AUTHOR: RICHARD ENNIS, INTERIM DIRECTOR OF INVESTMENT AND CORPORATE SERVICES

Purpose of Report

- This report presents the forecasted revenue outturn for the West of England Joint Committee for the financial year 2021/22 based on data for the period April 2021 to February 2022. The report covers the Local Enterprise Partnership (LEP) and Invest Bristol and Bath (IBB) revenue budgets.

Impact of Covid-19 pandemic

- The Combined Authority has actively reviewed its key activities and work programme to reflect changing priorities as a result of the Covid-19 pandemic. Specific issues relating to the Covid-19 situation that impact on, or are addressed through, this report are as follows:
 - (a) There is a potential impact on future year revenue budgets as activity is re-prioritised and focused on supporting economic recovery. Activity, and corresponding budgets, will be kept under regular review over the coming months.

RECOMMENDATIONS:

The voting on the following recommendations will be as follows:

The Joint Committee:

- **Notes the Revised Analysis of LEP External Grants as at the end of February 2022 as set out in Figure 1;**
- **Notes the LEP revenue outturn as set out in Appendix 1;**
- **Approve the Full Business Case for the acquisition of property in Milsom Quarter, Bath for the Fashion Museum and the award of funding in line with the Red Book valuation and able to be accommodated within the headroom in the Revolving Infrastructure Fund programme.**
- **Approve the change requests for schemes in the Local Growth and Getting Building Fund programme as set out in Appendix 2**

- Approve the change requests for schemes in the Economic Development and Revolving Infrastructure Fund programmes as set out in Appendix 3

Background / Issues for Consideration

- The West of England Combined Authority acts as the Accountable Body for a range of funding streams on behalf of the West of England Councils and LEP. The Combined Authority Financial Regulations require that it regularly reports on the financial monitoring position of these funds.

Local Enterprise Partnership Budget Out-turn

- 3.1 **Appendix 1** details the LEP revenue out-turn for the 2021/22 financial year based on actual information to the end of February 2022 which shows spend of £9.8m against an original budget of £5.98m. The difference of **£3.8m** is mainly due to the receipt and phasing of additional government grants in relation to the South West Energy Hub and associated Green Homes grant.
- 3.2 There is a forecast net underspend of £98k on core staffing due to greater costs allocated to specific projects which is partially offset by a shortfall in forecasted treasury income of £18k. The overall net revenue budget is forecasted to deliver a balanced position at year end.
- Total grants attained across the three-year period is circa **£22m**. We continue to review and update the anticipated timing of spend against these grants and re-profile the income accordingly as detailed in *Figure 1*.

Figure 1: Analysis of LEP External Grants revised as @ February 2022

	2021/22 £'000s	2022/23 £'000s	2023/24 £'000s	Total £'000s
IBB - Revolving Infrastructure Fund	991	1,000	1,000	2,991
Growth Hub	850	700	0	1,550
AMIF	119	59	0	178
Low Carbon Challenge	271	375	0	646
Creative Scale Up	453	164	0	617
Skills Advisory Panel	138	0	0	138
Career Hub	636	436	0	1,072
Energy Hub	1,347	5,260	0	6,607
Green homes	2,934	4,186	0	7,120
LEP Capacity Fund Additional Capacity	197	79	0	276
EDF Business Case Review	61	67	69	197
One Public Estate	224	105	0	329
Infrastructure & Investment Plan	109	112	47	268
Space Agency	100	0	0	100
Total	8,430	12,543	1,116	22,089

- The original 2021/22 budget for external grants was £4.7m. For Growth Hub, Green Homes, (South West) Energy and Careers Hub, we have been successful, in significantly increasing the overall funding available as detailed in *Figure 2*.

Figure 2: Original 2021/22 Grant Budget compared to Year End Forecast.

	Budget 2021/22 £'000s	Forecast 2021/22 £'000s	Funding Difference £'000s	Comments
IBB - Revolving Infrastructure Fund	1,000	991	-9	
Growth Hub	328	850	522	Additional Funding
AMIF	140	119	-21	Re-phasing of expenditure
Low Carbon Challenge	1,076	271	-805	Funding transferred to Capital
Creative Scale Up	473	453	-20	Re-phasing of expenditure
Skills Advisory Panel	0	138	138	Additional Funding
Career Hub	178	636	458	Additional Funding
Energy Hub	902	1,347	445	Additional Funding
Green homes	148	2,934	2,786	Additional Funding
LEP Capacity Fund Additional Capacity	84	197	113	Funding carried forward
EDF Business Case Review	61	61	0	
One Public Estate	209	224	15	
Infrastructure & Investment Plan	109	109	0	
Space Agency	0	100	100	Additional Funding
Housing Advisor Programme	7	0	-7	
Total	4,715	8,430	3,715	

- In July 2020, the chancellor announced £2 billion of support through the Green Homes Grant, targeted at saving household's money, cutting carbon and creating green jobs. The Combined Authority has received a total of £53.3m, (for the wider South West region), which comprises of £7.2m of revenue costs for delivering the scheme with the remainder being capital spend in terms of the grants provided. The terms of the government grant require the spend to be fully incurred by June 2022.

The procured delivery organisation has forecast to sign up all required households by the end of March 2022, with work to be completed by end of June, when this funded programme ends.

In February 2022 following a successful bid, an additional £5.3m was awarded for con housing retrofit improvements in Swindon and Wiltshire. A further successful bid £4.6m (85% Capital in nature) was awarded from the Social Housing Decarbonisation Fund for housing retrofit improvement across the wider South West, working with a consortium of eight social housing landlords.

Drawdown from Reserves

- 3.6 The accumulated LEP Reserve, held by the Combined Authority as Accountable Body, was £1,002k at the beginning of the financial year. Accounting for drawdown and receipt of funds, as approved by the Joint Committee, the reserve balance is forecasted to be £693k. This is detailed in *Figure 3*:

Figure 3: LEP Reserve Balances £'000s

LEP Reserve balance b/fwd 1st April 2021	-1002
Drawdown for Local Industrial Strategy – to deliver our region’s ambition to be a driving force for clean and inclusive growth.	65
Contributions towards LEP operating costs (to reduce the corresponding UA contribution for ‘match funding’ LEP Capacity Fund)	144
Drawdown for specialised work to develop an evidence-based picture of current digital connectivity across the West of England	100
Forecasted LEP Reserve balance c/fwd 31st March 2022	-693

In line with the Financial Reserves Strategy that was approved in January 2022 – it is prudent to ensure that reserves are in place to ensure that in the event of funding withdrawals, there is sufficient reserves in place to maintain a required smooth over, and manage, any potential transitional periods that may be required.

Interest on Balance

- 3.7 Investment interest earned on LEP balances held relates entirely to cash holding of the Local Growth Fund, (LGF), and Getting Building Fund (GBF). LGF was fully exhausted, (as per the terms of the grant), by 31 March 2021, thereby LEP interest is now only calculated against a diminishing GBF balance along with any holding of general LEP reserves. As a result, forecasted interest at year end is £18k lower than the £50k income budget set. Forecasted income will continue to be reviewed regularly and updated in future budget monitoring reports to the Committee.

Revolving Infrastructure Fund

- 4 A [Full Business Case](#) has been submitted by B&NES for the acquisition of a site in Milsom Quarter, Bath. The acquisition will provide the catalyst for significant regeneration in a key area of the city centre impacted significantly by the Covid pandemic. The Council proposes to use the site as part of a significant cultural infrastructure project – the creation of a new Fashion Museum. This new institution will be an anchor tenant in Milsom Quarter, vital to the overall success of the masterplan through its ability to attract additional footfall, drive higher spend, increase dwell time, improve the desirability of the area to commercial and private tenants and underpin a unique sense of place in what has long been the city’s fashion retail hub. This will be funded by the repayable Revolving Infrastructure Fund and in line with the principles agreed at the Joint Committee in December repayment will be underwritten by the Council.

Change Requests

- 5 The Joint Committee in October 2019 agreed to delegate approval of changes within stated tolerances for schemes within the approved programme to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils. The changes to the LGF, GBF, EDF and RIF programmes which fall outside of these tolerances and require a Committee decision are set out in Appendix 2 and 3 respectively.

Consultation

- 6 Consultation has been carried out with the Chief Executives, West of England Section 151 Officers and the Combined Authority Monitoring Officer.

Other Options Considered

- 7 Value for Money and appropriate use of resources are constantly considered when allocating, monitoring and managing all revenue and capital budgets.

Risk Management/Assessment

- 8 This report forms a core part of the governance and risk management process. The forecast budgets presented in this report take account of known financial risks and their potential impact on the outturn financial position. The West of England Office agreement underpins the LEP; a Memorandum of Understanding between the four West of England UAs underpins the IBB service. These agreements deal with the risk sharing mechanisms between the four West of England councils. For all other WoE budgets administered by the Combined Authority, it acts as “agent” with a straight pass through of funding and related costs.

Public Sector Equality Duties

- 9 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.
- 9.1 The Act explains that having due regard for advancing equality involves:
 - Removing or minimising 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.

- 9.2 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.
- 9.3 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.

Climate Change Implications

- 10 On 19 July 2019, the West of England Combined Authority declared a climate emergency, recognising the huge significance of climate change and its impact on the health, safety and wellbeing of the region's residents. The Combined Authority is committed to taking climate change considerations fully into account as an integral part of its governance and decision-making process.

Each report/proposal submitted for Combined Authority / Joint Committee approval is assessed in terms of the following:

Will the proposal impact positively or negatively on:

- * The emission of climate changing gases?
- * The region's resilience to the effects of climate change?
- * Consumption of non-renewable resources?
- * Pollution to land, water or air?

Particular projects will also be subject to more detailed environmental assessment/consideration as necessary as part of their detailed project-specific management arrangements

- 10.1 Several of the specific LEP workstreams have a strong focus on improving climate change especially the *South West Energy Hub, Green Homes Grant, Low Carbon Challenge Fund and One Public Estate*. Where funds are allocated as grants to local businesses and organisations, the criteria used to prioritise funding allocations will incorporate climate improvement.

Finance Implications, including economic impact assessment where appropriate:

- 11 The financial implications are contained within the body of the report. The LEP and IBB functions support the economic growth and vitality of the region.

Advice given by: Richard Ennis, Interim Director of Investment & Corporate Services

Legal Implications:

- 12 This report monitors how the Local Enterprise Partnership (LEP), and Invest in Bristol and Bath (IBB) revenue budgets are performing against the financial targets as set in January 2021 through the Budget setting process.

Advice given by: Stephen Gerrard, Interim Strategic Director - Legal Services

Human Resources Implications:

- 13 Fixed term contracts are applied where staff are appointed against specific LEP grant funding streams that are time limited in nature.

Advice given by: Alex Holly, Head of Human Resources

Appendices

Appendix 1: LEP revenue Out-turn position

Appendix 2: Local Growth and Getting Building Fund Change Requests

Appendix 3: Economic Development and Revolving Infrastructure Fund Change Requests

Background papers:

LEP Revenue Budget Setting Report 2021/22 – Joint Committee 29 January 2021

LEP Revenue Budget Setting Report 2022/23 – Joint Committee 28 January 2022

LEP Budget Monitoring Reports to Joint Committee throughout 2021

West of England Combined Authority Contact:

Report Author	Contact details
Richard Ennis	Richard.Ennis@westofengland-ca.gov.uk

LEP Budget Monitoring Out-turn as at February 2022

	2021/22 Budget £'000s	2021/22 Forecast £'000s	Variance £'000s
Core staff and related overheads	1,262	1,164	(98)
<u>Project Spend</u>			
Staff	1,791	2,899	1,108
Services and third-party payments	2,482	5,233	2,751
Overheads	442	527	85
Total Expenditure	5,977	9,823	3,846
Funded by:			
UA Contribution	440	440	-
Other Government Grants	4,715	8,430	(3,715)
RIF Admin Grant	112	112	-
DCLG Core & Capacity Grant	500	500	-
Interest on Balances	50	32	(18)
Use of Reserves	160	309	149
Total Income	5,977	9,823	(3,846)
Surplus	0	0	0

Local Growth Fund and Getting Building Fund

Change Requests Approved through Delegation

Emersons Green Local Transport Enhancements	
Scope:	Change of scope due to cancellation of Westerleigh Rd/PROW scheme and inclusion of alternative traffic management scheme in Emersons Green/Lyde Green.
Spend:	Reprofiling £210k EDF from 22/23 to 21/22 and swop of £386k GBF for EDF with Portway Station and reprofiling £410k match funding
Profile:	Revised EDF profile: 22/23 £2.264m, EDF total: £2.264m, revised GBF profile: pre 20/21 £901k, 20/21 £477k, 21/22 £1.408m, LGF/GBF total: 2.786m. Revised match funding profile: pre 18/19 £129k, 21/22 £410k, 22/23 £904k, total £1.443m

Portway Station	
Milestones:	Delays of up to 8 months for signing of the offer letter, construction commencing and operation
Scope:	Descoping of the amenity building
Spend:	Increase in match funding of £281k and overall total cost from £3.915m to £4.196m and addition of new cost headings to include GWR PM / Legal / Entry into Service and GWR infrastructure. Reprofiling of £600k from 21/22 into 22/23 Swap £600k of GBF for EDF with Emersons Green Local Transport Enhancements (£386k) and Bath Quays South (£214k).
Profile:	Revised LGF/GBF profile: total £953k in 21/22, revised EDF profile: total £600k in 22/23

Weston General Stores	
Spend:	Reprofiling £450k of funding from 21/22 to 22/23 Swap of £450k of GBF for EDF with Bath Quays South receiving the GBF for the EDF Reallocation of spend across cost headings
Profile:	Revised GBF profile: total £1.25m in 21/22, revised EDF profile: £450k total in 22/23

Bath Quays South	
Spend:	Swap of £450k of GBF for EDF with Weston General Stores receiving the EDF for the GBF and swap of £214k of GBF for EDF with Portway Station receiving the EDF for the GBF.
Profile:	LGF/GBF total £11.489m profiled as £10.241m up to 20/21, £1.248m 21/22. EDF total £336k profiled as £336k 21/22

Change Requests Seeking Approval from Committee

A4018 Corridor Improvements	
Milestones:	Milestone delays of 8-10 months including operational, procurement, statutory notices and construction.
Spend:	Increase of overall cost by £581k and match funding increase to £4.38m using CRSTS funding.

South Gloucestershire Sustainable Transport Package	
Scope:	Reallocation of funding between Active Travel package and A4174 Bus Reliability Improvements element

Economic Development Fund

Cribbs Patchway Metrobus Extension	
Spend:	Change to total scheme cost of £2.8m and reduction of total EDF from £21.92m to £19.12m, with reduced EDF spend in 22/23 and 23/24. Change to cost headings including £800k increase to Highways Construction and reduction of several other cost categories.
Profile:	Revised EDF profile: pre 18/19 £858k, 21/22 £683k, 22/23 £12.360m, 23/24 £5.219m, total £19.12m

Avonmouth Severnside Ecology Mitigation & Flood Defences	
Spend:	Swapping funds between EDF and match due to revised sequence of funding. Reprofiling £12.256m from 24/25+ to 21/22, 22/23 and 23/24 and reprofile of match. Reallocation of spend across cost headings including increase to Estates, EA Management costs, Contract administration and land purchase at Severnside
Profile:	Revised EDF profile: 19/20 £4.378m, 20/21 £7.397m, 21.22 £11.603m, 22/23 £24.416m, 23/24 £11.198m, 24/24+ 4.907m, total £63.9m

Bath Quays North Infrastructure Development Works	
Spend:	Increase to overall project cost of £6.5m from £59.356m to £65.856m. Transfer of £6.5m EDF from East of Bath Transport Improvements to achieve viability and delivery of the project due to a combination of Covid impacts.
Profile:	Revised EDF profile: 21/22 £1.691m, 22/23 £4.154m, 23/24 £10.990m, 24/25 £12.943m, 25/26 £1m, total: £30.778m

East of Bath Transport Improvements	
Spend	Transfer of all £6.5m EDF allocation to Bath Quays North Infrastructure
Profile	Revised EDF balance nil

Revolving Infrastructure Fund

Weston Business Quarter	
Milestones:	Delay of up to 7 months to submission of FBC

Invest Bristol and Bath	
Spend:	Reprofiling of £247k from 20/21 and 21/22 into 22/23, 23/24 and 24/25 and reallocation of spend between cost headings
Profile:	Revised RIF profile: 20/21 £767k, 21/22 £986k, 22/23 £1.075m, 23/24 £1.083m, 24/25 £1.089m, total £5m

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08 April 2022

REPORT SUMMARY SHEET

LOCAL ENTERPRISE PARTNERSHIP (LEP) & INVEST BRISTOL AND BATH (IBB) FORECASTED BUDGET OUTTURN, APRIL 2021 - MARCH 2022

Purpose

To present the forecasted revenue outturn for the West of England Joint Committee for the financial year 2021/22 based on data for the period April 2021 to February 2022. The report covers the Local Enterprise Partnership (LEP) and Invest in Bristol and Bath (IBB) revenue budgets.

Summary

This report includes the following key information:

- Appendix 1 details the LEP forecasted revenue out-turn for the 2021/22 financial year based on information to the end of February 2022 which shows spend of £9.8m against an original budget of £6.0m. The difference of £3.8m is mainly due to the receipt of additional grant funding, (including Green Homes Grants), into the South West Energy Hub;
- Overall, the LEP and IBB revenue budgets are forecasted to balance at the end of the financial year;
- Total grants secured across the three-year period from 2021/22 – 2023/2024 is £22m. The authority has recently reviewed and updated the anticipated timing of spend against these grants and re-profiled the income accordingly as set out in Figure 1;
- The original 2021/22 budget for external grants was £4.7m. For the Growth Hub, (South West) Energy and Careers Hub, the authority has been successful, during the year, in significantly increasing the overall funding available. Estimated out-turn compared with the original budget for the 2021/22 financial year is set out in Figure 2;
- Accounting for approved committee drawdowns, the uncommitted balance of the LEP General Reserve currently stands at £693k;
- A Full Business Case has been submitted by B&NES for the acquisition of a site in central Bath. This will be funded by the repayable Revolving Infrastructure Fund and in line with the principles agreed at the Joint Committee in December repayment will be underwritten by the Council.
- Change requests for Local Growth Fund and Getting Building Fund projects are detailed for committee approval in Appendix 2 and change requests for Economic Development Fund projects and Revolving Infrastructure Fund programmes are detailed in Appendix 3.

Impact of Covid-19 pandemic

The Combined Authority has actively reviewed its key activities and work programme to reflect changing priorities as a result of the Covid-19 pandemic. Specific issues relating to the Covid-19 situation that impact on or are addressed through this report are:

There is a potential impact on future year revenue budgets as activity is re-prioritised and focused on supporting economic recovery. Activity, and corresponding budgets, will be kept under regular review over the coming months.

Recommendations

Members of the Joint Committee are asked to:

- a) Notes the Revised Analysis of LEP External Grants as at the end of February 2022 as set out in Figure 1;
- b) Notes the LEP revenue outturn as set out in Appendix 1;
- c) Approve the Full Business Case for the acquisition of property in Milsom Quarter, Bath for the Fashion Museum and the award of funding in line with the Red Book valuation and able to be accommodated within the headroom in the Revolving Infrastructure Fund programme;
- d) Approve the change requests for schemes in the Local Growth and Getting Building Fund programme as set out in Appendix 2;
- e) Approve the change requests for schemes in the Economic Development and Revolving Infrastructure Fund programmes as set out in Appendix 3;

Contact officer: Richard Ennis

Position: Interim Director of Investment & Corporate Services

Email: Richard.Ennis@westofengland-ca.gov.uk

REPORT TO: WEST OF ENGLAND JOINT COMMITTEE

DATE: March 2022

REPORT TITLE: JOINT COMMITTEE GOVERNANCE REVIEW

AUTHOR: BEN MOSLEY, HEAD OF THE EXECUTIVE OFFICE – BCC

1. Purpose of Report

- 1 West of England Mayors and Leaders are committed to building a culture of trust in political and public engagement, developing a shared vision for sustainable and inclusive economic growth for the region and ensuring that effective governance processes exist to maximise strategy development, collaborative decision making and delivery.
 - 1.1 The governance of the Joint Committee has been in place for 5 years and needs to be reviewed. The committee is able to deal with any relevant functions that fall outside those set out in the West of England Combined Authority Order 2017. Importantly as being the only democratically elected strategic decision making body that covers all areas of the West of England, this includes the receipt of any relevant recommendations from the Local Enterprise Partnership Business Board – which is coterminous with the Joint Committee area. It also includes significant past and present regional funding streams and programmes (Economic Development Fund, Regional Growth Fund and Invest in Bristol and Bath), and other matters of regional significance relevant to the committee.
 - 1.2 This report sets out a series of recommendations to renew the governance arrangements for the West of England Joint Committee that will ensure effective collaboration between all West of England authorities as a way of ensuring maximum impact. This includes recommendations concerning the governance arrangements of the Joint Committee including a review of the Joint Committee's Standing Orders; hosting arrangements; a protocol for the co-production of proposals & reports; greater transparency and accountability in decision making; and regular reporting of Joint Committee programmes and initiatives.
 - 1.3 Monitoring Officers and Finance Officers have reviewed the governance arrangements in place for the Economic Development Fund, Local Growth Fund and Revolving Infrastructure Fund. Recommendations have been set out concerning the management and governance arrangements of these funds, having regard to the benefits of the One Front Door approach.
 - 1.4 This report confirms the importance of maintaining and strengthening the links between the Unitary Authorities and the West of England LEP, building on the successes over the last 10 years. West of England Unitary Authorities are keen to ensure the foundations are in place for the Joint Committee to consider wider strategic priorities with the LEP, which can be advanced through the Combined Authority, Western Gateway and directly with Government. This also includes

proposals to improve transparency and accountability by strengthening the public profile of the Joint Committee and its activities.

- 1.5 This report has been produced by UA CEOs, in consultation with the Monitoring Officers of the Unitary Authorities, S151 Officers.

2) Recommendations

- 1) The Joint Committee is to be re-established with new governance arrangements that make accountability clearer, and decision making more transparent. This includes the receipt of any relevant recommendations from the Local Enterprise Partnership Business Board, and any other relevant legacy matters that involve both the West of England Combined Authority area and the area of North Somerset Council.
- 2) Joint Committee will play its full role in the development of strategy for the West of England region as a whole, working with the LEP, Combined Authority and Western Gateway and other partners to advocate for the region with Government and other stakeholders.
- 3) That the four Unitary Authorities (Bristol City Council, South Gloucestershire Council, Bath and North East Somerset Council, North Somerset Council) agree to dissolve the existing Joint Committee arrangements subject to new Standing Orders being agreed by the Joint Committee, subject to Unitary Authority council governance processes.
- 4) Monitoring Officers will produce new standing orders which be considered at the next meeting of the Joint Committee. The new standing orders will include provisions which detail arrangements for the management of Joint Committee meetings and agenda setting; election of a chair; the co-production of reports; voting arrangements; the relationship with the Combined Authority; and the role of the Combined Authority Mayor.
- 5) One Front Door funding administrative arrangements should continue with regards to relevant funds such as the Economic Development Fund and Resolving Infrastructure Fund.
- 6) To ensure clearer accountability of the Joint Committee, approve the principle that for those funds that are the responsibility of the 4 Unitary Authorities, for example the Economic Development Fund, reports will be commissioned by the Committee and signed-off by Unitary Authority (UA) CEOs in partnership with the CEO of the LEP before publication. Any delegated decision making will be to UA CEOs in consultation with UA leaders, recognising relevant accountability and governance requirements.
- 7) Note the Government White Paper "Levelling Up the United Kingdom", published on 2 February 2022, proposes changes to the current framework for the governance and funding of LEPs. To welcome the agreement of the LEP Board to establish a working group, comprising representatives from the Combined Authority, the LEP, North Somerset and a representative from the three other Unitaries to consider options and proposals regarding the future governance of the LEP to bring before

the respective bodies in the early summer.

- 8) Note the letter received from the Department for Levelling Up, Housing and Communities regarding 'Integrating Local Enterprise Partnerships into local democratic institutions' on 31st March 2022. Note that bespoke arrangements to maintain West of England LEP will need to be developed, and welcome the opportunity to be engaged in the development of a preferred option.
- 9) To provide greater transparency and accountability the Joint Committee will produce an annual report which will detail its activities and set out its priorities for the year ahead. Regular updates are to be provided at Joint Committee meeting regarding the work of the Western Gateway including engagement with Government and other key stakeholders.
- 10) Good governance and accountability require that the West of England Joint Committee should have a clear and distinguishable identity, distinct from the Combined Authority. The Joint Committee is to establish its own online presence whereby committee reports, and decisions can be clearly accessed by the public. This will provide public access to the Joint Committee's standing orders and terms of reference to support the public's understanding of its role and purpose.

3) Background & Issues for Consideration

- 3.1 All parties are committed to the success of the West of England as a region and raising the profile of the region both nationally and internationally.
- 3.2 The West of England Joint Committee is established under Section 101(5) of the Local Government Act 1972, as applied by Section 20 of the Local Government Act 2000 and Regulation 11 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 by the Executives of Bath and North East Somerset Council, Bristol City Council, South Gloucestershire Council, North Somerset Council.
- 3.3 Since January 2020, the West of England Joint Committee has generally met jointly with the West of England Combined Authority Committee – this joint meeting was the main member decision-taking meeting. Prior to January 2020, the Combined Authority Committee and the Joint Committee met separately on the same day. To streamline arrangements and to enable more efficient meetings, Mayors and Leaders agreed in January 2020 that the Combined Authority Committee and the Joint Committee should in future meet together at a joint meeting. This enabled, for example, all reports to be published as one, unified agenda and meant that one public forum session could take place near the start of the meeting. The two committees were separate bodies in legal terms but met together.
- 3.4 However due to legal advice received regarding the voting arrangements of the Joint Committee, Unitary Authority leaders unanimously agreed in December 2021 to review the governance arrangements of the Joint Committee.
- 3.5 In December 2021 the Joint Committee resolved:
 - To commission the Monitoring Officers of the Unitary Authorities which constitute

the Joint Committee to review the Joint Committee's current constitutional arrangements and to make recommendations which will be considered by the Joint Committee by March 2022.

- To implement a review into the governance and administration of the Joint Committee's funding streams and to commission the Chief Executives and Monitoring Officers of the four Unitary Authorities to work with the LEP Board and CEO to review the administrative arrangements for Joint Committee's investment sources including the Local Growth Fund (LGF), Economic Development Fund (EDF), Revolving Infrastructure Fund (RIF), having regard to the advantages of the single pot approach and flexibility across funding programmes. Recommendations from the review to be formally reported to the LEP Board and then to Joint Committee.
- To requisition a meeting of the Joint Committee by March 2022 at Weston-super-Mare's Town Hall to consider the next steps.

3.6 This report has been developed in accordance with the resolution passed by Joint Committee. Monitoring Officers of the Unitary Authorities which constitute the Joint Committee have reviewed the Joint Committee's current constitutional and administrative arrangements and made a series of recommendations on how they could be improved.

3.7 There has been engagement with the Chief Executives, S.151 Officers and Monitoring Officers of the four Unitary Authorities and the Chair of the LEP Board and its CEO regarding administrative arrangements for Joint Committee's investment sources.

3.8 In February 2022 the Government published the "Levelling Up the United Kingdom White Paper", which encourages the integration of LEPs and their business board into Mayoral Combined Authorities. This poses a challenge to the West of England, given that North Somerset is not part of WECA. Further detail over transition arrangements for LEPs has been recently published and this report has been updated to reflect the latest position.

3.9 North Somerset is a key part of the West of England region. While North Somerset is not a member of the West of England Combined Authority, all partners recognise the importance of the strategic relationship with North Somerset in delivering the key infrastructure priorities in the region.

3.10 Within this context the Joint Committee remains committed to bringing together business, the region's councils and the Combined Authority to promote the local economy of the West of England.

3.11 The Government's devolution agenda has changed since the Joint Committee was established in 2017. Pan regional partnerships have emerged as a key part of the regional development infrastructure, providing an extended network of collaborators and a strong regional brand. The Western Gateway is a cross-border economic partnership of Local Authorities, City Regions, LEPs, universities and business across Western England and South Wales, which works closely with both Governments in Wales and Westminster. Working together it offers to bring additionality and amplification to the area's existing strategies and structures. The Western Gateway has quickly gained traction and profile with Government and is cited within the White Paper as an initiative that demonstrates "the benefits that can be achieved through effective cross-border

collaboration”, bringing together local leaders and the private sector to drive growth.

4. Governance Structure, Transparency and Accountability in Decision Making

- 4.1 Monitoring Officers from across the four Unitary Authority members of the Joint Committee have been engaged in a ‘Governance Review’ exercise of the current Joint Committee arrangements.
- 4.2 The West of England Joint Committee is established under Section 101(5) of the Local Government Act 1972, as applied by Section 9EB of the Local Government Act 2000 and Regulation 11 of the Local Authorities (Arrangements for the Discharge of Functions (England) Regulations 2012 by the Executives of Bath and North East Somerset Council, Bristol City Council, South Gloucestershire Council, North Somerset Council.
- 4.3 The Joint Committee was established to deal with any relevant functions that fall outside those set out in the West of England Combined Authority Order 2017; in particular work on joint plans e.g. Joint Transport Plan, the receipt of any relevant recommendations from the Local Enterprise Partnership Business Board and any other relevant legacy matters that involve the West of England Combined Authority area and the area of North Somerset Council.
- 4.4 Since January 2020, the West of England Joint Committee has generally met jointly with the West of England Combined Authority Committee – this joint meeting is the main member decision-taking meeting. Prior to January 2020, the Combined Authority Committee and the Joint Committee met separately on the same day. To streamline arrangements and to enable more efficient meetings, Mayors and Leaders agreed in January 2020 that the Combined Authority Committee and the Joint Committee should in future meet together at a joint meeting. This practice was discontinued from December 2021.
- 4.5 The arrangement has led to an inappropriate merging of constitutional arrangements between the Joint Committee and Combined Authority Committee which has resulted in confusion regarding the respective roles and responsibilities of the two bodies.
- 4.6 In December 2021, the Joint Committee noted that the Metro Mayor does not have a right of veto on matters relating to the Joint Committee; all voting is by way of a simple majority of those present and voting will exclude the Metro Mayor for the particular items set out in the Joint Committee’s Terms of Reference.
- 4.7 Joint Committee’s Terms of Reference are contained within the constitution of West of England Combined Authority. Standing Orders (Descriptions and Rules of Procedure), that apply to a meeting of the West of England Combined Authority also apply to meetings of the Joint Committee save that the voting arrangements applicable to the Joint Committee.
- 4.8 These arrangements do not provide a clear distinction between the rules and procedures that govern Joint Committee and those of the Combined Authority. As such, to provide greater clarity regarding the role and responsibilities of the committee it is recommended that Joint Committee has a new set of Standing Orders, that are

independent of those which are set out in the Constitution of the Combined Authority. This will ensure there is greater clarity regarding the functions and procedures of these two committees going forward. This would require that Joint Committee dissolve its current arrangements.

- 4.9A new set of Standing Orders are to be developed by the Monitoring Officers of the four Unitary Authorities that constitute the Joint Committee. The new draft Standing Orders for the Joint Committee will update the Joint Committee's roles and responsibilities, delegations and voting arrangements to reflect the changes that have taken place since 2017.
- 4.10 Should the Joint Committee approve the recommendation of this report, Monitoring Officers of the region's four Unitary Authorities will develop new Standing Orders which will need to be agreed by each constituent Council of the Joint Committee at an Executive or Full Council meeting. The current Joint Committee arrangements will remain in place until each constituent council of the Joint Committee agrees to re-constitute the Joint Committee on the new standing orders proposed by the Monitoring Officers.
- 4.11 It is recommended that several key changes are contained within the new standing orders which are outlined below which will be implemented should recommendation one of this report be implemented:
- **Meetings:** The West of England Joint Committee has met jointly with the West of England Combined Authority Committee. While this arrangement was introduced as an efficiency measure to reduce the number of public meetings, it has resulted in the decision making of the two committee effectively being merged, blurring the lines between roles and responsibilities and authority to take decision. To address the challenge and improve transparency over decision making, it is recommended that the joint meetings of the West of England Combined Authority and Joint Committee do not continue and that both committees meet independently. This would require the publication of separate forward plans, agendas, papers and minutes detailing decisions taken at each committee will be required, providing the public with greater transparency regarding decision making. **Recommendation:** Joint Committee meetings to be separate and independent of Combined Authority meetings. Joint Committee meeting can be held on the same day and in the same venue as Combined Authority meetings.
 - **Chair & agenda setting:** At presented the Joint Committee is chaired by the Combined Authority Mayor, which was agreed by Joint Committee in June 2021. To maintain its distinction from the Combined Authority and recognising the geography of the Joint Committee is wider than that of Combined Authority, it is recommended that the Chair of the Joint Committee should be elected from among the four constituent authorities of the Joint Committee. The Chair will be responsible for setting the agenda for Joint Committee meetings in agreement with Joint Committee Leaders and for chairing meetings of the Joint Committee. It is recommended that all members of the Joint Committee be invited to attend agenda setting meetings in advance of the publication of Joint Committee agenda papers.
 - **Co-production of reports:** Co-production is a fundamental principle for a

successful joint working arrangement and that applies across all structures of the governance and delivery processes. At present Joint Committee reports are mainly produced by officers of the Combined Authority. To help all members of the Joint Committee avoid circumstances where proposals are presented without the full engagement of the relevant Unitary Authority leads and where new resources are committed without a clear understanding of the existing capacity to deliver, it is proposed that a clear process for the co-production of reports is adopted. It is recommended that a new standard section is included in the Joint Committee report format requiring a description of the liaison/co-production activity that has taken place across the authorities and where relevant the wider LEP Board in developing proposals.

- **Relationship with the Combined Authority:** The West of England Joint Committee will continue to work closely with the Combined Authority. This relationship is fundamental to its success. The Joint Committee will continue to contribute to the following work that will be led by the West of England Combined Authority:
 - The delivery and development of key strategies to improve the economic condition across the West of England area.
 - Agreement and delivery of a set of strategic priorities that enables the region to deliver on its climate commitments.
 - West of England Growth Fund Review
 - Support the West of England Growth Hub
 - Support Invest Bristol & Bath
 - Championing the delivery of policy, projects and programmes of work that enables the region to deliver on its climate commitments.
- **Role of the Combined Authority Mayor:** Matters requiring a decision on the following functions are to be determined by a majority of those Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor subject to the proviso that any such matter that solely impacts the area of a single unitary authority requires that unitary authority to vote in favour of the proposal:
 - West of England One Front Door Programme Schemes
 - West of England Growth Fund Review
 - Support the West of England Growth Hub
 - Support Invest Bristol & Bath

4.12 It is proposed that through a decision to be taken via the Joint Committee, the four Unitary Authorities and the West of England Combined Authority consider and agree to adopt the new standing orders so that Joint Committee can be reconstituted on the new standing orders by June 2022.

4.13 The LEP Board will continue to provide a business perspective and make recommendations to the West of England Joint Committee. A programme of sequential meetings of the LEP Board and West of England Joint Committee should continue to support this process and timely decision making. The LEP Board and Chair will continue to play a key advisory role and make recommendations that are considered by the Joint Committee, which will continue to take full account of these recommendations in its decision making. The Chair of the LEP Board will continue to participate as a non-voting member in the meetings of Joint Committee. Further recommendations to strengthen the relationship of the LEP and Joint Committee are set out in section 6.

5. Finance and Investment arrangements

5.1 The Joint Committee oversees the following funding streams:

- Economic Development Fund – £500m fund created from retained business rate growth across the West of England Enterprise Zone and Areas. The fund runs for 25 years from 2014 until 2039, is focused on supporting capital infrastructure to unlock job creation in the Enterprise Zone and Areas.
- Local Growth Fund – through Growth Deals, (GD 1 & 2, GD 3 Award), the West of England LEP secured a total of £202.1m from the government's Local Growth Fund that will be invested in the West of England from 2015 – 2021. This funding, which is capital only, will be matched by over £200m of additional investment from local partners and the private sector, and together will create over 9,000 jobs. This funding stream expired in 2021.
- Revolving Infrastructure Fund – this fund is worth £56.7m and is made up of two elements including £16.9m from the Growing Places fund and £39.8m from the Regional Growth Fund (RGF). The fund's purpose is to drive economic growth and is used to front end the infrastructure required to enable development. Open to the four local authorities, the fund is largely capital and is required to be repaid in order to keep the fund revolving.
- Getting Building Fund – £13.7M capital funding to help complete major projects which are planned to stimulate jobs and support the region's economic recovery. To create or safeguard 2,403 jobs, plus another 153 during construction, while also benefiting more than 265 business.

5.2 Matters requiring a decision on these funding streams (with exception of the Local Growth Fund) are determined by a majority of Members of the Joint Committee present and voting, excluding the West of England Combined Authority Mayor, subject to the proviso that any such matter that solely impacts the area of a single unitary authority requires that unitary authority to vote in favour of the proposal.

5.3 Currently schemes coming forward through the Economic Development Fund (EDF), and new schemes through the Revolving Infrastructure Fund (RIF) will pass through the One Front Door process. This means that all projects follow a 2 stage approval process, Outline and then Full Business Case with Highlight Reporting for ongoing management.

5.4 The One Front Door process was adopted by the West of England Joint Committee in 2017. This approach was developed for the identification, development, approval and change management for schemes seeking funding through the LEP Local Growth, Economic Development & Revolving Infrastructure Funds. This involves recommendations being made by 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 (EDF) advice is provided by the four Council S151 officers as part of the business case approval decision.

5.5 The aim of the 'One Front Door' approach was to establish a consistent and transparent approach that oversees a wide range of programmes regardless of their funding source. 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

regard in the 'National Local Growth Assurance Framework' guidance. The way that these requirements are met is set out in the West of England Local Growth Assurance Framework.

- 5.6 However, in practice in recent years proposals to access these funds have been largely developed by the Combined Authority with varying levels of coproduction with Unitary Authorities. This has led to frustration that proposals are not being meaningfully coproduced with Unitary Authorities, giving the Combined Authority an undue amount of influence over the allocation of these funds.
- 5.7 In December 2021, the Joint Committee resolved to: *“implement a review into the governance and administration of the Joint Committee’s funding streams and to commission the Chief Executives and Monitoring Officers of the four Unitary Authorities to work with the LEP Board and CEO to review the administrative arrangements for Joint Committee’s investment sources including the Local Growth Fund (LGF), Economic Development Fund (EDF), Revolving Infrastructure Fund (RIF), having regard to the advantages of the single pot approach and flexibility across funding programmes. Recommendations from the review to be formally reported to the LEP Board and then to Joint Committee.”*
- 5.8 Chief Executives, Monitoring Officers and Finance Officers from the of the four Unitary Authorities that constitute the Joint Committee have reviewed the administrative arrangements for Joint Committee’s investment sources.
- 5.9 The current arrangements could be used to better affect through comprehensive ‘co-production’ of proposals ensuring these are embedded into Joint committee’s ways of working and contained within the committee’s Standing Orders. In effect this would require any proposal to utilise these funds will only be considered by the Joint Committee once the Combined Authority as the accountable body can demonstrate the proposal has been ‘co-produced’ by all partners, including the LEP. It is therefore recommended that reports for the Joint Committee can only be published with the agreement of the majority of the CEOs of the Unitary Authorities or their designated representative.

6. Strengthen the relationship between the Unitary Authorities, Joint Committee and the West of England LEP

- 6.1 The Government’s Levelling Up White Paper recognises that Local Enterprise Partnerships (LEPs) play an important role in bringing together stakeholders from local authorities and businesses. The paper includes a commitment to retain the key strengths of LEPs as local, business-oriented institutions in supporting private sector partnerships and economic clusters.
- 6.2 The Government’s White Paper encourages the integration of LEPs and their business boards into Mayoral Combined Authorities where geographies align. In the West of England, Leaders recognise the LEP has played an important role in representing the voice of businesses on the Joint Committee and within the Combined Authority.
- 6.3 Nationally the Government has recognised that LEPs have acted as important organisational means of bringing together businesses and local leaders to drive

economic growth across England. LEPs are responsible for the delivery of a number of major funding streams. The Government wants to retain the key strengths of LEPs in supporting private sector partnerships and economic clusters, while at the same time better integrating their services and business voice into the UK Government's new devolution plans.

- 6.4 To that end, the UK Government is encouraging the integration of LEPs and their business boards into MCAs, the GLA and County Deals, where these exist. Where a devolution deal does not yet exist, LEPs will continue to play their vital role in supporting local businesses and the local economy. Where devolution deals cover part of a LEP, the Government has stated this will be looked at on a case by case basis. Further detail on this transition has recently been published.
- 6.5 The West of England devolution deal, as it does not include North Somerset, is not coterminous with the LEP area. As such the guidance indicates a local solution will need to be developed on a 'case-by-case' basis. The guidance makes clear that in this scenario further legal advice may need to be commissioned on what options are legally permissible in each area, and that the mechanism for delivery should also be jointly developed between the CA and North Somerset Council. The Joint Committee welcomes the decision of the LEP Board to set up a working group to review options of what a local solution could look like, and to enable the most appropriate option to be taken forward in line with Government policy.
- 6.6 Until agreement regarding the expansion of the Combined Authority is reached, it is likely the Joint Committee and West of England LEP (or its successor arrangements) will be required to continue to perform their respective roles. Subject to legislation, this could be for at least a further 3 years.
- 6.7 Joint Committee Unitary Authority Leaders recognise the important role the LEP has in facilitating strategic conversations in the region. Unitary Authorities Leaders are keen to ensure that the function of the LEP continues its important work and that the foundations are in place for the Joint Committee to consider wider strategic priorities with the LEP (or its successor) which can be advanced through the Western Gateway and with Government.
- 6.8 The Joint Committee should consider establishing a joint working group with the LEP Board (or its successor post the Levelling Up devolution changes) to identify future strategic agenda items for the Committee to focus its resources. To enable these important strategic conversations to take place Joint Committee should consider establishing a series of quarterly meetings with a core group of LEP Board members and Unitary Authority CEOs. These considerations could also form part of the ongoing work around the future of LEP structure under the Levelling Up proposals.
- 6.9 These meetings could help enable greater information sharing, idea generation and support the tracking of progress and delivery of key projects as well as develop proposals for future areas of work. The meetings would also serve a direct link between the LEP (its successor) and Unitary Authorities which will encourage leaders to maintain these strategically important relationships.

7. Strengthen the public profile of the Joint Committee

7.1 The Joint Committee provides the opportunity for all Unitary Authority partners in the WoE, including North Somerset, to collaborate and access the Economic Development and Revolving Infrastructure Funding. To demonstrate the value and importance of this relationship and to provide greater transparency, the Joint Committee and the LEP should consider producing an annual report of its activities so that local leaders, business and the public can see clearly the value to this strategically important relationship and how it supports the delivery of key projects throughout the region.

Western Gateway

7.2 In the Levelling up White Paper, the Government recognises the convening power of local leaders and is committed to working with stakeholders to strengthen and deepen partnership working to drive local growth. In particular, it recognises the work of the Western Gateway, an economic partnership of local authorities, city regions, LEPs working in close collaboration with governments in Westminster and Wales, that demonstrates the benefits that can be achieved through effective cross-border collaboration.

7.3 The Joint Committee should capitalise on the Government's support for the Western Gateway and actively work with the LEP Board to ensure this partnership achieves its full potential. Joint Committee leaders should consider establishing a working group with the LEP to identify regional priorities which should be promoted and progressed through the partnership. The working group should bring regular updates to Joint Committee meeting to inform their work with the Western Gateway. Leaders may also want to consider inviting the Chair of the Western Gateway to give an annual update report to the Joint Committee and LEP, which could support leaders to identify opportunities for greater collaboration within the wider partnership and support engagement with Government.

Promoting the Joint Committee

7.4 In the interests of public transparency and accountability, the West of England Joint Committee should have clear and distinguishable identity that is distinct from the Combined Authority.

7.5 The Joint Committee should consider producing an annual report of its activities and decisions that should be agreed by Joint Committee leaders and presented to Unitary Authority Council meetings for noting.

7.6 The Joint Committee should consider commissioning its own branding and logo which should be visible on any material produced by projects which received Joint Committee investment.

7.7 The Joint Committee may wish to consider establishing its own website whereby committee reports, and decisions can be clearly accessed by the public. The website would provide public access to the Joint Committee's standing orders and terms of reference to support the public's understanding of its role and purpose. Such a facility could also be used to share position statements and strategies agreed by the Joint

Committee as well as updates of the Joint Committee recent activities.

8. Next Steps

8.1 Should the recommendations of this report be approved by committee, the Monitoring Officers of the Unitary Authorities will develop a new set of standing orders for the Joint Committee which will be presented to committee by June 2022.