

**A meeting of the**

**West of England Combined Authority Committee**

**will be held on**

**Date: Wednesday, 18 January 2023**

**Time: 12.00 pm**

**Place: The Space Community Room, Keynsham Civic Centre, Market Walk, Keynsham, BS31 1FS**

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

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

**Enquiries to:**

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# **The Combined Authority Committee Agenda**

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- Attend all The Combined Authority, 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 Combined Authority and all the Combined Authority 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 the Combined Authority, Committees and Sub-Committees with details of the membership of all Committees and Sub-Committees.
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- Have access to a list setting out the decisions making powers the Combined Authority has delegated to their officers and the title of those officers.
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## **OTHER LANGUAGES AND FORMATS**

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### **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 Democratic Services 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.

An archived recording of the proceedings will also be available for viewing after the meeting. The Combined Authority may also use the images/sound recordings on its social media site or share with other organisations, such as broadcasters.

To comply with the Data Protection Act 2018, 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 venue 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 any 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 - 30

*To consider and approve the minutes from the meetings held on 14 June 2022 (adjourned from 26 May 2022), 23 September 2022, 14 October 2022 and 12 December 2022 West of England Combined Authority Committee Meetings.*

## 5. CHAIR ANNOUNCEMENTS

*To receive announcements from the Chair of the West of England Combined Authority.*

## 6. ITEMS FROM THE PUBLIC (QUESTIONS, STATEMENTS AND PETITIONS)

### **WRITTEN PUBLIC QUESTIONS (written procedure)**

*1. Any member of the public can submit a maximum of two written questions in advance of this meeting.*

*2. The deadline for the submission of questions is 5.00 pm, at least 3 clear working days ahead of a meeting. For this meeting, the deadline for questions is **5.00 pm on Thursday 12 January 2023**.*

*3. Questions should be addressed to the Chair of the meeting and e-mailed to [democratic.services@westofengland-ca.gov.uk](mailto:democratic.services@westofengland-ca.gov.uk)*

*4. Under the direction of the Chair, wherever possible, written replies to questions will be sent to questioners by the end of the working day prior to the meeting.*

*5. Please note - under the Combined Authority's committee procedures, there is no opportunity for oral supplementary questions to be asked at committee meetings.*

*6. The written questions and replies will be circulated to committee members in advance of the meeting and published on the Combined Authority website.*

### **PUBLIC STATEMENTS**

*1. Any member of the public may submit a written statement (or petition) to this meeting.*

*2. Please note that one statement per individual is permitted.*

*3. Statements must be submitted in writing and received by the deadline of 12 noon on the working day before the meeting. For this meeting, the deadline for statements is **12 noon on Tuesday 17 January 2023**. Statements should be emailed to [democratic.services@westofengland-ca.gov.uk](mailto:democratic.services@westofengland-ca.gov.uk)*

4. *Statements will be listed for the meeting in the order of receipt. All statements will be sent to committee members in advance of the meeting and published on the Combined Authority website.*

**5. Please note:**

*If any member of the public wishes to attend the meeting to orally present their statement, they are asked please to notify the Combined Authority's Democratic Services team of this at the point when their statement is submitted and by 12 noon on the working day before the meeting at the very latest.*

*For those presenting their statements at the meeting, up to 3 minutes 'speaking time' is permitted for each statement. The total time available for the public session at this meeting is 30 minutes.*

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

*The Chair of the West of England Local Enterprise Partnership to be invited to address the meeting.*

**8. COMMENTS FROM THE CHAIR OF THE WEST OF ENGLAND COMBINED AUTHORITY OVERVIEW & SCRUTINY COMMITTEE**

*The Chair of the Authority's Overview & Scrutiny Committee to present the comments of that Committee.*

**9. SUPPORTED BUS SERVICES: CONTRACT DECISIONS**

31 - 62

*This report sets out the overall approach to buses, bringing together supported bus services, funded by the Transport Levy, to be taken in the context of regional bus network investment, primarily funded through the Bus Service Improvement Plan (BSIP).*

**Next meeting: Friday, 27 January 2023**

**DRAFT**  
**Minutes of the**  
**West of England Combined**  
**Authority Committee Adjourned until**  
**14th June 2022, Thursday, 26 May**  
**2022**

Members:

Metro Mayor Dan Norris, West of England Combined Authority  
Cllr Kevin Guy, Bath & North East Somerset Council  
Cllr Toby Savage, South Gloucestershire Council

<b>1</b>	<b>WELCOME AND INTRODUCTION</b>  The Chair welcomed attendees to the meeting and introduced the members of the committee.
<b>2</b>	<b>APOLOGIES FOR ABSENCE</b>  Apologies for absence were received from Mayor Marvin Rees. Councillor Craig Cheney attended the meeting as a substitute.
<b>3</b>	<b>DECLARATIONS OF INTEREST UNDER THE LOCALISM ACTION 2011</b>  There were none.
<b>4</b>	<b>CHAIR ANNOUNCEMENTS</b>  There were none.
<b>5</b>	<b>ITEMS FROM THE PUBLIC</b>  The Chair then advised that 5 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 following members of the public attended the meeting and addressed the Committee for up to three minutes each: <ol style="list-style-type: none"> <li>1. Christina Briggs</li> <li>2. David Redgewell</li> <li>3. Brendon Taylor</li> <li>4. Cllr Tim Rippington</li> </ol> The Chair invited Richard Bonner (LEP Board Chair) to address the Committee with his statement (attached as Appendix 1 to these minutes). Richard Bonner invited the Committee to support provision of additional funding to preserve current buss services as much as possible in order to help support citizens' jobs and services, to work with unions and business on which bus services may be affected, and to engage with citizens and principal stakeholders to manage implications of mitigations measures.  The Chair invited Councillor Winston Duguid, Chair of the Overview and Scrutiny Committee, to address the Committee. Councillor Duguid commented that walking, cycling and traveling by bus was essential in reducing car usage in the area, and asked the Committee to come up with a solution, even if that would be short term solution.  The Chair thanked everyone who has submitted a statement by saying that all the comments have been noted and would be taken into account by the Committee today.
	<b>APPENDIX 1</b>
<b>6</b>	<b>TRANSPORT LEVY</b>  The Chair introduced the report by saying that, like most combined authorities, the West of England have received its funding for running supported bus services from its constituent councils in the form of a Transport Levy. The Levy was agreed between the various parties when all the bus service contracts, and other bus-related functions were transferred to the

Combined Authority in 2020. Unfortunately, inflationary pressures particularly from driver shortages and fuel price increases have resulted in a significant rise in tender prices for supported services contracts.

This report has followed the tender process for the financially supported bus service contracts across the region. It also followed previous reports in January and April which sought to enable the Combined Authority, as the Local Transport Authority, to award new contracts for bus services through appropriate delegations.

The recommendations set out in the report have included a full range of funding options and each has had a direct consequence for bus services currently running.

The Chair informed the meeting that voting arrangements on this item required majority of present Committee members, or their substitutes, and excluded Metro Mayor.

The Chair asked for mover and seconder on one of the options in the report recommendations.

There were no movers and seconders for any of the options in the report recommendations.

Councillor Kevin Guy moved the following motion:

The Combined Authority Resolves:

- 1) To negotiate extension of all the existing contracts by 12 months (in conjunction with consistent Councils), in order to provide the time to complete the required review and to delegate to the Combined Authority Chief Executive, in consultation with the Unitary Authority Chief Executives, the review and authority to conduct a negotiated procurement for 2023/24 and beyond.
- 2) To meet the increased costs implication of 12-month extension of contracts (from September 2022) and newly commissioned service provision from September 2023/24, in line with the funding principles agreed by the Chief Finance Officers from constituent Councils.
- 3) That the Combined Authority S151 officer, in consultation with the Unitary Authority s151 officers, undertakes a comprehensive review into principles of setting the transport levy for 2023/24 and for future years, and to report back to the committee as part of the Unitary Authorities budget setting decision.

Councillor Toby Savage seconded the motion.

Councillor Kevin Guy outlined the following draft funding principles (as agreed by UA s151 officers).

The funding principles – 1 year extension all services:

1. Prior year and in year underspend / headroom on the transport levy inc. concessionary fares budgets and transport smoothing reserve is held to mitigate bus contract pressures.
2. Any income from bus services not assumed in the contract price should be earmarked to reduce the call on the constituent Councils.
3. Net increases above mitigation 1 & 2 above (having been satisfactorily exhausted) will be underwritten by constituent Councils as a one-off pressure, addressed via the budget monitoring report to Cabinet or their emergency decision / urgency provisions under the constitution.

The funding principles – newly commissioned service (following negotiated procurement):

1. Other appropriate WECA funding mechanisms including BSIP (utilised for improvements) &

Investment fund (utilised to aid economic recovery) are identified and allocated as appropriate within the negotiations or financial mitigations.

2. Ongoing annual underspends on concessionary fares from patronage below 2019/20 levels is committed to fund supported busses pressures.

3. Any income from bus services not assumed in the contract price should be earmarked to reduce the call on the constituent Councils.

4. Net increases above annual inflation of 2% to the Levy after WECA mitigations above (1-2 & 4-6) having been satisfactorily exhausted), will be considered and put forward by constituent Councils as part of their annual budget setting as a budget growth requirement.

At this point of the meeting the Chair proposed for the meeting to be adjourned and held at later date so he and West of England Combined Authority officers could consider implications of the motion and its funding principles.

Meeting adjourned at 4.10pm on 26<sup>th</sup> May 2022.

The meeting reconvened at 2:00pm on Tuesday 14 June 2022 in the Council Chamber at Bath Guildhall. Due to ongoing discussions the meeting commenced at 6:18pm

Present:

Metro Mayor Dan Norris (West of England Combined Authority)

Councillor Toby Savage (South Gloucestershire Council)

Councillor Kevin Guy (Bath & North East Somerset Council).

On resumption the previous motion as moved by Councillor Kevin Guy (as outlined above) was withdrawn.

A new motion was moved by Metro Mayor Dan Norris and seconded by Councillor Toby Savage. The motion was welcomed by both Councillor Guy and Councillor Savage who stated that this reassured bus users that services would be protected.

Upon voting it was unanimously

Agreed:

The **Combined Authority Resolves:**

1. To seek to negotiate extension of existing contracts by 7 months (in conjunction with constituent Councils), in order to provide the time to complete an urgent network review. The Combined Authority holds the client function and commissions external consultants. This is to be completed by July 2022. The Committee agrees to delegate to the Combined Authority Chief Executive in consultation with UA Chief Executives, the review and authority to conduct a procurement for where services commence in April 2023 to April 2027 in line with the principles set out below in "**B – Long term**".

2. To meet the costs implication of a 7 month extension of contracts from September 2022 and newly commissioned service provision from April 2023/24, in line with the funding principles "**A - short term**".

3. That governance arrangements and a media protocol are developed to oversee and support this area of work going forward and to delegate to the Combined Authority Chief Executive in consultation with the UA Chief Executives, the development and implementation of these arrangements.

**A – Short term for the 7 month extension**

To meet the costs of extension of contracts from Sept 22 to April 2023

1. The Combined Authority will fund supported services until April 2023, provided that



they under 40ppj, within the funding available from the underspend, until such funds are exhausted.

2. Because there are different issues with the timing of contracts and services, any school services will be treated separately. The Combined Authority will fund selected school services for the academic year Sept-July. All school services where support ends will be offered mitigations.
3. Net increases above exhausting the transport underspend and any possible efficiencies as identified by the combined authority CEO, will be underwritten by constituent Councils as a one-off pressure, addressed via the budget monitoring report to Cabinet or their emergency decision / urgency provisions under the constitution.
4. Individual UAs can at their discretion provide additional funds for specific services above the £40ppj level in their areas – council and third-party financial contributions to be based on proportionate benefit to individual authority areas, capped to £160k in total. This will be specifically applied to services: 626, 680, 948.

**B Long term. The funding principles – newly commissioned service (following negotiated procurement):**

1. Undertake a network review by the end of July/August to establish which services should be supported for transport or wider social reasons taking into account the resources available through both the Transport levy (for existing services) and BSIP grant (for new services).
2. That the Combined Authority tender for a 4 year service on a on a best basis value which will include services on a gross basis starting from April 2023
3. We agree the principle of a value for money mechanism and that the detailed criteria over the funding of services should be developed alongside the network review to inform the selection of services which begin in April 2023.
4. That the Combined Authority retains the smoothing reserve for future unexpected issues; but at the end of each financial year, if it is not exhausted, it is reviewed and kept at the appropriate level and spent on the following year's supported services as required
5. That the fare box income is reinvested in routes and not used to reduce the transport levy.
6. That the BSIP money will be used only on enhanced and new routes as per government guidelines but that opportunities to relax the approach to BSIP funding be explored with DfT and government.
7. That use of Investment fund (utilised to aid economic recovery) within the terms within which it is awarded, where there is appropriate business case it will be actively explored.

	<p>8. That ongoing annual underspends on concessionary fares is committed to fund supported busses pressures year on year.</p> <p>9. In principle we agree to the transport levy will rise by the preceding December CPI inflation as a planning assumption or an uplift as agreed each year following the independent network review, this will be part of the budget planning process within the unitary authorities.</p> <p>10. Net increases above exhausting 4-8 will be underwritten by constituent Councils via additional transport levy voted on at a Combined Authority meeting, this will be part of the unitary authorities budget setting processes and considered in line with other priorities before the commencement of the next financial year. Six month break clauses to be negotiated with bus companies where possible to allow services which have become less viable to be reviewed and support ended at the January meeting. The Combined Authority will coordinate with Unitary Authorities to bring proposals regarding increases to the Transport Levy to the Combined Authority Committee ahead of the annual budget cycle.</p>
	<p><b>Signed:</b></p> <p><b>Date:</b></p>

## APPENDIX ONE – PUBLIC STATEMENT

## APPENDIX TWO – PUBLIC QUESTIONS WITH ANSWERS

# **DRAFT**

## **Minutes of the West of England Combined Authority Committee , Friday, 23 September 2022**

### Members:

Metro Mayor Dan Norris, West of England Combined Authority  
Cllr Kevin Guy, Bath & North East Somerset Council  
Cllr Toby Savage, South Gloucestershire Council  
Mayor Rees, Bristol City Council (apologies given, Cllr Craig Cheney attended as substitute)

Richard Bonner, Chair of the Local Enterprise Partnership (LEP) Board (non-voting member –  
apologies given, Katherine Finn, Vice-Chair of the LEP Board, attended as substitute)

1	<b>WELCOME AND INTRODUCTIONS</b>  The Metro Mayor Dan Norris welcomed everybody to the meeting which was held at MShed. The evacuation procedure was noted.																											
2	<b>APOLOGIES FOR ABSENCE</b>  Apologies for absence had been received from Mayor Marvin Rees (Bristol City Council). Councillor Craig Cheney attended as substitute.  The Chair of the Local Enterprise Partnership (LEP) Board, Richard Bonner, a non-voting member of the Committee, had sent apologies. Katharine Finn, the Vice-Chair of the LEP Board attended the meeting as substitute.																											
3	<b>DECLARATIONS OF INTEREST UNDER THE LOCALISM ACTION 2011</b>  There were no declarations of interest declared.																											
4	<b>MINUTES</b>  The minutes of the meetings held on 1 July 2022 and 29 July 2022 were agreed as a correct record and signed by the Chair.																											
5	<b>CHAIR'S ANNOUNCEMENTS</b>  The were no announcements from the Chair.																											
6	<b>ITEMS FROM THE PUBLIC (QUESTIONS, STATEMENTS AND PETITIONS)</b>  Five questions from three individuals had been submitted in advance of the meeting. The questions and responses had been circulated and published prior to the meeting.  Nine statements from Members of the Public had been received, details below. Members of the public attended the meeting and addressed the meeting for up to three minutes on the topic of their statements where indicated: <table><tr><td>1</td><td>Dave Redgewell (read out by Jordan Curran)</td><td>Transport Issues</td></tr><tr><td>2</td><td>Damien Valentine</td><td>Bus Services 178</td></tr><tr><td>3</td><td>Brendon Taylor</td><td>Bus Services - Disability</td></tr><tr><td>4</td><td>Jordan Curran</td><td>Bus Services</td></tr><tr><td>5</td><td>Cllr Denise Denis (Wells City Council) (read out by Rosa Kell)</td><td>Bus services</td></tr><tr><td>6</td><td>Emilia Melville</td><td>Public Transport</td></tr><tr><td>7</td><td>Cllr Marley Bennett, Bristol City Council</td><td>Bus Services</td></tr><tr><td>8</td><td>Robbie Bentley</td><td>Bus Services</td></tr><tr><td>9</td><td>Rosemary Nash</td><td>Bus Services</td></tr></table>  The statements were published on the Authority's website. The Metro Mayor stated that he anticipated more funding from April 2023 and he acknowledged that other Combined Authorities also had some issues.	1	Dave Redgewell (read out by Jordan Curran)	Transport Issues	2	Damien Valentine	Bus Services 178	3	Brendon Taylor	Bus Services - Disability	4	Jordan Curran	Bus Services	5	Cllr Denise Denis (Wells City Council) (read out by Rosa Kell)	Bus services	6	Emilia Melville	Public Transport	7	Cllr Marley Bennett, Bristol City Council	Bus Services	8	Robbie Bentley	Bus Services	9	Rosemary Nash	Bus Services
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7	Cllr Marley Bennett, Bristol City Council	Bus Services																										
8	Robbie Bentley	Bus Services																										
9	Rosemary Nash	Bus Services																										
7	<b>COMMENTS FROM CHAIR OF LOCAL ENTERPRISE PARTNERSHIP BOARD</b>  The following statement was made by Katharine Finn, Vice-Chair of the Local Enterprise																											

Partnership Board.

**Introduction:**

- I would like to begin by emphasising the LEP Board's commitment to working with the new administration in government and to continue to build on our relationships with government and our local MPs.
- Especially as the region continues to recover from the significant impact of Covid and the Russian invasion of Ukraine, we remain in a state of uncertainty as our residents, businesses and public services are affected by the rising cost of living.

**Investment Fund**

- I note the inflationary impact on the Investment Fund and welcome recommendations that will minimise this impact and enable the funding of ambitious activities [within approved budgets] and ensure key outputs are delivered on time.
- I am pleased to see the investment in infrastructure to enable the delivery of the Hengrove Park development which will significantly transform that part of South Bristol and provide much needed homes.
- It is important that we ensure we have an active pipeline of projects to take advantage of funding opportunities as they arise, and we are well placed to bid into national programmes as well as utilising our own funding.

**Investment Fund Delivery Assurance**

- I welcome the measures being put in place to improve project delivery and help ensure we avoid delay and can provide the benefits of these projects earlier.
- I welcome the review of the Quantum Technologies Innovation Centre (QTIC) project. QTIC, at the heart of the new Temple Quarter Enterprise Campus, has the potential to be a nationally and internationally recognised asset for the region and will cement our reputation as the home for innovation. I am particularly pleased to see the emphasis on the development of a skill strategy – this will mean that people from across the whole West of England region can access pathways into the high-quality jobs created by QTIC. The new measures recommended by the review will help get this project back on track and ensure that it's potential can be fully unlocked.

**Infrastructure Directorate Transport Update**

- The business community supports the scale and ambition shown through the City Region Sustainable Transport Settlement [CRSTS] and Transforming Cities Fund [TFC] and for continuously reviewing its key activities and work programmes to reflect changing priorities and cost increases.
- These schemes will help growth and productivity - connecting our residents to employment and training opportunities in an efficient and affordable way.

**Green Recovery Fund Update / Update on progress towards Climate & Ecological Strategy**

- I note the vast progress made and the scale of challenge the region faces to meet the 2030 target.
- I am pleased to see the first open call for the Green Recovery Fund was a success and that a number of applications were received.
- The business board fully supports the environment team as it expands its programme of

	<p>activities. Unfortunately, last week's LEP Board was postponed when we were due to discuss in more detail, however the LEP would welcome exploring ways in which we may be able to support delivery, assist in catalysing the private sector to take action and help empower our residents.</p> <p><b>Combined Authority Internal Approvals</b></p> <ul style="list-style-type: none"> <li>▪ The LEP is always supportive of processes that improve the efficiency whether it be for internal or external projects.</li> </ul>
<b>8</b>	<p><b>COMMENTS FROM THE CHAIR OF THE OVERVIEW &amp; SCRUTINY COMMITTEE</b></p> <p>The Chair of the Authority's Overview &amp; Scrutiny Committee attending the meeting and outlined the comments made by that Committee. The comments had been circulated in advance of the meeting.</p>
<b>9</b>	<p><b>MOTIONS</b></p> <p>There were no motions submitted in advance of this meeting.</p>
<b>10</b>	<p><b>INVESTMENT FUND PROGRAMME</b></p> <p>The Committee received an update on the overall Investment Fund programme and headroom and set out new investment in a variety of schemes.</p> <p>The following additional amendment was proposed by Councillor Savage:</p> <p><i>"Following the approval of the Outline Business Case for the Arena Infrastructure Package (known previously as the North Fringe Infrastructure Package) at the July WECA Committee, it is recommended that an allocation of £6.637m be made from Investment Fund, subject to Full Business Case submission by March 2023".</i></p> <p>Councillor Savage stated that he felt agreement had been reached at the July 2022 meeting to issue planning consent to allow for the Brabazon Arena conversion and a decision was needed in order to get certainty going forward. The amendment did not award funding but was asking for the same consistency as the other projects set out. The Interim Director of Investment and Corporate Services stated that from a technical perspective it was in line with other recommendations but felt that due to the lateness of the submission more time to consider the issues would be welcomed so that a proper discussion on the proposals could take place.</p> <p>Following a short adjournment it was agreed that additional time was needed to consider this amendment and it was thus suggested that the matter be discussed further at the Extraordinary meeting scheduled for 14 October 2022.</p> <p>The recommendations were moved by Metro Mayor Dan Norris and seconded by Councillor Kevin Guy.</p> <p>Councillor Guy stated that footfall in Bath was now higher than pre-pandemic levels and especially welcomed the Milsom Quarter project and the Fashion Museum project. Bath would now hopefully have a world-class museum to attract further visitors.</p> <p>Councillor Cheney welcomed the funding for the Albert Dock and Harbour.</p> <p><b>[Voting arrangements:</b> Decision required majority agreement of Committee Members in</p>

	<p>attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor]</p> <p>The recommendations were unanimously agreed.</p> <p>The Committee <b>RESOLVED</b>:</p> <ul style="list-style-type: none"> <li>(1) To approve the Full Business Case for the Hengrove Park Enabling Infrastructure project and the award of £19.83m for the period to 24/25.</li> <li>(2) To approve the Strategic Outline Business Case for the Milsom Quarter project and the award of £2.475m for the period to 24/25.</li> <li>(3) To approve the Outline Business Case for the Albion Dock project and the allocation of up to £5m within the programme, subject to Full Business Case submission by March 2024, value for money and evidential certainty on growth in visitor numbers, and the scheme being fully funded.</li> <li>(4) To approve the Feasibility and Development Funding Application for Western Harbour Feasibility and the award of £279k to produce a Strategic Outline Business Case by November 2022.</li> <li>(5) To approve the Feasibility and Development Funding Application for the Bristol Harbour Place Shaping Strategy and the award of £283k to produce the Strategy by summer 2023</li> <li>(6) Amend the approved capital programme for individual project approvals agreed at the July Committee and within this report.</li> </ul>
11	<p><b>INVESTMENT FUND DELIVERY ASSURANCE</b></p> <p>The Metro Mayor stated that with rising inflation he was keen that projects be completed as soon as possible. He did not want to deprive the region of improvements due to delays in delivery whether through inflation or government claw-back. The Committee was asked to review changes to schemes within the Investment Fund programme against the agreed delivery assurance principles.</p> <p>The recommendations were proposed by Metro Mayor Dan Norris and seconded by Councillor Craig Cheney.</p> <p>Councillor Cheney commented that he was supportive of the recommendations especially the QTIC+ project coming forward.</p> <p>Councillor Guy was keen that the Committee was on top of monitoring the projects so that they did not overrun and that all the payments offered value for money.</p> <p>[voting arrangements: Decision required majority agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor]</p> <p>Votes for: Councillor Craig, Councillor Savage and Councillor Guy. Votes Against: Metro Mayor Dan Norris.</p> <p>It was <b>RESOLVED</b>:</p> <ul style="list-style-type: none"> <li>(1) To approve the change requests for schemes within the current programme as set out in Appendix 1.</li> <li>(2) To approve the change requests for schemes within the current programme as set out</li> </ul>

	<p>in Appendix 2, subject to review and endorsement by the Programme Review Board.</p> <p>(3) To delegate the approval of the updated Full Business Case for QTIC+ and formalising a set of staged payments linked to delivery of the project to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils</p>
12	<p><b>INFRASTRUCTURE DIRECTORATE TRANSPORT UPDATE</b></p> <p>The Metro Mayor Dan Norris asked the Committee to agree upgrades to bus stops in the region to encourage bus passengers to use local services. The report requested approval from Committee on key decisions and associated funding (where applicable) related to projects within the Combined Authority's Infrastructure Directorate Transport Portfolio.</p> <p>The recommendations were proposed by Metro Mayor Dan Norris and seconded by Councillor Kevin Guy.</p> <p>Councillor Guy stated that the Transport Board should take more of a role to drive forward a vision for the region as a whole. He welcomed that extra investment into transport schemes in the region.</p> <p>Councillor Savage stated that South Gloucestershire was in control of around half of the bus stops in that region, most of the others were controlled by town and parish councils. Therefore discussions would need to take place with lots of different organisations. South Gloucestershire would assist with this where possible.</p> <p>[voting arrangements: Decisions required majority agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor]</p> <p>It was unanimously <b>RESOLVED</b>:</p> <ol style="list-style-type: none"> <li>(1) Further to committee approval in July 2022- Delegation to approve the award of contract for the Strategic Programme Delivery Partner to the Director of Infrastructure of the Combined Authority in consultation with the other Directors of Infrastructure within the constituent Councils, to be awarded in November 2022;</li> <li>(2) Further to the committee report in July 2022 –to streamline the change control process for the infrastructure programme of works, to Go-Live is October 2022</li> <li>(3) to reallocate the awards of Transforming Cities Funding of £0.186m (3 x £0.062m) from B&amp;NES to the Combined Authority to develop further: Sliver Street (B3355) – Fosseway (A367) as part of the Somer Valley sustainable transport corridor with FBC forecasted for Jan 2024, Bath Road Keynsham as part of the Bristol to Bath Strategic Corridor with FBC forecasted for March 2024 and Weston to City Centre cycle route as part of Bath Sustainable Walking &amp; Cycling Links (BSWCL) with FBC forecasted for March 2023;</li> <li>(4) to approve Transforming Cities Funding and CRSTS funding for the Bedminster Green Full Business Case (as part of the A38(s) Bristol to Hengrove Metrobus Extension). The funding allocations are £4.07m TCF and £6.319m CRSTS.</li> <li>(5) to delegate the approval of Transforming Cities Funding and CRSTS funding, for the Bristol Bridge Signals Junction and Car Park VMS Project (previously Bristol City Centre Junctions - part of the A37/A4018 Stockwood to Cribbs Causeways Sustainable Transport Corridor) for the Full Business Case due October 2022. Approval to be delegated to the Director of Infrastructure of the Combined Authority in consultation with the other Directors of Infrastructure within the constituent Councils. The funding allocations are £0.645m TCF and £1.748m CRSTS funding.</li> <li>(6) to delegate the approval of the Full Business Case for the Bus Stop Upgrades project</li> </ol>



	<p>and the award of up to £5m from the Transforming Cities Fund (TCF) to the Director of Infrastructure of the Combined Authority in consultation with the other Directors of Infrastructure within the constituent Councils. As this is funded by TCF, delivery must be completed by March 23. Committee agrees the aim to maximise the number of bus stops that can be upgraded during this period. Members are urged to ensure planning and highways regulations are streamlined to ensure the number of bus stop upgrades are maximised during the period while TCF funding is available.</p>
13	<p><b>GREEN RECOVERY FUND UPDATE</b></p> <p>The Metro Mayor stated that the record temperatures seen over the summer showed that we faced a climate emergency that required bold action. The report set out investments to support nature recovery and renewable energy generation.</p> <p>The recommendations were proposed by Metro Mayor Dan Norris and seconded by Councillor Savage.</p> <p>Councillor Savage welcomed the report and recommendations. He was pleased to see support for the Frome Valley River Reserve project that was being driven through an existing Council landholding. More applications would be considered including increasing tree canopy cover. He was supportive of the work being spearheaded by the Institute for Advanced Automotive Propulsion Systems owned by the University of Bath based at the Science Park at Emersons Green and the work around hydrogen to make sure that the region was at the forefront of that emerging technology.</p> <p>Councillor Cheney especially welcomed the projects that would benefit the City of Bristol as a whole including Capricorn Quay which would create a floating ecosystem habitat that would improve water quality, support stronger fish stocks and provide a haven for birds within Bristol Harbour and the work being done by Bristol Energy Network.</p> <p>Councillor Guy stated that North East Somerset was a green asset for the region and supported the Forest of Avon initiative that would see 1000 volunteers plant 50000 additional trees to boost the biodiversity of the region.</p> <p>An amended recommendation (2) was proposed by Councillor Savage as follows:</p> <p><i>“Approve the £4.995m investment in Regional Low Carbon Delivery Scheme – to be fully funded through £50m Green Recovery Fund”.</i></p> <p>This amendment was seconded by Metro Mayor Dan Norris and agreed unanimously.</p> <ul style="list-style-type: none"> <li>• [voting arrangements: Decision required majority agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor]</li> </ul> <p>The Committee <b>RESOLVED</b>:</p> <ol style="list-style-type: none"> <li>(1) Approve the funding recommendations for round 1 of the Green Recovery Fund as set out in section 2</li> <li>(2) Approve the £4.995m investment in Regional Low Carbon Delivery Scheme – to be fully funded through £50m Green Recovery Fund.</li> <li>(3) Approve the feasibility &amp; development form to spend £330k local nature recovery strategy from GRF allocations (pending government funds) as set out in section 6</li> <li>(4) Delegate approval to the West of England Combined Authority Head of Environment</li> </ol>

	<p>in consultation with the Directors of Infrastructure for approval of grant funds for community pollinator fund, as set out in section 7</p> <p>(5) Delegate the approval of remaining Green Recovery Fund to the Chief Executive, in consultation with the Chief Executives of the Unitary Authorities</p>
<b>14</b>	<p><b>UPDATE ON PROGRESS TOWARDS CLIMATE &amp; ECOLOGICAL STRATEGY</b></p> <p>This report provided Committee with an update on progress towards tackling the climate and ecological emergency (in line with the requirements of the motion agreed in 2019, that an update would be provided every six months). The report provided an update on action since agreement of the Climate &amp; Ecological Strategy &amp; Action Plan in April 2022.</p> <p>Metro Mayor Dan Norris stated that this was another important climate emergency report and was the Authority's first 6 monthly update on the refreshed Climate Strategy. He stated that if the region was to meet its ambitious net zero goals then the progress must be continually monitored and be constantly looking at what more can be done. He stated that this would required joint efforts from national government, unitary authority partners and the wider community.</p> <p>The recommendations were proposed by Metro Mayor Dan Norris and seconded by Councillor Kevin Guy.</p> <p>Councillor Guy stated the importance of data collecting in order to gauge progress against the targets and to demonstrate to Government the urgency of the situation.</p> <p>[voting arrangements Decision requires majority agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor]</p> <p>Resolved:</p> <p>The Committee noted the progress report as per the agreement set out in the original motion declaring a climate emergency.</p>
<b>15</b>	<p><b>WEST OF ENGLAND COMBINED AUTHORITY &amp; MAYORAL FORECAST 2022/23</b></p> <p>This report requested that the committee to review the revenue financial forecast report for 2022/23.</p> <p>The Metro Mayor Dan Norris proposed the recommendations which were seconded by Councillor Craig Cheney.</p> <p>Councillor Cheney confirmed that any levy would have to be approved by the individual unitary councils as part of their budget setting processes.</p> <p>Councillor Savage reiterated that decisions would be made as part of budget settings in February 2022. He asked that all possible funding streams and efficiencies were explored to support transport in the region.</p> <p>The Metro Mayor confirmed that the Authority was working hard on identifying possible efficiencies.</p> <p>Councillor Guy asked that the authorities had plenty of time to consider proposals so that projects could be delivered in a timely manner.</p>

	<p>[voting arrangements: Decisions required majority agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor]</p> <p>The Committee unanimously RESOLVED:</p> <p>(1) To review and comment on the Mayoral Fund forecasted revenue as detailed in Appendix 1;</p> <p>(2) Review and comment on the Combined Authority forecasted revenue as detailed in Appendix 2;</p>
16	<p><b>HEADLINE ASSESSMENT ON INFLATIONARY PRESSURES &amp; MITIGATIONS</b></p> <p>This report presented a headline assessment on the inflationary risks on that work to date, and mitigations given the significant economic and inflationary pressures our residents and business in the region and country were facing. This was the first stage of the process. An assessment had been completed for the Combined Authority programmes. The next stage would be to look at the programmes managed through UAs. Inflation and the potential recession are issues that would require quarterly updates to Committee for the foreseeable future.</p> <p>A recommendation to Recommendation 2 was proposed by Metro Mayor Dan Norris as follows:</p> <p><i>“To request officers minimise the impact of inflation by funding within approved budgets and ensuring key outputs are delivered on time with regular coordination meetings with regional Finance and Infrastructure Directors”</i></p> <p>The amendment and the recommendations were seconded by Councillor Craig Cheney and agreed.</p> <p>The recommendations were moved by Metro Mayor Dan Norris and seconded by Councillor Cheney.</p> <p>[voting arrangements: Decisions required majority agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor ]</p> <p>The Committee unanimously <b>RESOLVED</b>:</p> <p>(1) That it be agreed that the inflationary impact on the Investment Fund reduces the headroom available by £11.6m as shown in figure 7 in section 5.4;</p> <p>(2) To request officers minimise the impact of inflation by funding within approved budgets and ensuring key outputs are delivered on time with regular coordination meetings with regional Finance and Infrastructure Directors</p>
17	<p><b>COMBINED AUTHORITY INTERNAL APPROVALS</b></p> <p>This paper was withdrawn to a later date.</p>
	<p><b>Signed:</b></p>

	<b>Date:</b>
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**APPENDIX ONE – PUBLIC STATEMENT**

**APPENDIX TWO – PUBLIC QUESTIONS WITH ANSWERS**

# **DRAFT**

## **Minutes of the West of England Combined Authority Committee Extraordinary Meeting, Friday, 14 October 2022**

### Members:

Metro Mayor Dan Norris, West of England Combined Authority  
Mayor Marvin Rees, Bristol City Council  
Cllr Toby Savage, South Gloucestershire Council  
Cllr Tim Ball, Bath & North East Somerset Council (as substitute for Cllr Kevin Guy)

<b>1</b>	<p><b>EVACUATION PROCEDURE</b></p> <p>The Mayor welcomed everybody to the meeting which was being held at the offices of Arcadis. The evacuation procedure was set out.</p>
<b>2</b>	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>Apologies for absence had been received from Cllr Kevin Guy, Leader, Bath &amp; North East Somerset Council. Councillor Tim Ball attended as substitute.</p> <p>Apologies for absence had also been received from the Chair of the Authority's Overview &amp; Scrutiny Committee meeting, Cllr Winston Duguid. Councillor Brenda Massey attended in his place.</p>
<b>3</b>	<p><b>DECLARATIONS OF INTEREST UNDER THE LOCALISM ACTION 2011</b></p> <p>The following declarations of interest were declared in respect of Agenda Item 8 (Bristol Temple Quarter Regeneration Programme)</p> <p>Richard Bonner, Chair of the Local Enterprise Partnership (LEP) Board placed on record that the company he worked for, Arcadis, was working on projects on Temple Quarter. His statement to the Committee Meeting was on behalf of the LEP Board and was made in that context.</p> <p>Richard Ennis, the Interim Director of Investment and Corporate Services declared that he had been an Executive Director for Homes England for 10 years. Homes England were a partner organisation for this project.</p>
<b>4</b>	<p><b>CHAIR'S ANNOUNCEMENTS</b></p> <p>There were no announcements from the Chair.</p>
<b>5</b>	<p><b>ITEMS FROM THE PUBLIC (STATEMENTS, QUESTIONS AND PETITIONS)</b></p> <p>As this was an extraordinary meeting of the Committee only questions and statements relating to items on the agenda had been allowed.</p> <p>Two questions from one individual member of the public had been submitted for this meeting, details had been circulated and the questions and responses had been published on the Authority's website alongside the agenda papers prior to the meeting.</p> <p>Four statements had been submitted by the deadline and these had been published on the Authority's website alongside the agenda papers prior to the meeting.</p> <p>The following persons attended the meeting and addressed the Committee on the topic of their statement for up to three minutes each:</p> <ol style="list-style-type: none"> <li>1. Christina Biggs (on behalf of Dave Redgwell)</li> <li>2. Robbie Bentley (also spoke on behalf of Brendan Taylor)</li> </ol>
<b>6</b>	<p><b>COMMENTS FROM CHAIR OF LOCAL ENTERPRISE PARTNERSHIP</b></p> <p>The following comments were raised by Richard Bonner, the Chair of the Local Enterprise</p>

Partnership Board in relation to the reports:

**Bristol Temple Quarter Regeneration Programme [BTQRP]**

- I am very supportive of the Bristol Temple Quarter Regeneration Programme. As stated in the report this is one of the largest and most ambitious regeneration programmes in England and this funding will bring dramatic improvements to Temple Meads Station and improve regional connectivity across the West of England.
- This regeneration will also unlock the delivery of a significant quantum of new homes, support new jobs and develop commercial and retail space all served by high quality public spaces in the heart of the city.
- Public transport, walking and cycling will all be made easier, creating a greener, well-connected community - helping to achieve our ambitious net zero target.

**Investment Fund Business Case including Hydrogen Sustainable Transport Economy Accelerator [HSTEA]**

- I welcome the Business Case for the Hydrogen Sustainable Transport Economy Accelerator (HSTEA) led by University of Bath and part of the Institute of Advanced Automotive Propulsion Systems.
- HSTEA will add unique capability to the West of England region, will act as a catalyst for economic development and inward investment, and contribute significantly to putting the region at the forefront of the hydrogen economy.
- Globally, over 30 countries have published hydrogen strategies and roadmaps, and over 350 large-scale investment projects have been announced. The project gives the regional 'early mover advantage' against this opportunity.
- It will build on our innovation and industrial strengths. For example, the local aerospace cluster is at the forefront of hydrogen aviation developments, being home to the Airbus Zero Emission Development Centre (ZEDC) and GKN Aerospace's H2GEAR project. A number of businesses have already committed their support for the HSTEA project, including providing match funding.

7

**COMMENTS FROM THE CHAIR OF THE OVERVIEW & SCRUTINY COMMITTEE**

Councillor Brenda Massey attended the meeting as the representative of the Authority's Overview & Scrutiny Committee. The comments of the Committee had been circulated in advance of the meeting and published on the Authority's website.

It was confirmed a correct should be made to the comments submitted as the Full Business Case (FBC) for the HSTEA had not yet been agreed and that approval of the FBC formed part of the recommendations for the Committee to consider.

The comments from the Overview & Scrutiny Committee are attached at Appendix 1.

8

**BRISTOL TEMPLE QUARTER REGENERATION PROGRAMME (BTQRP)**

The Committee received a report which stated that Temple Quarter was one of the largest

regeneration programmes in England and would bring about dramatic improvements to Temple Meads Station, including three new entrances to the station in the north, south and east, hugely improving access to the station from across the city. Combined with improvements to the surrounding areas of Mead Street Redcliffe Way, the project would create a world-class gateway to the West of England, set against the backdrop of Brunel's historic Grade 1 listed station. The West of England Combined Authority (Combined Authority) had signed a Grant Funding Agreement (GFA) with Homes England (HE) on 12 April 2022 to bring £94.7m into the region to specifically deliver 2,473 homes around the Station along with a significant upgrade to Bristol Temple Meads Station and the station's car parks (Phase 1), up to 2200 new jobs, as well as 48,000 sqm of commercial and retail space. Subsequent funding would be required to deliver Phase 2 which would ultimately deliver a combined total of 10,000 homes in Bristol Temple Quarter and the St Phillips Marsh area. The West of England Combined Authority (Combined Authority) and 3 other public sector partners, Homes England (HE), Bristol City Council (BCC) and Network Rail (NR)- had been working closely to set up and take the programme forward over the past 18 months.

The HE GFA of £94.7m required the Combined Authority to enter into a "back-to-back" funding agreement with local partners Bristol City Council (BCC) and Network Rail (NR) by 31 October 2022. This had resulted in a Collaboration Agreement between all four partners (HE, Combined Authority, BCC and NR) as well as bilateral Flowdown Agreements that were explicitly subject to the Collaboration Agreement. HE had set a deadline to enter into these agreements by 31 October 2022 as set out in the GFA between the Combined Authority and principal partners. These agreements needed collectively to be entered into by 31 October 2022 to drive forward one of the largest regeneration programmes in England. Committee were asked to note that final sign off was still awaited from HE in respect of the flowdown and collaboration agreements.

Metro Mayor Dan Norris in moving the recommendations stated that he was delighted that the Authority had unblocked funding in April 2022 when the West of England Combined Authority had been awarded £94.7m of funding and reiterated that this was one of the largest regeneration schemes in Europe. He thanked officers for the work involved in bringing this to fruition.

The recommendations were seconded by Mayor Marvin Rees.

Mayor Rees stated that he this was an example of how a region can work collaboratively with other partners including the Department for Transport, the University of Bristol and Heritage. There had been previous commitments made by Government but the funding had now been secured. He welcomed the opportunity to establish an important transport hub, the housing and the office space. He was keen that the economic development benefitted the local economy using local skills and local companies. There would be job opportunities available as well as the opportunity to grow local skills. It was also an opportunity to develop a multi-modal transport hub to support the growing area.

Councillor Ball welcomed the proposals and welcomed the opportunity to develop the local transport network.

Councillor Savage supported the recommendations. He stated that the major opportunity to develop a brown field site helped the communities around the city including in the green belt land. He stated that other large opportunities for brown field urban regenerations could be found to benefit the region and welcomed local masterplanning works.

[Voting arrangements: Decision required majority agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor. ]



It was unanimously

**Resolved:**

- (1) Further to Committee approval in July 2022 – the Committee approve the grant funding flowdown agreements as summarised in section 1.2 of this report, between Combined Authority and BCC, and between Combined Authority and NR and delegate authority to the Director of Infrastructure in consultation with the Director of Investment and Corporate Services to negotiate and agree any final modifications;
- (2) The Committee approve the Collaboration Agreement as attached at Appendix B between Combined Authority, BCC, NR and HE and delegate authority to the Director of Infrastructure in consultation with the Director of Investment and Corporate Services to negotiate and agree any final modifications;
- (3) The Committee approve the risk sharing arrangements between the four principal partners, as set out in paragraph 1.4, in relation to the BTQRP funding of £94.7m;
- (4) The Committee requests further reports at appropriate points in the programme in relation to those parts of Phase 1 of BTQRP for which NR/BCC become the client/lead delivery partner, setting out in detail all aspects of delivery, the financial arrangements, associated project risk and how those risks will be borne and mitigated.
- (5) The Committee approve the use of £6.6m of the GFA funding to deliver the next stage of the programme as set out in section 1.6 of this report.
- (6) The Committee approve the use of £6.863m of additional Investment Funding to fully resource the Joint Delivery Team through to 2026/27 in order to deliver the next stage of the programme.

**9**

**INVESTMENT FUND BUSINESS CASES INCLUDING HYDROGEN SUSTAINABLE TRANSPORT ECONOMY ACCELERATOR (HSTEa)**

The Metro Mayor introduced a report stating that there were two elements to consider. Firstly the Committee were requested to consider a Hydrogen Sustainable Transport Economy Accelerator proposal from the University of Bath, to establish a new green hydrogen' production, storage, and research facility which would help place the region at the cutting edge of the new hydrogen economy.

Secondly the Committee were asked to support the Arena Infrastructure package to deliver the transport connectivity needed to move people around sustainably.

The recommendations were moved by Metro Mayor Dan Norris and seconded by Cllr Toby Savage.

Cllr Savage stated that he had visited IAPS at Emersons Green with a local MP and welcomed the importance of this latest project which would create a unique green hydrogen production storage and research facility at the Bristol and Bath Science Park to assist with the power demands for the zero emissions targets and helping to boost the local economy.

Further to the comments received from the Overview & Scrutiny Committee it was confirmed that the Full Business Case for the HSTEa had not yet been agreed and that approval of the FBC formed part of the recommendations for the Committee to consider.

Cllr Ball stated that he welcomed the HSTEa proposal and was keen that hydrogen buses

usage increased to potentially reduce the need for fracking and other alternatives.

Cllr Savage spoke on the Arena Infrastructure Package and was pleased that progress was being made. He asked that a consistent approach be given to assessment of schemes and the decision making thereon. He stated that the Arena, when complete, would be the third largest arena in the UK so would have an important regional and national role. He stated that it was now important to give consideration for how users of the site would be able to access the site sustainably and quickly to minimise disruption to the existing communities around the site. The Business Case sought to access investment funding for cycling and walking, traffic management, etc. together with MetroWest Phase 2 and MetroBus schemes.

Mayor Rees stated that he welcomed the Arena Package proposals. He felt that this was the right decision for the area, both financially and in terms of sustainability, as the Arena would now be one of the most sustainable in the world due to the repurposing of an existing building. He stated that it would be a regional, national and international asset so the transport links were essential.

[Voting arrangements: Decision required the majority agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor].

It was unanimously

Resolved:

- (1) That the Full Business Case for the HSTEa be agreed and to award total funding of £2.5m, consisting of the Green Recovery Fund (£0.9m), Future Transport Zone (£1.2m) and Innovation for Renewal and Opportunity Influence Fund (£0.4m) with the delegation for agreeing the final cost profile and revised outputs to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils**
- (2) That following the approval of the Outline Business Case for the Arena Infrastructure Package (known previously as the North Fringe Infrastructure Package) at the July 2022 Combined Authority Committee, it was agreed that an allocation of £6.637m be made from Investment Fund, subject to Full Business Case submission by March 2023;**

The meeting commenced at 1pm and closed at 1:55pm.

**Signed:**

**Date:**

## **APPENDIX ONE – PUBLIC STATEMENT**

## **APPENDIX TWO – PUBLIC QUESTIONS WITH ANSWERS**



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# **DRAFT**

## **Minutes of the Extraordinary meeting of the West of England Combined Authority Committee , Monday, 12 December 2022**

### Members:

Metro Mayor Dan Norris, West of England Combined Authority  
Cllr Kevin Guy, Bath & North East Somerset Council  
Cllr Toby Savage, South Gloucestershire Council  
Cllr Kye Dudd, Bristol City Council (as substitute for Mayor Marvin Rees)

This Extraordinary of the Combined Authority Committee meeting was called at short notice by request of the Mayor of the West of England Combined Authority, Metro Mayor Dan Norris in accordance with Standing Order A9.1(b) to consider a confidential staffing matter.

1	<p><b>EXCLUSION OF PRESS AND PUBLIC</b></p> <p><b>RESOLVED:</b></p> <p>That the Press and Public be excluded from consideration of the following item on the grounds that it contains information relating to individuals. This information is classed as exempt under Paragraphs 1 &amp; 2 of Schedule 12A to Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to information) (Variation) Order 2006.</p>
2	<p><b>DELEGATION IN THE EVENT OF CHIEF EXECUTIVE ABSENCE</b></p> <p>The Committee were requested to agree arrangements for a suitable standing delegation such that in the absence for any reason of a Chief Executive of the Combined Authority continuity of operation would be ensured.</p> <p>[Voting arrangements: A decision on any amendments to the Authority's constitution required a unanimous vote in favour by the Metro Mayor and all members appointed by the constituent councils, or substitute members acting in place of those members, present and voting on that question at a full meeting of the Combined Authority to be carried, in accordance with Standing Order A20.6(b)]</p> <p>It was unanimously</p> <p><b>Resolved:</b></p> <p>That the constitution be amended so that a new paragraph 1.10 Deputy Arrangements be added on page A25 to read as follows:</p> <p><i>"1.10 Deputy Arrangements The Section 73 Officer is the person nominated to be the Acting Chief Executive for any period that the Chief Executive is absent and unable to perform their duties".</i></p>
	<p><b>Signed:</b></p> <p><b>Date:</b></p>



**REPORT TO: WEST OF ENGLAND COMBINED AUTHORITY COMMITTEE**

**DATE: 18 January 2023**

**REPORT TITLE: SUPPORTED BUS SERVICES: CONTRACT  
[OBJ] DECISIONS**

**DIRECTOR: ALISTAIR KIRK, INTERIM DIRECTOR OF INFRASTRUCTURE**

**AUTHOR: MALCOLM PARSONS, HEAD OF CAPITAL DELIVERY**

## **Purpose of report**

This report sets out the overall approach to buses, bringing together supported bus services, funded by the Transport Levy, to be taken in the context of regional bus network investment, primarily funded through the Bus Service Improvement Plan (BSIP).

The region secured significant funding through BSIP. This enables change and a move from traditional to transformative solutions for the region. Solutions which our residents are asking for. Solutions which provide a platform to deliver our vision of future transport for the West of England.

The digitization of transport services provides incredible opportunities to effectively bring new modes into the transport systems and give choice and control over transport options to the customer.

BSIP and Future Transport Zone (FTZ) combines funding to enable new and more responsive services such as Demand Responsive Transport (DRT), as well as more flexible modes of personal transport through micro-mobility, and other measures.

Now we can make real changes to our public transport network, bringing about the transformation needed to the bus and wider transport network, delivering innovation and more journey choice for more people across the region.

A decision needs to be made on supported bus services, funded by the Transport Levy, to take effect from Sunday 2 April 2023 when the current contracts for supported bus services are due to expire.

The proposed approach for allocating the time limited Bus Service Improvement Plan (BSIP) budget and the rationale for focusing on supporting the core bus network is

based on the recognition that there are overlaps between decisions on supported services and proposed bus network interventions through BSIP, FTZ, and the proposed West of England Sustainable Transport Community Innovation Fund (WESTCIF) for example.

The report sets out a raft of bus network investment interventions including, fare packages, revenue support to enhance services, rural (DRT), feeder services, additional services, and driver recruitment campaigns.

This investment precedes future capital investment in bus priority measures and passenger facilities through the City Region Sustainable Travel Settlement (CRSTS) aimed at ensuring longer term public transport sustainability.

Through BSIP we have also created meaningful partnerships with operators, including revenue share opportunities through Enhanced Partnerships (EP) scheme.

## **Recommendations**

The West of England Combined Authority Committee is recommended to:

- a) Note award of DRT services across the region funded through BSIP.
- b) To agree that a Levy of an amount set out in table 1, section 11, with additional contributions included within the table, be issued by the Combined Authority (the “Transport Levy”) to the constituent councils under 74 of the Local Government Act and in accordance with the Transport Levying Bodies Regulations 1992.
- c) To delegate to the Director of Infrastructure, in consultation with the infrastructure Directors in the CA constituent councils, the award of contracts to the bus operators in accordance with supported bus service contract option set out in Appendix A against the funding envelope available from the Transport Levy.

## **Voting arrangements**

*A decision on the [levy] requires a unanimous vote in favour at a full meeting of the Combined Authority by all members appointed by the constituent councils, or substitute members acting in place of those members, present and voting*

*Other decisions must be carried by a majority of the Mayor and members appointed by the constituent councils, or substitute members acting in place of those members, present and voting*

## **Policy context**

Passengers value buses. The West of England has a vision for bus services across the region that:

- people can depend on;
- are quick and reliable;
- present a simple and easy to use network;
- are accessible for everyone;
- are safe and comfortable; and
- offer value for money.



The current transport policy framework, agreed by all authorities, is set out in the Joint Local Transport Plan, Bus Service Improvement Plan and West of England Bus Strategy. An expanded bus service and less reliance on car travel is also vital to meeting our net zero carbon target by 2030 and our economic and quality of life ambitions. The BSIP sets out our targets on designate corridors to: reduce bus journey times by 10%, ensure 95% of services run on time, and return to pre-pandemic patronage by 2025 and continuing to grow beyond that.

The joint BSIP (covering the Combined Authority and North Somerset Council (NSC)) secured the second highest funding award in the country. This funding (now confirmed) totals £105.5m over the three years 2022/23 to 2024/25. Of this, £57.5m is revenue funding for fare reductions and service improvements etc.

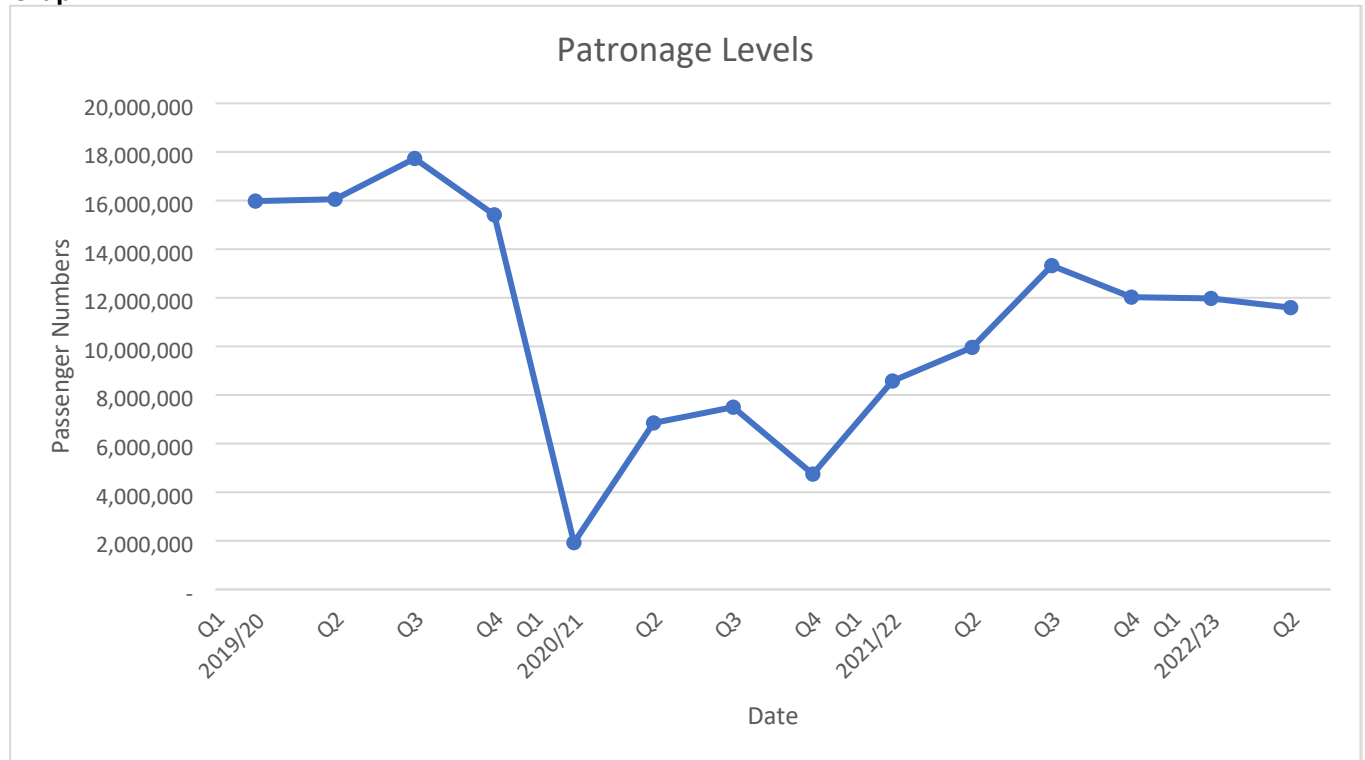
### **Current state of bus market**

After some years of modest growth, see graph 1, the commercial bus market in the West of England faces some serious challenges.

- Covid recovery - Passenger numbers have not fully recovered from the pandemic and remain at between 75 and 80% of pre-Covid levels.
- Government bus recovery grant – this is due to end on 31 March 2023 which will put further pressure on the network.
- The driver shortage - this remains the biggest barrier to growth and undermines the reliability of services. Whilst driver numbers are increasing very slowly the region is still short by around 250 drivers resulting in the withdrawal of routes. Ad-hoc cancellations due to driver shortages have undermined reliability and generated serious frustration for the public.
- Inflation – has been, and is forecasted to continue through 2023, to be above established norms, at rates last seen in the 1980's. This has had a detrimental impact on the commercial viability of services primarily through rising fuel and wage costs for operators. Value for money is becoming increasingly difficult to demonstrate in many parts of the region and an alternative innovative model for a declining market is needed.

This combination of lower passenger numbers, loss of Government funding and the driver shortage means that the commercial network is in a very fragile state with existing services under constant threat and the capacity to add new services is very restricted – irrespective of funding that might be available. Recent examples of network fragility have seen service 460, 427, 458 and 459 proposed to stop in March 2023, while on the 16<sup>th</sup> November First West of England announced approximately 1400 journey cancellations as a consequence of limited driver availability.

**Graph 1**



### **Overall approach to the bus network**

Given the above there is a need to prioritise interventions on buses to strengthen the core commercial bus network and make it economically viable and sustainable. If this core commercial network continues to shrink there is a risk of further decline where paying passengers are put off by poor, unreliable or non-existent services, leading to further revenue declines and further service cuts. A decline of this nature would have serious impacts, it:

- puts intolerable pressure on the very limited resources for supported bus services.
- will add to the number of car journeys and congestion;
- makes the aim of net zero carbon by 2030 unachievable.
- undermines the economy and quality of life in the region.

The BSIP funding provides a one-off opportunity to turn that spiral of decline into real progress. It is one-off because it is a time limited budget (to March 2025) and continual representations to Government will need to be made both regionally and nationally in the current economic climate for its continuation post March 2025 in some form. It is also an opportunity because our net zero target is only 8 years away.

It is therefore imperative that these resources are used to:

- maximise the number of new passengers;
- maximise the chance of growing revenues and therefore viability;
- strengthen and grow the core commercial network.
- provide better value for money
- test and provide an alternative model for a failing market

This is not to say that we should ignore communities without public transport, either because they are in areas of deprivation, or because they are rural and isolated. However, given the one-off opportunity to strengthen the network, we cannot divert resources away from the above goal, otherwise we risk further reduction in services. It is also important to look at innovative ways of helping communities which currently do not have access to public transport.

It is recognised that some supported services have historically included stops at schools as part of their timetables. Where it has not been possible to retain these services, and the area is covered by a DRT zone, DRT providers are being asked to prioritise school pupils in these areas.

This is an innovative model. It is essential that we communicate with our residents and business on the model and the inevitable issues that will occur as this new service is introduced but it provides our residents with a service option that we will work on to ensure improves over time.

## **Strategic interventions on buses**

As a region we currently have access to the Transport Levy (for supported services), BSIP (jointly with North Somerset Council), Future Transport Zone (for discrete Demand Responsive Transport) and City Regional Sustainable Transport System (for capital investment).

### **1 To Support and Grow the core commercial bus network (BSIP funded)**

The aim of these interventions is to make the bus network more attractive with simpler, cheaper fares, more reliable and go services, easier access to those living away from core routes and more reliable by addressing the driver shortage,

#### **1.1 Fares**

An initial BSIP package of fare reductions/simplification was implemented in September 2022 with a flat £2 fare across Bristol and Bath and a flat £1 fare for children anywhere across the West of England. Fares outside Bristol and Bath were capped at £3.70 (single) and £5.00 (return).

A further package of BSIP fare changes will be introduced in 2023. Areas under consideration could include free or reduced travel for targeted groups and a focus on encouraging people to change deep rooted travel habits.

#### **1.2 Enhanced Services**

The focus of BSIP enhanced services will be to make services more attractive by aiming to make them 'turn-up-and-go' frequencies or enhance routing to better serve communities. The focus of these will be key intercity routes, towns to city routes and key urban routes. In the medium term these corridors are likely to see enhanced infrastructure through the CRSTS Programme to reduce journey times and increase reliability. DRT feeder services also support corridor commercial services (see below)

The service enhancements will be negotiated rather than procured. However, the capacity of the industry to provide enhanced services will be limited due to the current severe driver shortage.

Services under consideration for enhancements align with infrastructure bus priority measures delivered through CRSTS corridor projects post BSIP funding.

As an example, a revised commercial service north of Yate (potentially Y2) will be negotiated with the operator, complimenting the existing Y1 to the south of Yate forming a more wholistic commercial bus offer for the community while providing a high frequency, probably 15min, core corridor service between Yate and Bristol.

We continue to work with operators exploring further service enhancement opportunities as they may arise.

### **1.3 Demand Responsive Transport**

Demand responsive transport (DRT) through BSIP and the Future Transport Zone funding streams, offers the region an innovative approach to public transport services. DRT is a flexible service that provides shared transport to users who specify their desired location, normally an existing fix bus stop, and time of pick-up and drop-off.

DRT will complement fixed route commercial public transport services improving patronage of these services, mobility in low-density areas and at low-demand times of day. It cannot used to compete with existing commercial bus services; however, it will compliment those services by feeding passengers into existing services.

DRT is a public transport service which requires advanced booking, accessed through telephone, website, or mobile device applications. The service has been awarded with a 1hr service level. In some cases, this offer will far exceed current supported bus service availability.

DRT can contribute to decarbonisation by replacing private car journeys and facilitating multi-modal travel (for example, linking users to fixed route bus services).

DRT services have been implemented elsewhere in the United Kingdom to improve social inclusivity and access to services, this will also be the case in the West of England Combined Authority region.

DRT will be deployed across the region for both rural and feeder services from April 2023. See Appendix C.

### **1.4 Feeder Services**

BSIP DRT also offers the opportunity to link passengers in and around towns with higher frequency commercial services on main corridors into our urban areas and therefore perform a 'feeder' service function.

DRT offers the additional opportunity to enhance corridor commercial services, through increasing patronage, and avoiding costly commercial bus route mileage (and longer journey times for passengers) where services divert off core corridors weaving through suburbs. Rerouting these services and using DRT instead, increases PSV bus service mileage utilisation and (given the severe driver shortage) has the potential to release PSV drivers for other services.

Tenders were issued to the market for DRT schemes on 4 November 2022, returning 6<sup>th</sup> December 2022, and following consultation, contracts were awarded 22<sup>nd</sup> December. This timetable will allow decisions on supported services to be made with a clear understanding of the DRT services being proposed.

### **1.5 BSIP Additional Services**

BSIP allocation included funding to commence new bus services across the region which could become commercially viable after an initial funding period. These services will not duplicate supported service routes or compete with commercial services. Routes for these services have developed in consultation with constituent authority technical officers, community groups and analysis of existing bus service patronage and commercial modelling.

### **1.6 Investment in driver recruitment**

The lack of Public Service Vehicle (PSV) drivers is an immediate short-term barrier to delivering improved services. We are already working with the industry to provide help with training and publicity for recruitment. We are also exploring whether there are any other short-term BSIP investments to get more people into, and staying, in the industry.

## **2 Capital Investment to speed up bus journeys, improve reliability and passenger experience.**

CRSTS is a 5-year capital investment programme to improve the speed and reliability of bus services through segregation, bus priority, junction upgrades, transport hubs etc. Identified priorities include

- Bristol to Bath Sustainable Transport Corridor
- Bristol City Centre Sustainable Transport Corridor,
- Portway Sustainable Transport Corridor and Hub
- Long Ashton Metrobus Improvements,
- M32 Sustainable Transport Corridor and Hub,
- Bath City Centre Sustainable Transport Corridor
- Thornbury to North Bristol Sustainable Transport Corridor
- Chipping Sodbury to Hambrook Sustainable Transport Corridor
- Somer Valley to Bristol and Bath Sustainable Transport Corridor
- Stockwood to Cribbs Causeway Sustainable Transport Corridor
- Bristol to Hengrove Metrobus extension

## **3 Partnership / Revenue Sharing agreements with bus operators**

A key element of both the direct support for the commercial network through BSIP and the capital investment through CRSTS is the partnership with the industry to ensure that these investments benefit the public and the operators. The first step was the agreement on fares where we agreed that any increase in revenues resulting from the subsidised fares would be shared between the bus company who would take 25%, and the Combined Authority who would take 75%.

We intend to build on this agreement as CRSTS is delivered and further fares and service enhancements rolled out to ensure that the benefits of investment feed back into further service improvements and sustainable subsidy levels. This will be

developed through our EP which will be a legally agreed document between Operators and local authorities.

## **4 Interventions to support excluded communities**

### **4.1 Supported bus services**

The Combined Authority has provided support to 80 bus service contracts through the levy around the region which were not viable as commercial operations prior to the onset of the pandemic. These contracts were extended from the end of August 2022 through to the beginning of April 2023. Since the pandemic, several formerly commercial bus services have been cut due either to unsustainable loss of revenue or because of the chronic driver shortage which is affecting bus operators nationally. This has resulted in a long list of potential service options being included in the tender process.

It is recognised that supporting all the services within the long list is not achievable within the funding envelope. Commercial operators are under no obligation to tender for any of the services and the final list of those where there is a bid was made available to the constituent authorities on 14<sup>th</sup> December 2022. The supported services that were chosen, will be funded from the Transport Levy, or other funding through the relevant constituent authority as BSIP funding is not available to support existing revenue funded services. Contracts for these services will be let on a 4yr basis.

### **4.2 Demand Responsive Transport (DRT)**

BSIP DRT offers an opportunity for an alternative public transport offer in the region. As noted previously, DRT offers flexibility of service, and can reach into communities previously not, or poorly, served by traditional buses. The service will operate Monday – Saturday, with a 1-hour demand frequency, within multiple zones across the region. For details of these zones, refer to appendix C.

DRT is an innovative transport offer for the region and having reached agreement with North Somerset Council will be funded through BSIP for 2 years. It offers the additional advantage of more granular passenger movement data which we can use to make further public transport decision in the future.

### **4.3 West of England Sustainable Transport Community Innovation Fund**

A lot of rural areas now depend on supported bus services as their only public transport service. These services are increasingly expensive and unsustainable.

This is an opportunity to develop new ways of supporting rural areas that may turn out to be more sustainable. The West of England Sustainable Transport Community Innovation Fund is the mechanism we will use. The key points are

- Funding is time limited, however we are looking to allocate up to £2m for a period of 2 years.
- We are looking for proposals from places (parishes, communities etc) for public transport proposals that meet their specific needs, as well as enhancing the wider public transport network
- We are looking for new innovative proposals given that we know the traditional 'supported bus service' is increasingly unsustainable.

- In some cases, the fund could provide grants for parishes to use on their ideas. In other cases, the proposals will need to be procured and managed by the Combined Authority in the same way that larger DRT/supported buses are.

## **5 Timescales**

### **5.1 Levy Supported Services**

To ensure that we meet the 2 April 2023 date for service commencement the following milestones must be met, which are constrained by statutory and legal requirements:

18 <sup>th</sup> January 2023	Decision
23 <sup>rd</sup> – 26 <sup>th</sup> January 2023	Contract award letters
27 <sup>th</sup> January 2023	Contract 10day legal standstill period
8 <sup>th</sup> February 2023	Contract award
9 <sup>th</sup> – 13 <sup>th</sup> February 2023	Operators prepare registration documents
14 <sup>th</sup> February 2023	Services registered with LTA – assurance function and on-street timetable
15 <sup>th</sup> & 16 <sup>th</sup> February 2023	Complete registration process / assurance ahead of registration with Traffic Commissioner
17 <sup>th</sup> February 2023	Service registration with Traffic Commissioner (42 day)
2 <sup>nd</sup> April 2023	Services start

### **5.2 BSIP Additional Services**

The BSIP provides revenue funding through to 2025. The grant from the Department for Transport (DfT) included an allocation to test new services across the region with the potential to become commercially viable. Funding these services is limited to March 2025, unless they are proven to be commercially viable and self-sustaining beyond this date. Implementation of these services is in-line with the timescales noted above.

### **5.3 DRT**

Within the BSIP, we have agreed an allocation of funding with the DfT for Demand Responsive Transport. Funding for these services expires March 2025. As these services are classed as public transport services, they require registration with the traffic commissioner, consequently the timescales set out in 'Support Services' above apply.

### **5.4 Enhanced Services**

Initially these schemes will draw funding from the BSIP allocation. Enhancing services along key transport corridors is intended to attract higher patronage. Therefore, as noted previously under 'Partnership / Revenue Sharing agreements with bus operators' it is expected Enhanced Services will generate a revenue back to the Combined Authority for reinvestment in further BSIP improvements. Subject to agreement with Operators, service enhancements will commence from April 2023.

## 5.5 **West of England Sustainable Transport Community Innovation Fund**

Funding for the Community Innovation Fund will be limited to March 2025. However, there may be instances where these transport initiatives prove to be viable beyond March 2025. The proposed timescale for this fund is set out below;

- Launch prospectus January 2023
- Bids into fund received 4 weeks after launch (likely mid-February 2023)
- Determination grant offers, 4 weeks after closing date (likely early March 2023)
- Announce successful bidders (March 2023)
- If applicable, CA procurement of service(s), 6 weeks (April 2023)
- Services to commence (subject to bidders agreed schedule) April 2023.
- Reopen fund April 2023

## 6 **Evaluation and optioneering approach**

### 6.1 **Levy Supported Services**

An evaluation framework, developed with specialist support for the awarding of Supported bus service contracts for levy funded services, has been agreed with the UAs. This framework was used by both CA and UA officers through the evaluation of tenders.

Each service was assessed against key priorities of social need (including access to education, health, employment, and shopping) and value for money where available. The following steps have been followed:

- |        |   |
|--------|---|
| Step 1 | Each service scored against the Evaluation Framework.   |
| Step 2 | Tenders assessed for price (70%) and quality (30%)  |
| Step 3 | Remove services that have a cost per passenger journey greater than £40.00 as agreed by the West of England Combined Authority Committee (July 2022). |
| Step 4 | Ranking of services based on steps 1-3  |
| Step 5 | Optioneering to consider network approach to ensure consistent provision across the region within budget envelope                                     |

We are confident this is a robust and evidence led approach which strikes a balance between need and value for money.

Additionally, there is the opportunity for authorities to fund the award of specific services within their administration if they choose to do so above the levy supported services. Authorities are considering extension of some existing supported services as further transitional protection, recognising the importance of bus services and the implementation of the new service DRT.

### 6.2 **BSIP DRT and Additional Services**

A new evaluation process developed by external experts to support the evaluation and tender award of both DRT and BSIP Additional service contracts has been developed and deployed for the selection of these services. The following steps for these services was followed.

- |        |   |
|--------|---|
| Step 1 | Each service scored against the Evaluation Framework. |
|--------|---|



- Step 2      Tenders assessed for price (70%) and quality (30%)
- Step 3      Ranking of services based on steps 1-2
- Step 4      Optioneering to consider network approach across the region within budget envelope

## 7 Engagement

Officers from the Combined Authority, its Unitary Authorities and North Somerset Council have been working closely throughout the development of the tender options and there is broad agreement to the process and the detail of the evaluation framework. Directors, Finance leads, and CEOs have been consulted through the latter stages of the process, as have lead members including scrutiny, so there is a good understanding of the challenges facing us in creating a sustainable bus network within the known constraints.

## 8 Consultation

Officers from the Combined Authority has consulted with its Unitary Authorities throughout selection of Supported Services, including

- September – November 2022; Agreement to the supported bus services selection evaluation matrix
- 28<sup>th</sup> November – 14<sup>th</sup> December 2022 Joint evaluation selecting Supported bus services process
- Chief Executives 26<sup>th</sup> October 23<sup>rd</sup> November 2022, and 14<sup>th</sup> December 2022
- Director's meeting 24<sup>th</sup> November and 8<sup>th</sup> December 2022, 4<sup>th</sup> and 6<sup>th</sup> January 2023
- Transport Directors, in conjunction with Chief Executive Officers 14<sup>th</sup> December 2022
- Bath and Northeast Somerset Senior Officers and CEO 28<sup>th</sup> October 2022
- Bath and Northeast Somerset Senior Officers 23<sup>rd</sup> November 2022
- South Gloucestershire Transport officers 22<sup>nd</sup> November 2022
- Bristol City Council Transport officer 24<sup>th</sup> November 2022
- Section 151 Officers 24<sup>th</sup> November and 8<sup>th</sup> December 2022
- CEO's workshop 16<sup>th</sup> December 2022

Additionally, all tender documents for supported bus services and DRT services were shared and agreed with UA Transport Officers and CEO's in advance of tender release. Tender release dates were 26<sup>th</sup> October 2022 Supported Services and 7<sup>th</sup> November 2022 DRT.

## 9 Risk

Key risks associated with this process are as follows:

No.	Risk	Mitigation
1	Insufficient funding through either the Transport Levy or the BSIP allocation	Use of tendered prices for all DRT and supported services results in informed decisions within funding available.
2	Decision not made on service contracts in time to commence operations on 2 April 2023	Rework deployment plan identifying critical path, see section 5.1

3	BSIP funding ends in 2 years	continue to press Govt for further funding, periodically review the potential for the service to become commercially viable, increased funding decisions, review services
4	Inability for bus operators to provide services due to driver shortage, or the non-availability of vehicles	Invite bids from multiple operators. On award confirm availability with chosen operator. Hold alternative operator option.
5	Transition to the new DRT services	Additional transition resources, involvement and communications with user groups, residents and business as appropriate, continue some existing supported services for a period of time during transition
6	Risk of challenge in respect of service to users	Robust and intensive publicity leading up to, and during initial stages of, new service offer. Actively seek user feedback, iterate DRT offer where necessary to meet demand and user feedback
7	Estimates in respect of concessionary fares is too low	Regular reporting and monitoring, request for additional funding from the Unitary Authorities mainly and seek additional options , review service options
8	The final Concessionary fares reimbursement rate informed by the DfT is higher than expected or volumes increase at a higher rate than estimated	In conjunction with risk 7, regular monitoring and reporting enabling further funding and service decisions to be take.
9	Loss of Bus Service Operator Grant	DfT to provide 12-month consultation notice. Continue dialogue with DfT.
10	Reduced number of conventional bus operators in the region	Tenders invested from multiple operators.

Any of these risks materialising could result in the loss of bus services in some parts of the region.

## 10 Public Sector Equality Duties

A comprehensive, accessible, and affordable bus network is vital to enabling people to access jobs, health, food, leisure and other services and opportunities. The overall aim of this report is to secure as many bus services as possible within the funding constraints, complimented by DRT services to provide a coherent network across the region.

The service tender process has included an Equalities Impact Assessment (EqIA), independently assessed, including consideration of where services may be lost as a result of this decision. There are negative impacts and in mitigation of these DRT and WESTCIF has been used. The extent to which these mitigations will fully mitigate is likely to be greater than 98% and will be reviewed twice a year. Mitigations identified within the EqIA as a result of to the loss of services are being met primarily by a Supported Bus service or DRT. Further mitigations can be

deployed through the WESTCIF. The EqlA process identified 2 services as having limited mitigation;

516 - Whitchurch to Hengrove Park. The journey is possible by interchange in the city centre.

52 – Highridge residents would not have access to an alternative bus service other than the proposed 524 service, while residents along the A38 would only have access to the premium airport service A1.

The Combined Authority with Unitary Authorities will continue to work on options to mitigate impacts, regularly reviewing mitigation measures.

The geographical scope of DRT will connect residents and communities in the region to bus services, where these residents and communities currently do not have access to conventional bus services, further aiding accessibility.

The EqlA process has identified the need to ensure robust publicity of the DRT offer, to reach all residents in the region and especially those residents with protected characteristics.

## **11 Finance**

### **11.1 Transport Levy expenditure 2022/23**

In considering the Transport Levy expenditure for 23/24 and 24/25, we have taken in to account the financial pressures on constituent authorities. Record energy prices and high levels of inflation are driving cost pressures across all authorities. This is in the context of increased cost of living demands on residents in the region. *Table 1* sets out the current budget, end of year forecast, and the assumed budget for the next 4 years.

*Table 1* does not include expenditure outside of the levy, for example through BSIP. As noted earlier in this paper, BSIP will expire March 2025. Further decisions on the levy and which services to procure beyond BSIP funding will need to be considered within the next 2 years.

### **11.2 Concessionary fares reimbursement**

The reimbursement rate for concessionary fares for 2023/24 is currently being finalised (by early 2023) and this is expected to result in a 22% - 32% increase.

Passenger numbers using concessionary passes have remained low compared to pre-Covid levels (at around 66%). We have therefore built scenarios based on a small growth to 70%, medium growth to 75% and high growth to 80% of pre-Covid levels over the next financial year. This 2x3 matrix gives us a range of spend of between £10.2m and £12.5m. Refer to appendix E

A similar exercise has been done for 2024/25 assuming a further 5% increase in the reimbursement rate to operators (this won't be determined finally until early 2024) and passenger growth figures to 75%, 80% and 85% of pre-Covid levels.

For the purposes of forecasting shown within table 1, we have assumed patronage increased by 5% to 70% pre-covid for 2023/24, with a steady 5% increase per annum through to 2026/27.

The BSIP sets out our targets on designate corridors to return to pre-pandemic patronage by 2025. The Combined Authority anticipates DRT providing greater

flexibility and travel options into more areas of our region, stimulating passenger growth across all demographics.

Table 1: Transport Levy Expenditure

Function	Budget 22/23 £'000s	Forecast 22/23 £'000s	Forecast 23/24 £'000s	Forecast 24/25 £'000s	Forecast 25/26 £'000s	Forecast 26/27 £'000s
Team and Operational costs	1308	1,308	1,367	1,408	1,436	1,465
Contribution from the Combined Authority*	-452	-452	-511	-552	-580	-609
Community Transport grants	1,653	1,711	1,794	1,830	1,866	1,904
Concessionary Fares	13,018	9,253	10,523	11,834	13,250	14,777
Concessionary Fares Printing Card Fees		224	165	165	165	165
Real Time Information (RTI)	402	402	410	418	427	435
Supported Bus Services	3,059	9,325	7,582	7,734	7,888	8,046
metrobus	73	73	74	76	77	79
Updating Bus Stop Information	177	175	179	182	186	189
Travelwest	14	14	14	15	15	15
Integrated Ticketing	216	216	220	225	229	234
<b>Forecasted Function Cost</b>	<b>19,468</b>	<b>22,249</b>	<b>21,817</b>	<b>23,334</b>	<b>24,960</b>	<b>26,700</b>
<b>Additional Funding</b>						
S106 Funding**		-463	-190	-190	-190	-190
B&NES Additional Contribution Supported Services			-264	-269	-275	-280
Bus Service Operator Grant (BSOG)**		-1,147	-1,147	-1,147	-1,147	-1,147
Revenue from Supported Buses Contracts			-482	-514	-546	-578
Lost Mileage Claim Back from Operators		-237	-10	-11	-11	-12
<b>Net Function Cost</b>	<b>19,468</b>	<b>20,402</b>	<b>19,724</b>	<b>21,203</b>	<b>22,791</b>	<b>24,493</b>
<b>Movement in Reserves</b>						
Opening balance on reserves***		-1,963	-1,029	-773	962	4,285
In Year Deficit		934	256	1,735	3,323	5,025
<b>Closing Balance on reserves****</b>		<b>-1,029</b>	<b>-773</b>	<b>962</b>	<b>4,285</b>	<b>9,310</b>
<b>Closing balance with a 2 % increase on Levy</b>		<b>-1,029</b>	<b>-1,162</b>	<b>-213</b>	<b>1,918</b>	<b>5,338</b>
*Overheads and Recharges **BSOG Grant & S106 funding are not levy related ***22/23 opening balance on reserves: £1,963K (£616K Smoothing Reserve+ £1,347K Earmarked Reserves) **** 22/23 no uplift included						
<i>To note: BSOG has been in place since 2012 and while there is no indication that it will not continue beyond 23/24 it is not guaranteed funding.</i>						
<b>These are indicative numbers for future years and will come back to Committee and be monitored throughout the year. For future years, levy contributions will revert to committee in 12 months' time and each year thereafter. Funding Authorities need to consider and include the additional funding that may be needed should the forecasts above materialise as part of their Medium-Term Financial Planning as appropriate. Should there be no increase in the Transport Levy funding there will be a limited reserves for service issues in 2024/25 based on these forecasts. Decisions will be needed 12 months hence in that respect to increase funding. A proportionate level</b>						

**of reserves is required and essential to be maintained to account for any future service maintenance issues that always occur.**

### **11.3 Bus Services available funding 2023/24 & 2024/2025**

The planning assumption for available funding in 2023/24 is the Transport Levy without the 2% increase although the MTFF that was indicated for planning purposes to Committee in January 2022 and in discussions with the Unitary Authorities in the lead up to this report.

Funding has been identified for BSIP Additional bus services from the BSIP allocation now it has been confirmed by Government.

- Transport Levy - bus services element (from the MTFF Jan 2022)
  - 2023/24 - £3.085m (+ £1.147m DfT Bus Service Operator Grant)
- BSIP funding for new additional bus services – £6.9m 23/24; £6.9m 24/25
- BSIP funding for commercial enhancements - £3.98m 23/24; £3.0m 24/25
- BSIP funding for DRT schemes - £3.0m 23/24; £3.0m 24/25

CRSTS funding for enhanced sustainable transport corridors is shown in table 2 below

Table 2

	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>Total</b>
<b>CRSTS</b>	£108m	£108m	£108m	£108m	£108m	£540m

There are limitations as to what BSIP funding can be used for, i.e. it is not intended to be applied to support bus services that have been historically supported through Local Transport Authority (LTA) revenue budgets. The BSIP funding allocation is aimed primarily at promoting growth in bus use and the expectation from Government is that it will be utilised for fare incentives and new service provision.

### **11.4 Bus Service Operator Grant**

The Bus Service Operators Grant (BSOG) is a discretionary grant from the DfT paid to operators of eligible local bus services to help them recover some of their fuel costs. The amount each bus operator receives is based on the amount of fuel they use. This grant is not guaranteed annually and remains subject to the sole discretion of the DfT. In the event this funding does not materialise funding for services would need to be sought from sources.

The committee will be kept informed of the financials in respect of the transport levy funded services on a regular basis at committee. Particular regard will be given to the period prior to the end of BSIP funding and unitary authorities funding the transport levy will need to have due regard to this in their Medium-Term Financial Plans along with the West of England Combined Authority.

Advice given by: Richard Ennis – Interim Acting Chief Executive and Director of Investment and Corporate Services

## **12 Legal Implications:**

The West of England Combined Authority has the powers from parts IV and V of the Transport Act 1985. These include "securing", formulating policies, "service subsidy agreements"; informational and promotional measures, and related duties connected

to public passenger transport services (Sections 63 to 64). These powers are exercisable "jointly" with the UA's.

In particular

(S63(1)) the duty to secure the provision of such public transport passenger services as the Combined Authority consider it "appropriate" to secure, to meet any "public transport requirements" which would not, in their view, be met apart from any action taken by them for that purpose.

(S63(5)) - the power to enter into agreements providing for "service subsidies" (S63(5)) – but only where the service in question would not be provided, or be provided to a particular standard, without subsidy;

The operation of the levy arrangements set out in art 6 of the West of England Combined Authority Order 2017.

## **6 Funding**

*(1) The constituent councils must meet any reasonably incurred costs of the Combined Authority, other than the costs mentioned in paragraph (4) [not relevant for this purpose], to the extent that the Combined Authority has not decided to meet these costs from other resources available to the Combined Authority.*

*(2) Any amount payable by each of the constituent councils to ensure that the costs of the Combined Authority referred to in paragraph (1) are met is to be determined by apportioning such costs between the constituent councils in such proportions as they may agree or, in default of such agreement, in proportion to the total resident population of the Area which resides in that council at the relevant date as estimated by the Statistics Board.*

*(3) The functions mentioned in articles 8(1), (4) and 9 [this includes subsidised transport] may be funded out of the levy issued by the Combined Authority to the constituent councils under section 74 of the Local Government Finance Act 1988 (levies)(2) and in accordance with the Transport Levying Bodies Regulations 1992(3).*

Advice given by: Stephen Gerard – Interim Director of Law and Democratic Services

## **13 Climate Change Implications**

Provision of a good public transport network is essential to help mitigate the impact of climate change by reducing the number of vehicles on the road to meet the demand for travel. Exhaust emission standards for buses have been raised

progressively over recent years and bus operators have invested heavily in new vehicles.

**14 Land/property Implications**

None

Advice given by:

**15 Human Resources Implications:**

None

Advice given by:

**Appendices:**

*List any appendices to the report:*

- A. Supported bus service option*
- B. Supported Services tender long list*
- C. DRT Awarded zones*
- D. Guide to DRT*
- E. Transport Levy Financial Data.*

**Background papers:**

None

**West of England Combined Authority Contact:** Malcolm Parsons, Head of Capital Delivery

## Appendix A – Supported Services Option

Awarded Services Spend based on local authority contribution to levy	Passenger Numbers	cpgj	S106 Contributions	Levy contribution	Other Levy Contribution	BSOG	Net gain/(loss) for UA. Including revenue.
<b>Bristol City Council</b>							
10 Southmead Hospital - Avonmouth	143,523	£2.86	N/A	£1,334,000	£2,230,000	£448,348	£30,041
11 Southmead Hospital - Parkway	62,882	£5.73	N/A				
13 Bristol City Centre - Shirehampton	68,719	£7.57	N/A				
505 Long Ashton Park & Ride Site - Southmead Hospital	126,962	£5.12	N/A				
515 Stockwood – Hartcliffe	40,992	£6.65	N/A				
Brislington Park and Ride	344,090	£2.50	N/A				
Portway Park and Ride	396,588		N/A				
<b>South Gloucestershire Council</b>							
12 Severn Beach – Cribbs Causeway – Bristol Parkway	39,007	£9.49	N/A	£971,000	N/A	£464,709	-£10,391
16 Kingswood - Keynsham	145,233	£3.82	N/A				
19 Sunday	37,485	£1.80	N/A				
35 Marshfield - Kingswood	19,987	£8.51	N/A				
86 Yate – Emerson’s Green – Kingswood (Courtney Road)	40,497	£4.69	£190,000				
620 Old Sodbury – Yate – Bath Bus Station	35,316	£3.54	N/A				
Y6 Saturdays only	88,510	£1.01	N/A				
Y6 Sun/PH	9,732	£6.21	N/A				
<b>Bath &amp; Northeast Somerset</b>							
2 Bath City Centre – Mulberry Park - Bath City Centre	13,835	£1.52	N/A	£780,000	N/A	£233,943	£264,272
6A Bath City Centre – Fairfield - Larkhill - Bath City Centre			N/A				
8 Bath City Centre - Kingsway	134,441	£1.52	N/A				
11 Bath City Centre – Bathampton, St Georges Hill	38,424	£2.67	N/A				
12 Bath City Centre- Haycombe Cemetery	31,520		N/A				



20 Bath Uni - Twerton	97,606	£5.00	N/A				
620 Old Sodbury – Yate – Bath Bus Station	35,316	£1.52	N/A				
700 Bath - Sion Hill	17,755	£8.55	N/A				
716 Bath Bus Station - Newbridge - Bath Manvers Street							
734 Bath Bus Station - Bathwick - Bath Bus Station							
779 Bath Manvers Street - Larkhall Square - Bath Bus Station							
R3 Weston - Ralph Allen School	12,350	£3.08	N/A				

## Appendix B

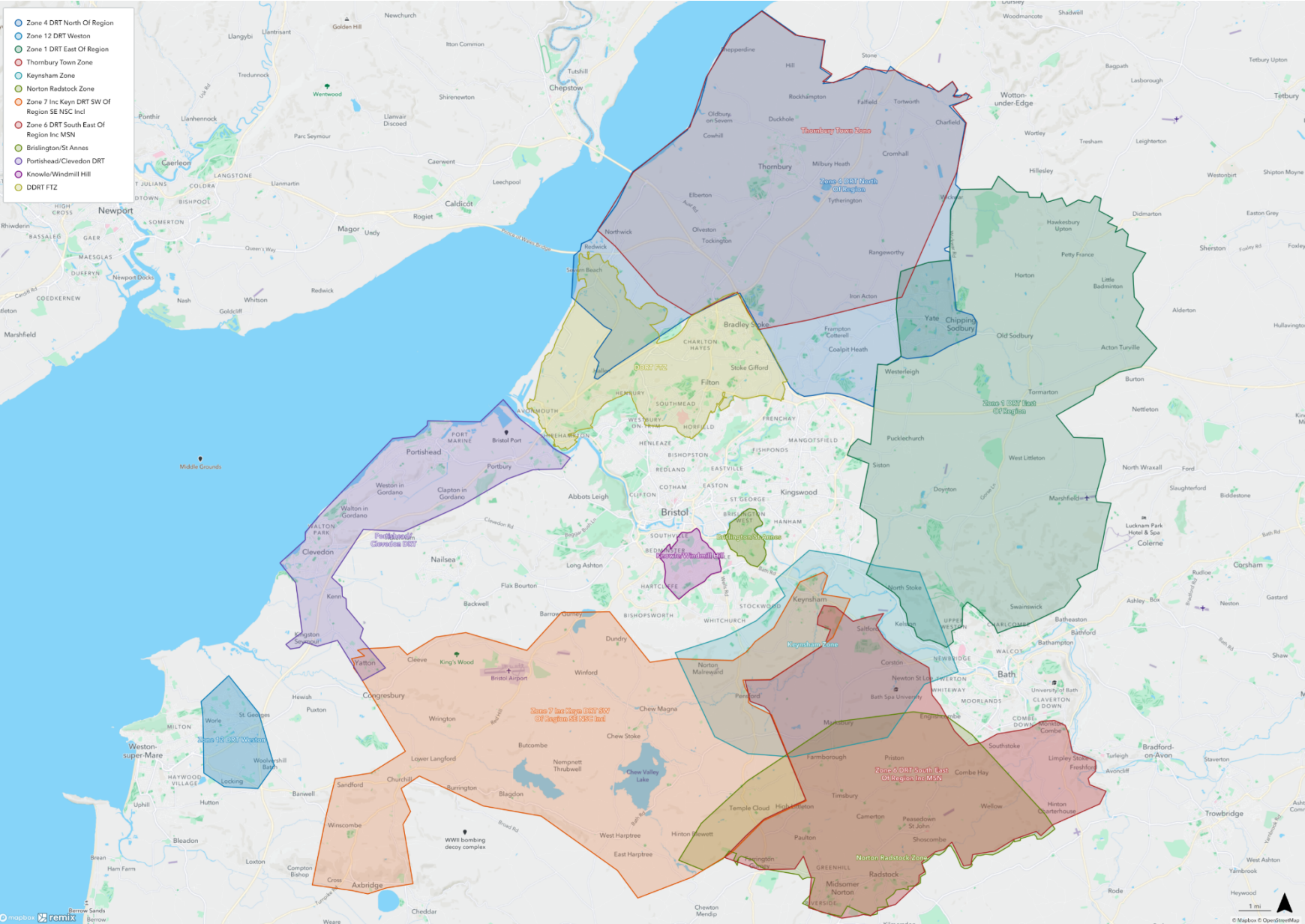
### Supported Bus Services Tender, Long-list

Service	Route
2	Bath City Centre -Mulberry Park (Eves)
6A	Bath City Centre - Larkhall - Bath City Centre (Eves)
5	Bristol City Centre – Downend
8	Bath City Centre – Kingsway
10/11	Southmead Hospital – Avonmouth
10	Rock Street North and Hortham Village to Southmead Hospital
11	Bath City Centre – Bathampton
12	Bath City Centre - Haycombe Cemetery
12	Severn Beach - Bristol Parkway
12/622	Thornbury - Cribbs Causeway
13	Bristol City Centre - Shirehampton
16	Kingswood – Keynsham
17	Kingswood - Southmead Hospital
19	Bath - Cribbs Causeway via Bitton
20/4a	University of Bath circular
22	University of Bath to Twerton
35	Marshfield - Kingswood
52	Bristol City Centre - Hengrove
79	Marshfield - Bath Centre
82	Paulton - Radstock
84	Yate - Wotton-under-Edge - Yate
85	Yate - Wotton-under-Edge - Yate
86	Yate - Kingswood
172	Bath - Paulton
178	Brislington Park and Ride/Keynsham - Midsomer Norton
179	Midsomer Norton -Bath
202	Chipping Sodbury - Winterbourne
505	Long Ashton Park & Ride Site - Southmead Hospital
506	Bristol City Centre - Southmead Hospital
511	Bedminster - Hengrove
512	Totterdown - Bristol City Centre
513/514	Knowle - Brislington
515	Stockwood - Hartcliffe
516	Knowle - Hengrove Park
620	Old Sodbury - Bath

622	Chipping Sodbury - Cribbs Causeway
623	Severn Beach - Bristol Centre
626	Wotton-under-Edge - Bristol Centre
634	Tormarton - Kingswood
684	Wick-Keynsham
185	Hallatrow - Trowbridge
636	Hengrove - Keynsham
640	Bishop Sutton - Keynsham
668	Peasedown St John - Bristol
683	Keynsham - Wells
757	Combe Hay - Midsomer Norton
663	Somerdale - Chandag Road
664	Keynsham (Somerdale) - Saltford
665	Somerdale - Longmeadow Road
672	Bristol - Blagdon
680	North Yate - Filton College
700	Bath City Centre - Sion Hill
716	Bath City Centre - Newbridge
734	Bath City Centre - Bathwick
779	Bath City Centre - Gloucester Road
752	Hinton Blewett - Bath
754	Hinton Blewett - Radstock
768	Midsomer Norton - Bath
948	Pucklechurch - Sir Bernard Lovell Academy
963	Patchway - Winterbourne Academy
967	South Yate - Chipping Sodbury School
Bris/Port	Brislington and Portway P&R
FC1	Lansdown FareCar (shared taxi)
FC2	Wellow FareCar (shared taxi)
R3	Twerton - Bear Flat - Ralph Allen School
Y6	Yate - Southmead Hospital
Y6	Yate - Southmead Hospital
10/11	Southmead Hospital - Avonmouth
13	Bristol City Centre - Shirehampton
505	Long Ashton P&R – Southmead Hospital
506	Broadmead – Southmead Hospital
517	Chew Magna - Wells
518	Midsomer Norton - Radstock Link
519	Chocolate Quarter - High St - Charlton Road - Queens Road - High Street - Wellsway - Minsmere Road - High Street - Chocolate Quarter
520	Southmead - Longwell Green
521	Hengrove Park to Brislington

522	Brislington P&R - Paulton - Odd Down P&R
523	Brislington Circular
524	Long Ashton P&R – Hengrove Park via SBL
525	Emersons Green - Yate
526	Chew Valley Link
527	Chew Magna - Anchor Road

Appendix C – Demand responsive transport network



## Appendix D

# A guide to Demand responsive transport

Demand responsive transport (DRT) is a flexible service that provides shared transport to users who specify their desired location and time of pick-up and drop-off.

DRT can complement fixed route commercial public transport services and improve mobility in low-density areas and at low-demand times of day.

DRT can contribute to decarbonisation by replacing private car journeys and facilitating multi-modal travel (for example, linking users to a train station or fixed route bus services). It is important that DRT services are integrated into the local transport network to be effective.

To reduce the carbon dioxide (CO<sub>2</sub>) emissions emitted per passenger per kilometre from a DRT service, operators can optimise routes using the latest technology, select vehicles with lower or zero tailpipe emissions and increase passenger occupancy levels.

DRT services have been implemented in the United Kingdom to improve social inclusivity and access to services, this will also be the case in the West of England Combined Authority region too.

This document is based on policy applicable to England.

## What demand responsive transport (DRT) means

DRT services run without a set timetable and typically use smaller vehicles, for example 18-seater minibuses, than fixed route bus services.

DRT offers a flexible bus service (registered bus routes that can deviate from fixed routes).

### 1. Types of DRT Service

DRT Schemes can have a range of purposes

#### 1.1. Addressing suppressed travel demand

Providing the opportunity for individuals to access a destination or service, such as for employment, education, healthcare or retail, or to connect to a transport hub to complete their journey. DRT can fill the gap where journeys cannot be walked or cycled and users do not have access to public transport or a car.

#### 1.2. Transferring existing bus users to a DRT service

Providing a flexible service in place of a conventional fixed route service.

#### 1.3. Acting as a feeder service to existing bus services or rail

This could include connecting rural areas with a fixed bus route. [Arup explored the potential of this option](#) for the UK.

#### 1.4. Consolidating existing bus services

Enabling one service to meet multiple needs which may have been previously delivered through conventional bus services, such as home to school, home to healthcare and home to work journeys.

## **1.5. Providing an alternative to private car journeys**

Encouraging non-users to use shared transport by providing a more flexible, attractive service. 'Hop on, hop off' services can also serve tourists, for example, to provide access to rural walks, attractions or services. Examples include Tees Flex, Essex DaRT and Connect2 Wiltshire.

Two main groups of DRT users were identified by [Knowledgebase on Sustainable Urban Land use and Transport](#) (KonSULT), a project led by the University of Leeds. They are:

- captive users: people who do not have a car (or other transport options) available for their journey. A DRT service targeting this group tends to have accessibility and social inclusion objectives
- choice users: people who use DRT even though they have a car available. Attracting these users is more likely to relieve congestion and contribute to decarbonisation.

## **Benefits of DRT**

While the numerous social and economic benefits often prompt the introduction of a DRT service, it can also assist with decarbonising travel.

### **How DRT can reduce CO2 emissions?**

- **Substitute car journeys**

A DRT service can replace multiple, single occupancy car journeys. For example, in a commuting area where there is not sufficient demand for a fixed route bus service or to serve those working shifts or flexibly.

Switching from a private petrol or diesel car to an electric DRT vehicle would enhance the emission reduction.

- **Encourage active travel**

As outlined in [Bus Back Better: national bus strategy for England](#), there is potential for bus and DRT services to better integrate with active travel, making non-car based, multi-modal journeys easier.

Some DRT booking services can decline very short trips that can be walked unless there is an overriding need, for example, due to a mobility impairment.

- **Replace a fixed route, diesel-fuelled bus service**

As a DRT service runs only when there is demand and on an optimised route, it may travel fewer miles overall than a fixed route service, reducing fuel consumption.

The size of the vehicle can be optimised to suit the anticipated number of passengers, lowering the CO2 emissions per passenger, per kilometre travelled, known as carbon efficiency.

## **General additional benefits of DRT**

Introducing a DRT service can enable individuals to access education, employment and services in places where demand is dispersed, or the distances involved make it challenging to provide conventional services that meet the diverse needs of residents.

Financing is the greatest drawback due to the level of subsidy many services require.

## **Combined Authority potential additional benefits of DRT**

Introduction of DRT within the region may positively contribute to the conventional bus driver shortages we've seen across the region. In some cases, DRT services can be operated under a different driver's license than larger public service vehicles. This has the potential to redirect drivers to our core bus service corridors.

## **Policy Benefits**

DRT has the potential to deliver against multiple policy objectives, such as:

- Increasing patronage on core routes
- reducing congestion through modal shift to shared transport from private cars
- increasing connectivity for rural communities, for example, by extending public transport into areas where population densities and usage do not support a commercially operated timetabled service
- supporting health and wellbeing by enabling easier access to services, facilities, social networks and community initiatives
- economic benefits through increased access to employment, leisure and for visitors
- supporting the promotion of active travel as DRT reduces reliance on cars and may help to grow receptivity to alternatives to single occupancy vehicles
- promoting community cohesion through providing more opportunities for people to interact

## **Benefits to users**

For users, DRT may be able to:

- act as a feeder service to connect to high frequency bus or rail corridors, reducing journey length and time, depending on the service
- enable travel at a more convenient time compared to a fixed timetable with limited frequency
- provide access to a wider range of destinations, increasing personal mobility and reducing social isolation
- provide a more convenient service that can support individuals with limited mobility
- help individuals and communities to access job opportunities through a direct service or services better suited to shift patterns

## **Implementing DRT: Bwcabus**

[Bwcabus](#) in Wales was originally introduced to replace an existing bus service that had become unviable as traditional fixed route timetable based operations.



Since then, it has evolved to provide a feeder service to 3 Trawscymru strategic services as well as a zone of DRT provision within rural mid Wales.

It provides both fixed route and demand responsive bus routes that can be booked up to a month in advance. Fares are based on journey distance but can connect to other bus operators. Discounted tickets are also available, as are bus passes and some 'rover' tickets are valid on most bus services across 3 counties in Wales.

## **Benefits for the bus service provider, operator and the regional transport network**

Providing a DRT service in place of a fixed route service can benefit by:

- enhancing data collection to aid understanding of demand for services
- enabling operators to run services only when there is known demand, reducing fuel costs (and empty running)
- providing access to a greater choice of ultra-low or zero emission transport options
- enabling adaptation of poorer performing conventional bus routes to maintain coverage

DRT services will be most effective when integrated with a mainstream network and are not the right solution in all circumstances. For example, there are unlikely to be benefits from replacing frequent urban and inter-urban routes.

## **Defining the zone of DRT operation**

The area that a DRT service covers is known as a zone. The size of the zone can vary widely between services, reflecting:

- the purpose of the scheme
- the density of the population
- fleet size
- maximum wait times or journey times
- various other factors

Once a service is operational, the zone may need to be refined based on demand.

In defining zones, the Combined Authority in conjunction with the constituent Unitary Authorities considered:

- the main residential areas to be served
- significant destinations, such as employment zones, large employers, town centres, hospitals and healthcare sites, leisure attractions, transport interchanges
- existing passenger transport services

Our adopted approach for DRT providers, includes specifically using DRT as a feeder to existing fixed route services, enabled by the regions Bus Service Improvement Plan award.

## **Estimating demand for a DRT service**

Data on demographic characteristics, travel behaviour and destinations within the proposed DRT zone have been used to estimate what the likely uptake of the service will be and the zonal cover.

## Regulation

The proposed DRT schemes include flexible bus services - registered local bus services able to deviate from a fixed route.

Specifying a 'flexible bus service' will require it to be registered with the Office of the Traffic Commissioner.

## Funding for DRT schemes

Nationally, DRT services are currently subsidised by local transport authorities.

Relying on short-term, external funding can be problematic if it leads to service withdrawal at the end of the funding period, resulting in users losing trust in alternative or future mobility schemes.

The region has some short term funding opportunities and options to fund DRT, these include

- **Bus Service Operators Grant**

[Bus Service Operators Grant](#) (BSOG): this is a grant paid to operators of eligible bus services and community transport organisations to help them recover some of their fuel costs.

- **Existing Unitary authority bus funding**

This may be appropriate where DRT could offer a more effective public transport solution than existing or conventional services.

- **Bus Service Improvement Plan**

The Combined Authority, with North Somerset Council, was successful in securing BSIP grant funding from Government. Our allocation includes £3m per annum specifically for DRT services.

## Appendix E

### Transport Levy Financial Data, and future forecasts

#### LEVY contribution by budget line

	B&NES	BCC	SGC	First Bus	Total LEVY	%			
	£000s	£000s	£000s	£000s	£000s	B&NES	BCC	SGC	First
Integrated Transport Team	239	456	161	0	856	28%	53%	19%	0%
Concessionary Travel	3,639	7,181	2,200	0	13,018	28%	55%	17%	0%
Bus Service Information (RTI)	143	269	142	25	580	25%	46%	25%	4%
Community Transport	367	841	445	0	1,653	22%	51%	27%	0%
Supported Bus Services	773	1,323	963	0	3,059	25%	43%	31%	0%
Metrobus	0	45	28	0	73	0%	62%	38%	0%
Travelwest	3	7	4	0	13	20%	51%	29%	0%
Bus Strategy / Integrated Ticketing	30	114	72	0	216	14%	53%	33%	0%
Sub Total:	5,194	10,235	4,014	25	19,468				

#### Future LEVY budget forecast – constant cash position.

	2022/23 Levy	2023/24 Levy	2024/25 Levy	2025/26 Levy	Cost per resident	Population data
Authority	£000s	£000s	£000s	£000s	£	
B&NES	5,194	5,194	5,194	5,194	26.86	193,400
BCC	10,235	10,235	10,235	10,235	21.67	472,400
SGC	4,014	4,014	4,014	4,014	13.82	290,400
Total Levy	19,443	19,443	19,443	19,443		
First Bus	25	25	25	25		
Total	19,468	19,468	19,468	19,468		

### Concessionary Fares future year forecast

<u>2023/24 estimates</u>	Percentage of pre-COVID patronage (to aid forecasting)				
	65%	70%	75%	80%	85%
All operators on current rates	£7,976,116.21	£8,572,925.57	£9,169,837.91	£9,766,351.11	£10,360,036.43
Rate scenario 1	£9,358,027.27	£10,073,433.60	£10,788,979.04	£11,504,010.47	£12,219,404.67
Rate scenario 2	£9,775,795.75	£10,523,339.88	£11,271,026.00	£12,018,183.17	£12,765,714.03
Rate scenario 3	£10,193,564.23	£10,973,246.16	£11,753,072.96	£12,532,355.87	£13,312,023.39
<u>2024/25 estimates</u>	Percentage of pre-COVID patronage (to aid forecasting)				
	65%	70%	75%	80%	85%
Current rates (as 2023/24 +5%)	£8,374,922.02	£9,001,571.85	£9,628,329.81	£10,254,668.67	£10,878,038.25
Rate scenario 1 (as 2023/24 +5%)	£9,825,928.63	£10,577,105.28	£11,328,427.99	£12,079,210.99	£12,830,374.90
Rate scenario 2 (as 2023/24 +5%)	£10,264,585.54	£11,049,506.87	£11,834,577.30	£12,619,092.33	£13,403,999.73
Rate scenario 3 (as 2023/24 +5%)	£10,703,242.44	£11,521,908.47	£12,340,726.61	£13,158,973.66	£13,977,624.56
<u>2025/26 estimates</u>	Percentage of pre-COVID patronage (to aid forecasting)				
	65%	70%	75%	80%	85%
Current rates (as 2024/25 +5%)	£8,793,668.12	£9,451,650.44	£10,109,746.30	£10,767,402.10	£11,421,940.16
Rate scenario 1 (as 2024/25 +5%)	£10,317,225.07	£11,105,960.54	£11,894,849.39	£12,683,171.54	£13,471,893.65
Rate scenario 2 (as 2024/25 +5%)	£10,777,814.81	£11,601,982.22	£12,426,306.17	£13,250,046.94	£14,074,199.72
Rate scenario 3 (as 2024/25 +5%)	£11,238,404.56	£12,098,003.89	£12,957,762.94	£13,816,922.35	£14,676,505.79

<u>2026/27 estimates</u>	Percentage of pre-COVID patronage (to aid forecasting)				
	65%	70%	75%	80%	85%
Current rates (as 2025/26 +5%)	£9,233,351.53	£9,924,232.96	£10,615,233.61	£11,305,772.20	£11,993,037.17
Rate scenario 1 (as 2025/26 +5%)	£10,833,086.32	£11,661,258.57	£12,489,591.86	£13,317,330.12	£14,145,488.33
Rate scenario 2 (as 2025/26 +5%)	£11,316,705.56	£12,182,081.33	£13,047,621.47	£13,912,549.29	£14,777,909.70
Rate scenario 3 (as 2025/26 +5%)	£11,800,324.79	£12,702,904.09	£13,605,651.09	£14,507,768.46	£15,410,331.08

#### Potential initial Bus Network Investment - Bus Service Improvement Plan

Table below shows the proposed split of BSIP funding for all bus elements (DRT, BSIP supported services and Commercial Enhancements)	
<b>BSIP Split by Unitary Authority</b>	<b>Totals</b>
Bristol City Council	£ 704,729.89
South Gloucestershire Council	£ 3,288,049.48
Bath & Northeast Somerset Council	£ 2,337,091.46

#### Potential Bus Network Investment – All bus investment

Table below shows the proposed split of all bus funding for all bus elements (Supported, DRT, BSIP additional services and BSIP Commercial Enhancements)	
<b>Funding Split by Unitary Authority</b>	<b>Totals</b>
Bristol City Council	£ 4,747,119
South Gloucestershire Council	£ 4,903,367
Bath & Northeast Somerset Council	£ 3,615,306

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