

A meeting of the  
**West of England Combined Authority Committee**

will be held on

**Date:** Friday, 16 June 2023

**Time:** 1.00 pm, or on the rising of the previous Committee,  
whichever is later. The meeting will not commence before the  
scheduled time

**Place:** Room 1, Bawa Healthcare & Leisure, 589 Southmead Road,  
Filton, BS34 7RG

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 Claire Young, South Gloucestershire Council

Nominated deputies are as follows:

Bath & North East Somerset Council: Cllr Sarah Warren and Cllr Manda Rigby  
South Gloucestershire Council: Cllr Ian Boulton and Cllr Chris Willmore  
Bristol City Council: Cllr Craig Cheney & Cllr Kye Dudd

**Enquiries to:**

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# The West of England Combined Authority Committee Agenda

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- 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.
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## **Guidance for press and public attending this meeting**

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## 1. WELCOME & INTRODUCTIONS

The Chair to welcome everyone to the meeting.

## 2. APOLOGIES FOR ABSENCE

To receive apologies for absence from Members.

## 3. DECLARATIONS OF INTEREST UNDER THE LOCALISM ACT 2011

Members who consider that they have an interest to declare are asked to state:

- a) The item number in which they have an interest;
- b) The nature of the interest, and;
- 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

9 - 22

To consider and approve the minutes of the West of England Combined Authority Committee meeting held on 17 March 2023.

## 5. CHAIR'S ANNOUNCEMENTS

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

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

### WRITTEN PUBLIC QUESTIONS

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 5.00pm, at least 3 clear working days ahead of a meeting. For this meeting, the deadline for questions is **5.00pm on Monday 12 June 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 Thursday 15 June 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 12noon on the working day before the meeting at the very latest.

6. 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 THE CHAIR OF THE WEST OF ENGLAND LOCAL ENTERPRISE PARTNERSHIP BOARD**

To receive comments from the Chair (or the Chair's representative) of the West of England Local Enterprise Partnership (LEP) Board.

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

The Authority's Overview & Scrutiny Committee met informally on 12 June 2023 to consider the items being brought to this Committee. They chose one member to represent their views at this meeting. That Member to pass on any comments from that meeting on the items of business.

## **9. INVESTMENT FUND PROGRAMME**

23 - 48

To update on the overall programme and headroom.

## **10. DELIVERY ASSURANCE**

49 - 82

To consider changes to schemes within the Investment Fund programme against the agreed delivery assurance principles.

<b>11. TRANSPORT SCHEMES</b>	83 - 104
<p>To provide an update to West of England Combined Authority Committee on key transport schemes and to secure approval from Committee on key decisions and associated funding (where applicable) related to projects within the West of England Combined Authority's Transport Infrastructure programme.</p>	
<b>12. TRANSFORMATION PROGRAMME &amp; REGIONAL STRATEGY</b>	105 - 134
<p>This report sets out progress and next steps on the West of England Combined Authority's route to improvement. The report provides Committee with an update on the West of England Combined Authority transformation programme that is underway to respond to and take forward recommendations from the recent Grant Thornton external audit report, the West of England Combined Authority commissioned an Independent Peer Review and the West of England Combined Authority Committee approved the action plan. This report provides a more detailed update on the progress to deliver a revised regional strategy as part of the transformation programme.</p>	
<b>13. WEST OF ENGLAND EMPLOYMENT &amp; SKILLS PLAN</b>	135 - 198
<p>To present for approval the refreshed West of England Employment and Skills Plan, and to consider progress and approve next steps in relation to the green construction and retrofit skills feasibility work supported by the Green Recovery Fund.</p>	
<b>14. COMBINED AUTHORITY &amp; MAYORAL BUDGET OUTTURN 2022/23</b>	199 - 216
<p>This report represents the revenue and capital outturn to the West of England Combined Authority Committee for the financial year 2022/23 based on data from the period April 2022 to March 2023 for the West of England Combined Authority and Mayoral budgets. The final outturn position will be subject to audit verification of the annual accounts.</p>	
<b>15. TREASURY MANAGEMENT OUTTURN REPORT 2022/23</b>	217 - 234
<p>The Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in the Public Services: Code of Practice requires the Authority to approve a Treasury Management Strategy before the start of each financial year, review performance during the year, and approve an annual report after the end of each financial year. This report provides a review of performance to 31 March 2023.</p>	
<b>16. UPDATE TO WEST OF ENGLAND COMBINED AUTHORITY PURCHASE ORDER &amp; CONTRACT APPROVAL LIMITS</b>	235 - 244
<p>To request the Committee approves an update to the current West of England Combined Authority approval limits for purchase orders and contracts. The current limits are hindering our processing time for contract and purchase order approvals and negatively impacting internal processes for the procurement of goods and services. This request only applies to spend that have been previously approved by</p>	

Committee or a delegated forum. To note this paper does not include any requests for additional delegations or powers, it only applies to purchase order and contract approvals. The current approval limits are stated in the West of England Combined Authority Constitution, and therefore the requested amendments need to be approved by Committee.

**17. 2023/24 COMMITTEE FORWARD PLAN**

245 - 252

To set out the indicative items of business for the West of England Combined Authority committee currently identified for the 2023/24 municipal year. (Appendix 1) and to endorse the publication of the Forward Plan during the year, extending the time horizon as appropriate and as new items are identified.

**18. RATIFICATION OF INTERIM MONITORING OFFICER**

To seek the Committee's formal ratification of the West of England Combined Authority's Interim Director of Legal Services (Monitoring Officer).

This item is to follow.

**Next meeting: Date Not Specified**

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**DRAFT**  
**Minutes of the**  
**West of England Combined**  
**Authority Committee , Friday, 17**  
**March 2023**

Members:

Metro Mayor Dan Norris, West of England Combined Authority  
Mayor Marvin Rees, Bristol City Council  
Cllr Toby Savage, South Gloucestershire Council

1	<p><b>EVACUATION PROCEDURE</b></p> <p>The evacuation procedure was set out.</p>
2	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>Apologies for absence had been received from Cllr Kevin Guy. Cllr Richard Samuel attended as his substitute.</p>
3	<p><b>DECLARATIONS OF INTEREST UNDER THE LOCALISM ACT 2011</b></p> <p>There were no declarations of interest declared under the Localism Act 2011.</p>
4	<p><b>MINUTES</b></p> <p>The minutes of the meetings held on 18 January 2023 and 27 January 2023 were agreed as correct records and signed by the Chair.</p>
5	<p><b>CHAIR'S ANNOUNCEMENTS</b></p> <p>The Chair announced that Jim Taylor from SOLACE would be in attendance and would be invited to address the Committee in relation to Agenda Item 15.</p>
6	<p><b>ITEMS FROM THE PUBLIC (QUESTIONS, STATEMENTS AND PETITIONS)</b></p> <p>Thirteen questions from eight individuals had been received in advance of the meeting. The questions and responses from the Metro Mayor had been circulated and published on the Authority's website.</p> <p>In addition seventeen statements had been received from members of the public. The following members of the public were in attendance at the meeting and were invited to address the Committee for up to three minutes each on the topic of their statements:</p> <ol style="list-style-type: none"> <li>1. Dave Redgwell</li> <li>2. Andrew Smith</li> <li>3. Ian Downey (on behalf of Jackie Head)</li> <li>4. Brendan Taylor</li> <li>5. Gavin Smith (on behalf of Martin Garrett)</li> <li>6. Christina Biggs</li> <li>7. Robbie Bentley (on behalf of Jevon Smith)</li> <li>8. Ian Downey</li> <li>9. Cllr Liz Hardman</li> <li>10. Cllr David Wilcox (on behalf of Cllr Ed Plowden)</li> <li>11. Matt Griffith</li> <li>12. Cllr Emma Edwards</li> </ol>
7	<p><b>COMMENTS FORM THE CHAIR OF THE LOCAL ENTERPRISE PARTNERSHIP (LEP) BOARD</b></p> <p>Richard Bonner, the Chair of the West of England Local Enterprise Partnership (LEP) Board, attended the meeting and was invited to put forward the Board's comments in relation to the agenda items to be considered. A summary of his comments are set out as below:</p> <p>MIPIM</p>

- Meetings with Office for Investment
- Engaged at UK Cities Event, sharing details of our Green Recovery Fund, sharing details of City Leap, the impact of Temple Quarter (impact on housing, transport connectivity, heart of economic growth (with University of Bristol enterprise campus)
- Session with Cllr Jane Mudd, and Liverpool City Region Mayor – Severn Estuary Tidal Energy as a global proposition. Meeting with Lord Johnson, Minister for Investment, celebrating our assets, including Hydrogen / Quantum Technology Innovation Centre, the wider University Investment, and Investment Opportunities at Temple Quarter. Le leveraging UKRI.
- Across all the city regions, there is a consistency that Infrastructure Investment, through effective transport networks, 5G, climate adaptation, economic and industrial strategies, and clear pipeline of investable propositions are all aligned to help address the challenges we have in addressing the inequalities in our communities, creating Thriving Places.

#### Climate & Ecological Strategy and Action Plan 2023

- I note the progress made and the scale of challenge the region faces to meet the West of England's 2030 ambitions for net zero and halting the decline in nature.
- I am pleased the LEP Board were consulted and informed the development of the 2023 Climate and Ecological Strategy and Action Plan; and the strategy and actions recognise the need for businesses and partnership working to achieve regional ambitions
- I am pleased to see the vast majority of the Green Recovery Fund has successfully been awarded, and note the request of committee to expand it to £60m, including expanding funding for green skills to grow our green economy; and to expand the carbon survey offer to support more SMEs become more resilient to the impacts of energy prices and climate change

#### Investment Fund Programme

- Pleased to see the investment in Bath Central Riverside to further develop proposals to repurpose and regenerate this part of the Enterprise Zone.
- The scale of the ramping up of capacity required to deliver the step change levels of transport investment in the area through the £540m City Region Sustainable Transport Settlement should not be underestimated. The provision of further funding to the Councils to bring the resources and skills to help support project and programme management is welcomed, to ensure we fully grasp this opportunity.

#### Investment Fund Delivery Assurance

- It is noted that the Programme Review Board is now supporting the Committee in providing both support and constructive challenge to schemes with the Investment Fund programme. This should help drive project performance.
- It is noted that a number of scheme changes relate to the time limited Transforming Cities Fund which ends this month. It is critical that we are able to close out this programme and ensure no funding is at risk of being returned to Government.

#### West of England Combined Authority and Mayoral Budget Forecast Outturn 2022/23

- It is pleasing to see the ongoing success during the year in terms of attracting additional funding into the region.
- It is important that we continue to recognise that the West of England Combined Authority is changing and growing into an organisation set up to deliver the significant

programme of work ahead that will provide vital benefits for the economy, and ultimately the West of England residents and businesses.

- The LEP Board continues to be supportive and is keen to increase its engagement to provide a positive impact to the Combined Authority’s reputation with government, business, and residents.

**Audit Action Plan: Feedback from Audit and Overview & Scrutiny Committee and Progress Report**

- In December, Committee discussed the emerging Action Plan produced to respond to the Grant Thornton Audit Report and asked that Audit and Scrutiny Committees review and propose any revisions to the plan. I’m pleased to see that review has taken place.

- The Independent Peer Review Committee asked to be initiated has progressed at pace – I’ve been interviewed as part of that process along with a range of regional colleagues. I’m encouraged that this work has progressed swiftly and that the reviewers interim report is presented today.

- As the report rightly says – there is much to celebrate in the progress the CA has made since its inception. The report also notes areas where there is action to take to strengthen our partnership, and the LEP continue to be keen to engage and support as the report identifies.

- I’m pleased to see the update in the Committee Paper on action since December – while there are still steps for Committee to take, it is welcome to see that progress is being made to address the specific issues the external auditors highlighted and that the Independent Peer Review is helping to frame a wider set of action that I hope Committee can agree would benefit our ability to deliver the best we can for the region.

<b>8</b>	<p><b>COMMENTS FROM THE WEST OF ENGLAND COMBINED AUTHORITY OVERVIEW &amp; SCRUTINY COMMITTEE</b></p> <p>The Chair of the Authority’s Overview &amp; Scrutiny Committee, Councillor Winston Duguid, attended the meeting and summarised that Committee’s comments on the agenda items. These comments had been circulated and published prior to the meeting.</p>
<b>9</b>	<p><b>COMMENTS FROM THE CHAIR OF THE WEST OF ENGLAND COMBINED AUTHORITY AUDIT COMMITTEE</b></p> <p>Councillor Gollop, Chair of the West of England Combined Authority’s Audit Committee, addressed the meeting on the Audit Committee’s comments on the agenda items for consideration. These comments had been circulated and published prior to the meeting and covered the Committee’s concerns on the Value for Money (VfM) Action Plan and the Transport Risk Register.</p> <p>In addition, Cllr Gollop asked to address the meeting in respect of agenda item 15 (Audit Action Plan), specifically the SOLACE report and his comments had been summarised under that item. He explained these comments had not been agreed by the members of the Audit Committee but had been his own views moderated to reflect a consensus view of the members of that Committee.</p>
<b>10</b>	<p><b>CLIMATE AND ECOLOGICAL STRATEGY AND ACTION PLAN 2023</b></p>

Metro Mayor Dan Norris introduced a report which highlighted the need for the West of England to work in partnership and to invest in bold actions to address these climate change challenges. The report updated the Committee on regional progress towards tackling the climate and ecological emergencies and sought approval to adopt a revised regional Climate and Ecological Strategy and Action Plan (CESAP) 2023 and to expand the Green Recovery Fund (GRF) to £60m.

The following comments were made:

- Councillor Savage welcomed the progress set out in the report and specifically welcomed the tree canopy project and the Frome Valley River Reserve initiative. He further stated that he believed the key priorities for next year seemed right but he thought it would be useful to define the likely gap in meeting the 2030 emissions targets. He also felt that the region's coal mining heritage could help to potentially provide heating and hot water for schools, hospitals and public buildings. The Local Authority Support Advice service and stressed the importance that this be bolstered with Combined Authority funding;
- Councillor Savage stated that it was acknowledged that significant skills training would be needed to meet the region's climate targets, estimated at around 50,000 additional jobs which was a significant opportunity for SGS college and other regional training centres. SGS had trialled combining training with retrofitting and improving their own buildings which could be replicated elsewhere. He stated that a significant proportion of students lived outside the West of England area and many of the students lived in some of the most deprived areas of the region;
- Mayor Marvin Rees stated that the challenge was a scale and pace not encountered previously and authorities could not afford any missteps on making progress in this field. The evaluation programme should be constantly reviewed. He emphasised the importance of the different authorities working together on this challenge and pool resources where necessary to better coordinate while being mindful of duplication of efforts. Unlocking of private and public investment would be key. 3CI had identified significant funding opportunities. The urban summit was also looking at the future of cities and inputting how to decarbonise cities in the future. He said that the impacts of climate change often affected the most vulnerable who were also in danger of being 'structured out' of the economy so it was important that the right skills opportunities were in place. All jobs should be 'green' jobs;
- Mayor Marvin Rees also asked that a clarification be made on on-street EV charging as BCC wanted to proceed with charging hubs but did have reservations on lamppost charging. He asked that the allocation of money for this to BCC be confirmed;
- Councillor Richard Samuel focussed on the need for greater uptake on public transport as people needed a viable alternative to using their cars. In the region the viable alternative was mainly bus services. When the service was not reliable then they turned to their cars. He asked that more effort be put into this area in the future;
- Councillor Richard Samuel stated that his Council was about to introduce a charging trial. He welcomed the liveable neighbourhoods plan but should not underestimate the challenge of bringing the population with the proposals as they were mainly supportive of climate change initiatives as a principle but some of the policy implementation was not so popular once it inconvenienced them personally; In respect of housing retrofitting he explained that there were many listed buildings in Bath and North East Somerset which would be exceptionally difficult to bring up to modern energy efficiency standards. However it would be good to trial emerging technologies, with the support of the Bath Preservation Trust to do something innovative;

Metro Mayor Dan Norris thanked staff for securing the Great Avon Wood tree planting project.

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

[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].

The West of England Combined Authority Committee unanimously **RESOLVED** to:

1. Note progress on Climate and Ecological Strategy and Action Plan 2022 actions, as set out in Appendix 2.
2. Adopt the Climate and Ecological Strategy and Action Plan 2023 as set out in Appendix 3.
3. Support expansion of the Green Recovery Fund by £10m to invest in priority projects that target the climate and ecological emergencies, including allocating £6m from the existing Combined Authority Investment Fund headroom as shown in Table 8.1 of this Report.
4. Note that, as part of the Green Recovery Fund expansion, further development work will take place to determine supply and demand for green construction skills, building on the Post 16 Education and Infrastructure Report and aligning with a refreshed West of England Employment and Skills Plan, with an update to come to June 2023 Committee meeting.

11

#### **INVESTMENT FUND PROGRAMME**

Metro Mayor Dan Norris introduced a report which proposed a number of new awards through the Investment Fund which included funding to develop proposals for employment, housing and cultural regeneration in the Central Riverside area with Bath's Enterprise Zone and funding to continue to develop a pipeline of walking and cycling schemes aligned to the Local Cycling and Walking Infrastructure Plan.

There was also an addendum to this report which included additional recommendations as a result of securing additional capital spending announced in the budget earlier in the week. This addendum had been published on the Authority's website. This was being dealt with as a matter of urgency as agreed with the chair of the Authority's Overview and Scrutiny Committee. It would allow the Authority to move forward to the delivery phase of the £18m in the current financial year including funding for the Bath Quays development, the South Bristol Light Industrial Workspace in Hartcliffe, supporting innovation at two of the region's universities and improving premises and providing new equipment across the region's colleges. The Interim Acting Chief Executive explained that this arose from an underspend in the government department and news had been embargoed until the government's budget day a couple of days before this meeting.

In addition the Department for Transport had announced additional funding for maintaining and improving the highway network totalling £2,828,400 to the Combined Authority. This was proposed to be passported to the relevant West of England UAs in line with proportions agreed for the Highways Maintenance Capital Grant.

The recommendations were moved by Metro Mayor Dan Norris and seconded by

Councillor Toby Savage.

The following comments were raised:

- Mayor Marvin Rees commented that the CRSTS had financial support to South Gloucestershire and Bath & North East Somerset but because of the discussions on BCC's transport team incorporation into the Combined Authority Bristol would not get access to these funds. He asked that before this is finalised this be looked at. In addition he stated that this was an exciting time for the region as politician's were all lined up to deliver a solution of the climate crises with an opportunity to plan for the long term, including transport solutions and to explore future options such as Trams. He reminded the meeting that the night time economy included shift workers trying to travel home with collectively asking for government money to tackle local transport solutions;
- Councillor Richard Samuel stated that this represented good intent. He elaborated on the Bath Quays development and welcomed the proposals. He stated that works in the urban centre of Bath were notoriously difficult and the proposals would make a positive difference;
- Councillor Savage welcomed the Feasibility and Development Funding application for CRSTS South Gloucestershire Council Specialist Support as set out in paragraph 2.6. He also welcomed the opportunity for a long term strategic review of transport solutions as a high quality public transport network for vital for the region.

[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.

The West of England Combined Authority Committee unanimously **RESOLVED** to:

1. Approve the Strategic Outline Case for Bath Central Riverside and the award of £548k to develop the masterplan by March 2025, as set out in paragraph 2.6.
2. Approve the funding application for Walking and Cycling Scheme Development for completion by March 2025 and the award of £200k as set out in paragraph 2.6.
3. Approve the Feasibility and Development Funding application for CRSTS South Gloucestershire Council Specialist Support and the award of £670k as set out in paragraph 2.6.
4. Approve the allocation of up to £670k for CRSTS resourcing in Bath and North East Somerset Council and delegate the approval of the detail through a Feasibility and Development Funding application to the Combined Authority Director of Infrastructure in consultation with the Directors of Infrastructure of the constituent Councils, as set out in paragraph 2.6.
5. Amend the approved capital programme for individual project approvals agreed at the January Committee and within this report, as set out in appendix 2.
6. To note that a provision of £4m has been set aside to manage programme risks as set out in paragraph 2.8.
7. The Committee endorses and approves the approach for the £18.75m DLUHC in-year capital funding as set out in the supplementary report;
8. That the additional DfT Pothole Funding for 2023/24 be passported to the relevant

West of England Unitary Authorities in line with proportions agreed for the Highways Maintenance Capital Grant as set out in the supplementary report.

[recommendations 7 & 8 had been set out in the addendum].

**12 INVESTMENT FUND DELIVERY ASSURANCE**

Metro Mayor Dan Norris introduced a report paper seeking approval for a number of changes to schemes within the Investment Fund programme. The suggested changes had already been approved, having been reviewed and endorsed by the Programme Review Board which was set up to help drive the delivery of projects and good practice.

The recommendations were moved by Metro Mayor Dan Norris and seconded by Mayor Marvin Rees.

[Voting arrangements: The 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.

The West of England Combined Authority Committee **RESOLVED** to approve the change requests for schemes within the current programme as set out in Appendix 1.

**13 INDICATIVE MEETINGS TIMETABLE 2023/2024 AND MANAGING THE PERIOD PRIOR TO THE ANNUAL MEETING**

Metro Mayor Dan Norris introduced a report which asked for endorsement of the provisional Timetable of Meetings for 2023/2024 to enable the appropriate planning of meetings to take place in accordance with Standing order A8.1. In accordance with Standing Order A7.1, the paper also sought agreement to set 16 June 2023 as the date for the West of England Combined Authority Committee Annual Meeting.

Also, as some councils were about to enter their pre-election period, which would start on the Monday following this meeting, the paper sought to put in place 'provisional and prudent' arrangements to allow for emergency decision-making should the need arise during the period between the date of the election on 4 May 2023, and the Annual Meeting.

The recommendations were moved by Metro Mayor Dan Norris and seconded by Councillor Richard Samuel.

Mayor Rees stated that there may be constitutional changes needed as a result of SOLACE's work and it was important that this be aligned.

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

The West of England Combined Authority Committee **RESOLVED:**

1. That the indicative Timetable of Meetings for 2023/2024 as set out in Appendix 1 be



endorsed for formal agreement by the West of England Combined Authority Committee at its Annual Meeting in June 2023, subject to any changes arising following consultation.

2. That the date of the Annual Meeting of the West of England Combined Authority Committee be agreed as 16 June 2023.
3. That the Interim Acting Chief Executive be delegated the authority to act, at his discretion, in response to any matter requiring decision prior to the Annual Meeting, subject to no objections by the Chief Executive Officers of the Constituent Councils.

14

**WEST OF ENGLAND COMBINED AUTHORITY AND MAYORAL BUDGET FORECAST  
OUTTURN 2022/23**

Metro Mayor Dan Norris presented a paper setting out the financial revenue forecast information for the financial year 2022/23 based on data for the period April 2022 to January 2023, and which sought approval of a programme of efficiency reviews and risk-based financial reserve policy for the West of England Mayoral Combined Authority.

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

Councillor Savage moved an additional recommendation (4) as follows:

“4. As the agreed 2-month bus extensions across the region are being put in place, costs are reported to be rising in excess of the funding requested and set aside by UA councils to support these services. Accordingly, the committee is recommended to reduce the planned £785k contribution to the Treasury Reserve (see Appendix 2) at year end to cover the cost increases on such routes (including to school services), with the view that this is replenished into the Treasury Reserve in due course by the efficiencies to come forward from the ongoing review”.

This additional recommendation was seconded by Councillor Richard Samuel.

The Acting Interim Chief Executive stated that there were issues in that additional monies would further deplete the Authority’s reserves which were already at a low level compared with other Combined Authorities and were currently rated as inadequate on a number of measures. He appreciated the financial pressures due to inflation and other demands that the Unitary Authorities were experiences and reiterated that supported bus services had been costed on price per passenger journey and funding was primarily provided by unitary authorities and had seen a significant price increase, in some cases three times higher. Officers had also not had an opportunity to fully assess the proposals set out in the amendment.

Councillor Savage responded by saying that the difficult situation could be resolved by providing a smoother transition to Demand Responsive Transport. It was now too late for the Unitary Authorities to meet the increase in costs as their budgets had been set and the election period was beginning and decisions for extending contracts would

need to be made today. Therefore this was the only route available for a decision to be made to extend supported services. He did not believe that reserves would be impacted in the medium term as the efficiencies review would be concluded later in the year but this was an opportunity to temporarily meet a shortfall. He stated that the unitary authorities had already contributed additional funding for supported buses.

The Section 73 Officer urged caution due to the situation with the reserves and could not recommend support for drawing further on the reserves in this way. Although there was work being carried out on efficiency savings the Combined Authority also had to be mindful of the overall risk factor that further depleting reserves would entail. Councillor Richard Samuel stated that he agreed that the time had passed where for the Unitary Authorities to draw on additional monies. He explained that the UAs had already added more resources to extending the transition period on some supported bus routes sometimes at the detriment of existing transport reserves. He stated that all organisations were in the same situation with diminishing reserves and funds. He stated that the DRT roll-out would be delayed so additional funds are needed as set out in this amendment. He therefore supported this amendment.

The Acting Interim Chief Executive stated that there was a significant change in accounting practice due where changes in value in pooled funds would be taken through profit and loss accounts from 2025/26. Under these rules, at today's fund values, it would mean that the treasury reserves would be wiped out and smaller reserves would have to be drawn on. The Authority will need to account for these changes under IFRS9.

Metro Mayor Dan Norris stated that he believed that the Unitary Authorities could still make necessary decisions during the pre-election period and stated that he would not be supporting the amendment. Councillor Samuel stated that he did not believe it would be possible for the full Council meetings to make the necessary decisions to increase the budget spending in this way prior to the election.

Councillor Savage reiterated that this was the 'drop-down' date on which contracts could be extended therefore this meeting would be the last opportunity to make such an opportunity. He also stated that the accounting practice change had already been postponed twice and could be extended again. He confirmed that today's meeting had been the first proper opportunity to address the matter.

On being put to a vote the amendment was supported by Councillor Savage and Councillor Samuel. Metro Mayor Dan Norris voted against. Mayor Marvin Rees abstained. Therefore the amendment was not approved.

The meeting then discussed the substantive

[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].

The West of England Combined Authority Committee **RESOLVED** to:

1. Review and comment on the Mayoral Fund revenue budget and forecast as detailed in

Appendix 1.

2. Review and comment on the Combined Authority revenue budget and forecast as detailed in Appendix 2.
3. Approve that the Combined Authority undertake a line-by-line budget review on all funding programmes with progress to be reported back to the Committee in June 2023.

15

**AUDIT ACTION PLAN: FEEDBACK FROM AUDIT AND OVERVIEW & SCRUTINY COMMITTEES AND PROGRESS REPORT**

This report set out progress and next steps on the Combined Authority's route to improvement following the external audit report from Grant Thornton and the emerging action plan in response discussed by the Combined Authority Committee in December 2022. The report:

- Set out the progress on phase 1 of the Solace peer challenge review of the action plan including Terms of Reference and themes of the response. The independent reviewer will attend the committee to present his phase 1 findings.
- set out feedback from the Audit Committee on the emerging action plan as set out in appendix 4.
- requested formal approval of the emerging action plan in the light of feedback, as set out in appendix 3.
- provided an update on progress against the emerging action plan since December, as set out in table 1.

Jim Taylor, SOLACE, was in attendance for this item. SOLACE's independent review, dated February 2023, had been published on the Authority's website alongside the agenda papers for this Committee.

Jim Taylor made the following points:

- There were five themes that encompassed the report. Firstly what was the purpose and role of the Authority. He stated that there should be a facilitated discussion on this issue;
- Secondly he mentioned strategy. Following the establishment of a Local Industrial Strategy (LIS) the economy had moved on, and it was now appropriate to broaden out into a regional industrial and economic plan which would give a codified message;
- The third theme was around partners. There was an opportunity now to explore how to work better together;
- Fourthly was around process and exploring some key opportunities, some suggestions were in the report;
- Lastly was around the constitution it was appropriate to refine the constitution.

Councillor Geoff Gollop addressed the meeting and made the following points:

- He welcomed the SOLACE report which had been circulated with the Committee papers and congratulated the thoroughness of the report;
- He stated that there had been anger and frustration from backbench members who had felt that the Authority had played for time, he therefore urged actions to be taken as quickly as possible;
- He endorsed the recommendations and asked for each member of the Committee to

confirm that they will work within the five principles set out and work together to resolve differences before public meetings;

- He suggested that SOLACE be asked to prioritise the necessary work and identify which actions can be taken 'in house' with delegations to the Interim Acting Chief Executive prior to the Annual General Meeting (AGM) and while some of the constituent authorities were in election periods.

Metro Mayor Dan Norris stated that he appreciated that there had been some timing issues in relation to timetabling of meetings.

The recommendations were moved by Metro Mayor Dan Norris and seconded by Mayor Marvin Rees.

The following points were raised:

- Councillor Savage thanked Cllr Gollop and the Audit Committee's work in the area. He stated that he was happy to endorse the principles contained in SOLACE's report. He asked when the updated management structure would be submitted to the Committee for comment. The Interim Acting Chief Executive stated that some work had already been undertaken but no dates had yet been set, it was planned to bring some proposals on implementation dates to the Committee meeting in June 2023;
- Councillor Savage also asked about forward plan work and asked when this would be available. The Interim Acting Chief Executive stated that some work had been done with the Overview & Scrutiny Committee and Audit Committee. Councillor Savage asked that a draft be circulated when ready;
- Councillor Savage also requested information on the protocol. The Interim Director of Law and Governance confirmed this had been published on the website; Councillor Savage thanked the report author for his work on the Independent Review. He stated that Members did need to come together to agree the shared objectives for the region. He was proud of the work the region's politicians undertook to reach a devolution deal although he stated that the region had been slow to revisit to agree a new shared vision for the West of England. He thanked Jim Taylor for the work that had gone on in trying to smooth relationships within the region;
- Councillor Samuel said that there were few surprises in the report and the praised the high standard of SOLACE's work. He stated that the Combined Authorities all had slightly different roles and powers and would need to be adapted as they grew. He urged that the recommendations be properly implemented. He reminded the meeting of the resources that were at stake with increasing finances leading to increasing organisational complexity. He hoped that there would be a clearer idea of how to move forward by the time of the next Committee meeting in June 2023;
- Mayor Marvin Rees stated that he was also happy to accept and endorse the principles contained therein. He welcomed the timely intervention which gave space to explore the Authority's purpose, role and direction in today's context. In terms of recommendation (g) he stated that leadership was about whole range of partners coming together. The nature of the leadership of political and business leaders was important when making case for funding to government. Awareness of political and financial consequences could be severe if the recommendations were not implemented and asked that implementation dates were added to the recommendations;
- Mayor Marvin Rees further stated that the functions of the Combined Authority affected people's lives and this was an opportunity to bring in key partners such as health services, fire services, voluntary sector etc to see what their hopes were and what they could offer;
- Richard Bonner addressed the meeting on this item and stated that the political

landscape meant that devolution would be increased in the future. This would lead to significant opportunities and responsibilities from greater powers and funding and asked that the Combined Authority prepare itself for these opportunities. He also stated that a clear plan and clear strategy were necessary to attract business and investment into the region and encourage private sector funding;

[Voting arrangements: the 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].

The West of England Combined Authority Committee **RESOLVED** to:

1. Consider feedback from the Audit and Overview & Scrutiny Committees and approve the action plan as a living document that will continue to be refined as work continues.
2. Note progress in delivering the emerging action plan.
3. Agree in principle the broad areas as set out in paragraph 2.3 and presented by the Solace peer reviewer, and delegate to the Combined Authority Chief Executive, in consultation with the Chief Executives of the Unitary Authorities, to incorporate into the action plan as appropriate.

16

#### **COMBINED AUTHORITY COMMITTEE CONSTITUTIONAL UPDATE**

Metro Mayor Dan Norris introduced a report recommending that all legal advice be overseen or commissioned in accordance with the Monitoring Officer's requirements. This would ensure that the kind of confusion that had previously arisen when conflicting legal advice was commissioned by officers in the autumn of 2021 would not occur. The change was already what the Authority was doing in practice but would now be set out formally in the Authority's constitution as a result of this formal decision.

It was noted that the Monitoring Officer's protocol was published on the Authority's website here:

<https://westofengland-ca.moderngov.co.uk/documents/s5397/MonitoringOfficerProtocol.docx.pdf>

The recommendations were moved by Metro Mayor Dan Norris and seconded by Councillor Richard Samuel.

Councillor Savage supported the recommendation and recognised that this was an important change and reflected the concerns raised by the auditors. He stated that this was the first steps in updating the Authority's constitution and awaited any further proposals as part of the peer review work being undertaken by SOLACE.

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

The West of England Combined Authority Committee **RESOLVED** that an additional paragraph 3.8 (e) be added to the functions of the Monitoring Officer in the Authority's

constitution:

(e) Combined Authority Officers and Members are prohibited from obtaining legal advice without the written agreement of the Combined Authority Monitoring Officer. All legal services will be commissioned in accordance with arrangements settled by the Monitoring Officer from time to time. These arrangements will be set out in a legal services protocol which will be published on the authority's internet.

**Signed:**

**Date:**



**ITEM 09**

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

**DATE: 16 JUNE 2023**

**REPORT TITLE: INVESTMENT FUND PROGRAMME**

**DIRECTOR: STEPHEN FITZGERALD, INTERIM DIRECTOR OF  
INVESTMENT AND CORPORATE SERVICES**

**AUTHOR: PETE DAVIS, HEAD OF GRANT MANAGEMENT  
AND ASSURANCE**

## **Purpose of Report**

1. To update on the overall programme and headroom.

## **Recommendations**

- The Committee is asked to:
  1. Approve the allocation of £1.5m to support the Place Partnership funding bid to Arts Council England as set out in paragraph 2.7-2.9
  2. Approve the award of £200k of funding to support the Investment Fund Gateway 2 process as set out in paragraph 2.10-2.13.
  3. Approve the Strategic Outline Case for Western Harbour and the award of £2.56m to produce a masterplan concept report and highway alignment feasibility assessment report by March 2025, as set out in paragraph 2.14.
  4. Approve the Feasibility and Development Funding Application for the Muller Road Eastbound Bus Lane and the award of £388k to produce a Full Business Case by February 2024, as set out in paragraph 2.15
  5. Approve the Outline Business Case for the Keynsham to Willsbridge Path and the award of £455k to produce a Full Business Case by March 2025, as set out in paragraph 2.17

## 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 Metro Mayor.

## Background / Issues for Consideration

2. As reported to the Committee in January, in order to re-establish a five-year programme, the time horizon for the Investment Fund programme has been extended by a further three years to March 2026. The total funding over the period to March 2026 amounts to £450m including overprogramming of some £40m (10% of funds unspent). The £450m of the West of England Combined Authority's funding available up to March 2026 is made up of:

	£m
• £30m of Investment Fund per annum x 10 years (16/17 to 25/26)	300.0
• Transforming Cities Funding (to be spent by March 2023)	103.0
• One year succession to Local Growth Funding for 21/22	7.4
• Structured over-programming of delivery against spend	39.6

### Investment Fund Headroom

- 2.1 With the approvals made at the West of England Combined Authority Committee meeting in March the headroom within the £450m Investment Fund programme to 25/26 stands at **£4.7m**. A summary of all the approved and allocated funding across the Investment Fund and Transforming Cities Fund (TCF) is shown in Appendix 1 and is summarised in Figure 2, which includes the approvals proposed to this Committee. The changes through the approvals included in this report, or elsewhere on the agenda, are summarised in Figure 3. It should be noted that funding of £16.39m for schemes in the current programme (£9.96m MetroWest Phase 1, £6.245m MetroWest Phase 2 and £184k CRSTS Specialist Resource SGC) extends beyond the current investment period into 26/27 and beyond and would need to be accommodated when the programme is extended into future years. The MetroWest Phase 1 operating costs set out in paragraph 2.6 would increase this figure to £16.5m.

### Transforming Cities Fund

- 2.2 The £80m Transforming Cities Fund element of the Investment Fund programme has a hard end date for spend of March 2023. The balance of the £103m TCF award has now been rolled into the £540m City Region Sustainable Transport programme (CRSTS) and is bound by the deadline for that programme. As reported in the Transforming Cities Fund report in January, in order to achieve full £80m spend a number of new projects have been included in the TCF programme. The outcome of this process was that full TCF spend was achieved as show in Figure 1 below. It should be noted that £8m of spend was achieved through allocating highway maintenance within the CRSTS programme to TCF. To maintain Investment Fund headroom at the current level, an equivalent value projects will need to move from the Investment Fund programme presented in this report to CRSTS to balance out



the highways maintenance. This will need to be actioned as part of the CRSTS rebaselining, or other action taken to remain within the £450m programme funding.

**Figure 1: Summary of Transforming Cities Fund Projects and Spend**

	£m
Spend on approved schemes in TCF programme	71.97
CRSTS highways maintenance balancing sum	8.03
<b>Total</b>	<b>80.00</b>

**Figure 2: Summary of Investment Programme to 2026 by Priority Theme**

Funding Awards and Allocations £000s	Mar 2023	Jun 23
<b><i>Transport Infrastructure</i></b>		
Approved Awards and Allocations	134,177	141,956
Associated unallocated funds	19,617	19,229
<b>Total Investment in Transport Infrastructure</b>	<b>153,794</b>	<b>161,185</b>
<b><i>Housing, High Streets and Green Infrastructure</i></b>		
Approved Awards and Allocations	82,262	83,891
Associated unallocated funds	423	423
<b>Total Investment in Housing Infrastructure</b>	<b>82,685</b>	<b>84,314</b>
<b><i>Business and Skills</i></b>		
Approved Awards and Allocations	140,510	139,159
Associated unallocated funds	17,718	17,718
<b>Total Investment in Business and Skills Infrastructure</b>	<b>158,228</b>	<b>156,877</b>
<b><i>Leverage Match Fund / Other</i></b>		
Funding put aside to respond to external funding opportunities	9,061	7,561
Approved CA set up, operating costs and elections up to 2026	9,768	9,968
Provision for Inflation (see paragraph 2.4)	4,810	4,558
Provision for CRSTS (see paragraph 2.2)	23,000	23,000
Programme Risk (see paragraph 2.6)	4,000	-
Headroom	4,656	2,537
<b>Total Investment Programme up to March 2026</b>	<b>450,000</b>	<b>450,000</b>

Total Awards and Allocations post March 2026 (see paragraph 2.1)	16,203	16,543
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**Figure 3: Summary of Funding Approvals at this Committee**

Para	Project/Programme	Amount (£000's)	Change to Headroom (£000's)	Headroom Balance (m)
Position including decisions at the March Committee				4.7
2.1	CRSTS Specialist Resource SGC beyond 25/26	184	+184	4.8
2.5	South Bristol Light Industrial Workspace	2,815	+2,815	7.7
2.6	MetroWest Phase 1 operational costs	3,774	-3,618	4.0
2.7	Place Partnership Funding	1,500	-	4.0
2.11	Investment Fund Gateway 2	200	-200	3.8
2.14	Western Harbour	2,560	-2,560	1.3
2.15	Muller Road Eastbound Bus Lane	388	-	1.3
2.16	Joint Local Transport Plan	1,250	-	1.3
2.17	Keynsham to Willsbridge Path	455	-455	0.8
2.18	Impact of change requests for schemes in the current programme	1,715	+1,715	2.5

#### Investment Fund Spend

- 2.3 Investment Fund spend to the end of 22/23 is £50.4m capital and £59.5m revenue against the funds available for this period of £210m, being £105m capital and £105m revenue. The spend and profile of the Investment Fund awards in the current investment period are shown in Figure 4. Further detail of the forecasts on a scheme by scheme basis is provided in the budget report on this agenda.

**Figure 4: Investment Fund Spend and Forecast**

£m	Spend to 22/23	23/24	24/25	25/25	Total
Capital	50.4	30.5	30.9	21.7	133.5
Revenue	59.5	29.8	12.7	6.4	108.4
Total	109.9	60.3	43.6	28.1	241.9

Note: the figures exclude allocations and the TCF spend to 22/23 included in Figure 1

#### Provision for Inflationary Impact

- 2.4 Provision of £11.6m for inflationary impacts was made at the Committee meeting in September 2022. Since this time calls on this allocation across a number of schemes have reduced the total available to £4.8m. As set out in paragraph 2.18, it is reported it is proposed that this allocation is used to fund the cost increase of £93k for the Old City and King Street project and £158k for the SGC Sustainable Transport Package, reducing the balance to £4.6m. It is proposed this inflationary allocation is retained and kept under review.

#### Department of Levelling Up, Housing and Communities (DLUHC) In Year Capital Funding

- 2.5 As reported to the Committee in March, the South Bristol Industrial Workspace project was awarded up to £4.9m as part of the £18.175m DLUHC In Year Capital funding which would release the equivalent funding from the Investment Fund to add to the headroom. The actual spend delivered on the project was £2.815m and this sum has been added back to the headroom.

#### Programme Risk

- 2.6 At the West of England Combined Authority Committee in March provision of £4m was made for programme risk. As set out in the transport update on this agenda, it is proposed that this allocation is used to support the provision of MetroWest Phase 1 services for the first three years of operation on the Severn Beach line and to Westbury. In addition to the £4m allocation, a further £3.618m is required to meet these costs in the current investment period (to 25/26) from the headroom and £156k in the period beyond this. The total commitments to MetroWest Phase 1 from the Investment Fund would therefore stand at £23.63m, being £15.86m capital and £7.77m revenue. As detailed in the transport update, it is assumed that beyond this, the expectation is that the Department for Transport will provide the necessary funding to subsidise (where required) future forecast rail service and station revenue costs related to the MetroWest programme.

#### Place Partnership Funding

- 2.7 In May, Arts Council England (ACE) approved an initial expression of interest for Place Partnership funding to support the delivery of the West of England Cultural Plan, endorsing the vision for the region as set out in the Plan to create a step change for our creative and cultural sector. This presents an excellent opportunity to secure substantial funding from ACE to deliver on the Cultural Plan and it is unlikely that alternative funding streams of this type will be available in the foreseeable future. To enable the West of England Combined Authority to apply for this £1.5m of ACE funding, an equivalent level of match funding is required, potentially creating an overall fund of £3m.
- 2.8 If successful, the Place Partnership funding would significantly increase the delivery of our Cultural Plan as it would enable the West of England Combined Authority to commission and procure more services and delivery directly aligned to meeting the priorities in the Plan. The deadline for the submission of the bid is 6<sup>th</sup> July 2023.

2.9 This award could draw on the funding set aside in the Investment Fund programme to respond to external funding opportunities, for which the balance stands at some £9.1m. Funding of £20m was originally set aside in 2019 for 'Opportunities and Challenges' the purpose of which was 'to be able to respond to any future initiatives or government funding opportunities, or to address emerging priority areas'. Since 2019 this allocation has been used to match fund external funding bids for a number of projects, including the Kingswood Regeneration Project (£5.26m), One Public Estate round 8 (£500k) and 5G Smart Logistics (£179k), together with the initial tranche of funding to support Covid recovery (£5m).

*Recommendation to approve the allocation of £1.5m to support the Place Partnership funding bid to Arts Council England.*

### Investment Fund Gateway Review 2

2.10 The Investment Fund is subject to a Gateway Review process which unlocks the funding in 5 year £150m tranches. The first Gateway Review was successfully achieved in 2021, unlocking funding until the end of 2025/26. The purpose of the Gateway Review is to evaluate the impact of interventions funded by the Investment Fund on economic growth and other local objectives, the process by which these interventions were agreed and implemented and the way in which the Fund has supported capacity development and partnership working.

2.11 The West of England Combined Authority and local authorities are now preparing for Gateway Review 2 which will conclude in early 2026. The National Evaluation Framework requires that all completed projects are subject to an impact evaluation, where it is proportionate to do so. Projects that will not be complete in time for Gateway Review 2 will be subject to progress monitoring. This consists of tracking milestones and spending, and any interim output measures available. For large or significant projects which may not have completed to enable impact evaluation, 'progress plus' research can be undertaken to include additional stakeholder feedback or data collection.

2.12 The first deliverable, the Local Evaluation Framework (LEF) is due for submission to Government by the end of June. The LEF sets out the way in which the evaluation will be undertaken including the projects in scope for impact and progress evaluation. For Gateway Review 1, given the maturity of the Investment Fund programme at that time, the scope of the evaluation was much more limited and focused largely on progress evaluation. The activities were supported by a consultant procured on behalf of all the localities with Investment Funds. The scale of the work required for this Review is considerably broader with nine projects identified for impact evaluation, three for 'progress plus' evaluation and more than 40 for progress evaluation. The responsibility for the inputs to this process rest with the West of England Combined Authority, although consultant SQW have been engaged by Government to oversee the process nationally and provide advice.

- 2.13 To support this process a budget of £200k is required over the period 23/24-25/26 which will be used to provide the required inputs to the Review being economic forecasts (aligned with the current commission by the Councils in preparation for Local Plans), undertaking strategic consultations with a panel of key stakeholders and a wider E-Survey, necessary enhancements to currently planned evaluation activities and project management resource. As with the previous costs for activities to support Gateway 1, these are presented within the West of England Combined Authority operational costs in Figure 1.

### Business Cases and Funding Applications

#### *Western Harbour Masterplan and Infrastructure Delivery Plan*

- 2.14 A Strategic Outline Case (SOC) for Western Harbour, an area at the western end on Bristol's Floating Harbour, has been produced by Bristol City Council. The project seeks development funding for a package of works to bring forward a masterplan for the area, including supporting studies, and an Outline Business Case for the replacement/renewal of life expired transport infrastructure, in particular the Plimsol Swing Bridge. The need to update or replace the Cumberland Basin road network is a time pressure with key structures that support the road network needing to be renewed and/or replaced in order to ensure they can safely and resiliently support strategic and local traffic movements, including bus routes. A phased approach is proposed with funding of £2.56m sought (beyond the £279k previously awarded for feasibility work and developing the SOC) to produce a masterplan concept report and highway alignment feasibility assessment report, alongside community engagement activities, for completion by March 2024. Providing funding for the masterplan and transport feasibility now, will provide the first step in the relevant work required to deliver a solution to regenerate Western Harbour. The Assessment Summary Table is shown in Appendix 2 and the [SOC](#) is published on the West of England Combined Authority website.

*Recommendation to approve the Strategic Outline Case for Western Harbour and the award of £2.56m to produce a masterplan concept report and highway alignment feasibility assessment report by March 2025.*

#### *Muller Road, Bristol Eastbound Bus Lane*

- 2.15 A Feasibility and Development Funding [Application](#) has been submitted by Bristol City Council for the Muller Road Eastbound Bus Lane. The project delivers benefits to public transport users and addresses existing congestion. It is part of a package of measures related to proposed development at Lockleaze, which taken together, provides mitigation and support measures for new housing at that location. Funding of £388k is requested for the scheme to progress straight to Full Business Case by February 2024. The project can utilise the existing Investment Fund allocation of £3.915m for Lockleaze Sustainable Transport Improvements.

*Recommendation to approve the Feasibility and Development Funding Application for the Muller Road Eastbound Bus Lane and the award of £388k to produce a Full Business Case by February 2024.*

#### *Joint Local Transport Plan*

- 2.16 As set out in the transport update report, a Feasibility and Development Funding [Application](#) has been produced by the West of England Combined Authority seeking funding of £1.25m to update the Joint Local Transport Plan for completion and adoption by July 2024. This funding would be drawn from the Investment Fund allocation for the Strategic Planning Shared Evidence Base (award £5.75m).

#### *Keynsham to Willsbridge Path*

- 2.17 Following the previous award of £145k development funding, an Outline Business Case has been produced by South Gloucestershire Council for the Keynsham to Willsbridge Path scheme which will develop this into a route that is accessible to pedestrians, cyclists and wheelers thereby making use of these modes easier, quicker and safer. This will be delivered through a direct active travel route along the corridor together with new crossing facilities on the A4175 Keynsham Road and A431 Bath Road. Funding of £455k is requested to complete the Full Business Case by March 2024. Along with a number of other phase 2 walking and cycling schemes awarded development funding in 2021, it is intended that this scheme is fully developed in order to provide an active pipeline to be able to respond to other funding opportunities, such as Active Travel England's Active Travel Fund. The Assessment Summary Table is shown in Appendix 3 and the [Outline Business Case](#) is published on the West of England Combined Authority website.

*Recommendation to approve the Outline Business Case for the Keynsham to Willsbridge Path and the award of £455k to produce a Full Business Case by March 2025*

#### Change Requests

- 2.18 The following projects within the Investment Fund programme seek changes to their funding which impact on the inflationary provision or headroom as set out in the Delivery Assurance report on this agenda:
- **Old City and King Street, Bristol** – additional £93k of development funding (to be met from inflationary provision). Delivery funding now being met from Active Travel Fund round 4 (releasing £1.655m Investment Fund).
  - **SGC Sustainable Transport Package** – additional £158k of funding to complete the Badminton Road cycle scheme element (to be met from inflationary provision).
  - **Portway Station** – additional £450k of operational costs.
  - **Grovesend Road/Gillingstool, South Gloucestershire** – additional £20k reflecting scope change.

- Swops between TCF and CRSTS for **Step Free Stations** (£114k) and **Bath City Centre**, part of the Bus Programme (£348k).
- Swops between CRSTS and TCF for the **A432 Multi Modal Corridor** (£11k) and **A38 Multi Modal Corridor** (£361k).
- Reductions in funding for **Bristol Cycle Hangers** (£54k) and **Bus Stop Upgrades** (£349k) reflecting delivery within the TCF window to 22/23.
- **Careers Hub** – reduction in funding on £37k.

Together these projects would increase the headroom by £1.7m bringing the total available to **£2.5m**.

### **Consultation**

- 3 Engagement has taken place with officers in the West of England Combined Authority Constituent Unitary Authorities. Section 151 Officers across the region have been fully engaged as have the Chief Executive Officers in helping to inform the prioritised projects for investment.

### **Other Options Considered**

- 4 All Business Cases are required to set out in detail the full range of options considered and the reason the preferred option has been identified.

### **Risk Management / Assessment**

- 5 Specific risk assessments will be carried out as part of any feasibility studies for projects in development and business cases are required to set out the way that risks will be managed and provide a risk register. All projects underway will maintain a specific risk register as part of the project management and monitoring arrangements.
- 5.1 Financial risks are managed through the process for considering cost increases as set out in the West of England Combined Authority Investment Strategy. The overall Investment Fund and Transforming Cities Fund programme are regularly reviewed.

### **Public Sector Equality Duties**

- 6 For projects seeking funding through the Investment Fund, scheme promoters are required to include as part of their Full Business Case, an equality and diversity assessment and plan. These assessments are published as part of the Business Case on the West of England Combined Authority website.

### **Climate Change Implications**

- 7 The West of England Combined Authority's Climate Emergency Action Plan has been considered in the production of this report. Points of particular

relevance have been added to this report and reviewed by the Head of Environment.

Report and advice reviewed and signed off by: Roger Hoare, Head of Environment

### **Finance Implications, including economic impact assessment where appropriate**

- 8 The financial implications for each proposal are set out in the body of the report. The Investment Fund allocations and awards are accommodated within the overall spending limit of £450m available up to March 2026.
- 8.1 Supporting economic growth is central to this funding stream, and promoters are required to include an economic case within the Full Business Case (FBC) for each scheme which sets out how the project will deliver benefits including creating jobs and GVA growth as well as delivering wider impacts. In line with agreed processes these FBCs are published on the West of England Combined Authority website at the point of decision making.
- 8.2 As set out in the Delivery Assurance report on this agenda, a line by line review is being undertaken for the schemes within the Investment Fund programme. This will also include a new process of health check assurance for key schemes in the infrastructure portfolio. This process, alongside the actions of the Programme Review Board, are expected to improve financial and programme forecasting.

Advice given by: Stephen Fitzgerald, Interim Director of Investment and Corporate Services (Section 73 Officer)

### **Legal Implications**

- 9 There are no additional legal implications arising from this report. Legality will be verified for individual projects through relevant due diligence prior to approving formal allocations.

Advice given by: Stephen Gerrard, Interim Monitoring Officer, West of England Combined Authority

### **Human Resources Implications**

- 10 There are no direct human resource implications arising from this report.

### **Land / Property Implications**

- 11 All land and property implications are set out within the specific business cases and dealt with by scheme promoters.

Advice given by: Stephen Fitzgerald, Interim Director of Investment and Corporate Services (Section 73 Officer)



**Appendices:**

Appendix 1 Investment Fund Programme

Appendix 2 Western Harbour - Assessment Summary Table

Appendix 3 Keynsham to Willsbridge Path Assessment Summary Table

**West of England Combined Authority Contact:**

Report Author	Contact Details
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## Appendix 1

### Transport Infrastructure Projects – Awards and Allocations to 25/26 (£000s)

	Position as at:	
	Mar 2023	Jun 2023
<b>Feasibility Studies</b>		
A420 to Bath Highway Improvements	200	Complete
Bristol Temple Meads Masterplan	2,000	2,000
Winterbourne/Frampton Cotterell Bypass and Coalpit Heath/Westerleigh Bypass Study	413	413
Regional Operations Capability – Phase 1	75	75
Strategic Rail Investment	250	250
Improving Access to Bath from the East	200	200
10 Year Rail Delivery Plan Scheme Development	470	470
Bus Service Improvement Plan and Enhanced Partnership	537	537
East Bristol Mini-Holland	79	79
Joint Local Transport Plan	-	1,250
<b>Business Case Development</b>		
MetroWest Phase 2	13,663	13,663 <sup>#</sup>
Charfield Station	4,123	4,123
MetroWest Phase 1	5,902	13,520 <sup>##</sup>
Future 4 West	3,361	3,361
Integrated Smart Ticketing	300	300
Local Cycling & Walking Infrastructure	100	100
Manvers Street Regeneration	250	250
Bus Infrastructure Programme and Park & Ride	4,150	3,802
Bristol to Bath A4 Strategic Corridor	2,434	2,434
Bath Quays Bridge Cycle/Pedestrian links	1,865	1,865
Scholars Way Walking and Cycling Route	152	152
Old City and King Street	2,172	609
East Bristol Liveable Neighbourhood	712	712
Strategic Cycle Route – Thornbury to A38 via Alveston	125	125
Yate Spur Phases 5 and 6	5,891	5,891
Fieldings Bridge	50	50
Silver Street/Fosseway walking route	62	62
Bath Sustainable Walking & Cycling Links	62	62
Concorde Way / Dovercourt Depot	400	400
Thornbury – Grovesend / Gillingstool (Phase 2)	100	120
Ring Road – Filton to MOD	145	145
Keynsham to Willsbridge Path	145	600

Electric Vehicles Charging Strategy	200	200
A37/A367 Sustainable Transport Corridor	500	500
Access for All Step Free Station Proposals Phases 1 and 2	500	386
Hengrove Metrobus Extension Corridor	60	60
Regional Cycle Hangers	100	100
Alveston Hill Cycleway	175	175
A432 Multi Modal Corridor	225	236
Walking and Cycling Scheme Development	200	200
Lockleaze Sustainable Transport Improvements	569	569
CRSTS Specialist Resource SGC	670	486###
A38 Multi Modal Corridor	-	361
Muller Road Eastbound Bus Lane	-	388

<b>Schemes in Delivery</b>		
Real Time Information System Upgrade	559	559
Cribbs Patchway MetroBus Extension	27,161	27,161
Integrated Transport Authority Functions	1,000	1,000
On-Bus Contactless Bank Card Payment	416	416
Wraxall Road Roundabout Improvements	6,887	6,887
Future Transport Zone*	3,655	3,655
Yate A432 Park and Ride	4,651	4,651
On Bus Tap On, Tap Off	893	893
Metrobus Consolidation	1,828	1,828
A4 Portway Park & Ride Expansion	942	942
Access for All Mid-Tier	468	468
Bristol Bridge Signals Junction and Car Park VMS Project	510	510
Bedminster Green Highway Improvements Project	4,130	4,130
Advanced Bus Stop Upgrade Programme	1,056	708
Arena Infrastructure Package	10,830	10,830
A4018 Corridor Improvements	700	700
Old Market Gap	283	283
Cycle Hangers	561	507
SGC Sustainable Transport Package	510	668
Portway Station	1,600	2,050
Thornbury High Street	400	400
Emersons Green Local Transport Enhancements	856	537

<b>Allocations</b>		
CRSTS Capacity B&NES	670	670

<b>Completed Projects</b>	<b>10,024</b>	<b>10,224</b>
<b>Total of all Awards and Allocations:</b>	<b>134,177</b>	<b>141,956</b>
<b>Associated Unallocated Funds</b>	<b>19,617</b>	<b>19,229</b>
future4WEST	13,639	13,639
Regional Operations Centre	175	175
Bristol to Bath Strategic Corridor	457	457
CRSTS Pipeline	2,000	2,000
Lockleaze Sustainable Transport Improvements	3,346	2,958
<b>Total</b>	<b>153,794</b>	<b>161,185</b>

Note: \* Excludes DfT funding of £24.366m.  
# Excludes £6.245m for period from 26/27  
## Excludes £10.113m for period from 26/27  
### Excludes £184k for period from 26/27

**Housing, High Streets and Green Infrastructure Projects – Awards and Allocations to 25/26 (£000s)**

	Mar 23	Jun 23
<b>Feasibility Studies</b>		
Bedminster High Street Improvement	275	275
Strategic Planning Shared Evidence Base	5,750	4,500
OPE8 Housing Enabling Fund	500	500
South Gloucestershire High Streets Catalyst Phase 2	225	225
<b>Business Case Development</b>		
Masterplanning: business case development	275	275
Masterplanning: North Fringe of Bristol	500	500
Masterplanning: South West Bristol	500	500
Masterplanning: Brislington and North Keynsham	250	250
Green Infrastructure	300	300
East Fringe Masterplan (including Junction 18a)	310	310
Sevenside Masterplan	270	270
Parkway Station Masterplan	320	320
Frome Gateway and Bristol City Centre Delivery Plans	800	800
HREF – South Gloucestershire Council Capacity	750	750
Temple Quarter Infrastructure Programme	2,226	2,226
B&NES Housing and Regeneration Enabling Fund	750	750
B&NES Strategic Masterplanning	1,345	1,345
Development of the strategic evidence base to inform Spatial Plan Making	900	900
Bristol Avon Flood Strategy	482	482
Chew Valley Lake Recreational Trail (Northern Section)	150	150
Bath Creative Quarter	145	145
Milsom Quarter	2,475	2,475
Western Harbour Feasibility	279	2,839
Bristol Harbour Place Shaping Strategy	283	283
Bristol Temple Quarter Joint Delivery Team	6,863	6,863
Waterspace Connected Phase 1	296	296
City Centre Economic Development & Markets Development	165	165
<b>Schemes in Delivery</b>		
Whitfield Tabernacle Stabilisation Works	682	682
North Keynsham Land Acquisition Fund	5,975	5,975
Bath City Centre High Streets Renewal Project	1,235	1,235

Bristol City Centre & High Streets Recovery & Renewal	2,920	2,920
Bottle Yard Studios - Hawkfield Business Park	11,953	11,953
Kingswood Regeneration Project	1,294	1,613
Thornbury Hospital (Land Acquisition Fund)	3,806	3,806
Common Connections	999	999
Midsomer Norton High Street Market Square	1,095	1,095
Bath Local Centres High Street Improvement Scheme	295	295
Hengrove Park Enabling Works	19,831	19,831
Hanham High Street	394	394
<b>Allocations</b>		
LAF and DIF Repayments*	-8,297	-8,297
<b>Completed Projects</b>		
	<b>12,696</b>	<b>12,696</b>
<b>Total of all Awards and Allocations:</b>	<b>82,262</b>	<b>83,891</b>
<b>Associated Unallocated Funds</b>		
	<b>423</b>	<b>423</b>
Green Infrastructure	423	423
<b>Total</b>	<b>82,685</b>	<b>84,314</b>

Note: Includes Bath Riverside repayment. Repayment element for Bottle Yard Studios - Hawkfield Business Park, and repayment for Thornbury Hospital site to be included.

## Business and Skills Projects – Awards and Allocations to 25/26 (£000s)

	Mar 23	Jun 23
<b>Feasibility Studies</b>		
Cultural Strategy	60	60
CEIAG Research and Improvement Project	50	50
Building Employment and Enterprise Skills	20	20
Local CEIAG Action Research Activities	20	20
5G Logistics	179	179
Jobs Connect	200	200
Skills Connect Pilot	285	285
HGV Driver Training Project	220	220
Cultural Compact Start-Up Investment	370	370
High Streets Strategic Review	25	25
Climate Emergency and Capacity	536	536
Local Nature Recovery Strategy	330	330
Local Energy Scheme Pilot	119	106
<b>Business Case Development</b>		
Somer Valley Enterprise Zone and Infrastructure	1,820	1,820
Quantum Technologies Innovation Centre+	34,974	34,974
Energy Strategy Action Planning / Climate Change Planning	250	250
I-START	850	850
The Coach House BAME Enterprise Hub	97	97
West of England Visitor Economy Recovery Project	254	254
Bath River Line - Bristol Bath Railway Path Extension	75	75
High Street Renewal Catalyst Fund	660	660
Bath Central Riverside	548	548
<b>Schemes in Delivery</b>		
Realising Talent	499	499
South West Institute of Future Technology	500	500
Business Innovation Fund	242	242
Workforce for the Future	4,171	4,171
WE Work for Everyone	1,300	1,300
Future Bright Plus	3,600	3,600
South Bristol Enterprise Support	483	483
Centre for Digital Engineering Technology & Innovation	5,000	5,000

LIS Productivity Challenge Delivery Programme	3,557	3,557
South Bristol Workspace	5,172	2,357
Reboot West	720	720
Low Carbon Challenge Fund Extension	2,243	2,243
Innovation for Renewal and Opportunity	6,317	6,317
Small Business Resilience Grant Programme	837	837
Culture and Creative Economy Recovery Fund	2,000	2,000
Digital Skills Investment Programme	678	678
Community Support Fund	1,337	1,337
Bath River Line Phase 1	1,098	1,098
Community Pollinator Fund	1,458	1,458
Careers Hub 21/22 and 22/23-24/25	1,065	1,028
Business Growth and Adaptions Fund	1,500	1,500
Business Start Up School	500	500
Retrofit Accelerator	3,000	3,000
Regional Low Carbon Delivery Programme	4,995	4,995
Hydrogen Sustainable Transport Economy Accelerator	1,300	1,300
GRF Nature Recovery Bidding Round	4,373	4,373
GRF Renewable Energy Bidding Round	2,121	2,121
Skills Connect and Priority Skills Fund	4,485	4,485
I-START Phase 0	1,361	1,361
Retrofit Accelerator – Supply Side	2,000	2,000
West of England Business Support Programme	5,834	5,834

<b>Allocations</b>		
Green Recovery Fund	14,480	14,492
Retrofit Set Up Programme	200	200
Economic Recovery Measures	3,709	3,709
I-START	130	130
Albion Dock	5,000	5,000
Place Partnership Funding	-	1,500

<b>Completed Projects</b>	<b>1,304</b>	<b>1,304</b>
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<b>Total of all Awards and Allocations:</b>	<b>140,510</b>	<b>139,159</b>
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<b>Associated Unallocated Funds</b>	<b>17,718</b>	<b>17,718</b>
Somer Valley Enterprise Zone	14,893	14,893
Bath River Line	2,377	2,377
I-START	449	449
<b>Total</b>	<b>158,228</b>	<b>156,877</b>

## Appendix 2 Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
<b>Project Name</b>	Western Harbour Masterplan and Infrastructure Delivery Plan	<b>Strategic Case</b>	<p>Western Harbour is an area is at the western end of Bristol's Floating Harbour.</p> <p>The outputs from this project will define the plan to replace and/or renew the ageing road network (bridges and viaducts) in conjunction with the future regeneration of the Western Harbour area. It will develop the technical evidence to support a Masterplan for the area and an Outline Business Case for the Infrastructure Delivery Plan supporting the renewal and/or replacement of the road network</p> <p>The project aims to support the redevelopment of the area to realise Bristol's Local Plan Review objective to grow and regenerate Western Harbour to deliver housing and jobs in line with commitments in the Western Harbour Vision.</p> <p>A phased approach to the development of the Masterplan and highway Outline Business Case is proposed with the outputs of the initial phase being a Masterplan Concept Report and Highways Alignment Feasibility Assessment Report.</p>	<b>Funding Source(s)</b>	Investment Fund
<b>Scheme Promoter</b>	Bristol City Council	<b>Subsidy Control</b>	The project seeks funding for development work. Subsidy control implications to be set out in any future business case for scheme delivery.	<b>Approval Requested</b>	Strategic Outline Case

<b>Date of Submission</b>	11/5/23	<b>Economic Case and Value for Money</b>	The project is at an early stage and as such the value for money assessment is at a high level and has not therefore been reviewed in detail.	<b>Grant Award</b>	£2,560,000
<b>Funding Requested</b>	£2,560,000 profiled in 23/24		The economic case presents a transport appraisal which is predicated on the relationship with a closed Plimsoll Swing Bridge scenario and the disbenefits this would present. Given the negative impacts on traffic movements arising, as would be expected, this therefore delivers a high BCR, although this is not a realistic scenario as any closure would presumably be accompanied by a package of interventions on alternative routes. The draft local plan regeneration objective is to deliver 2,500 new homes and an additional 500 student homes in Western Harbour. The economic appraisal should be updated in any further business case. The business case and value for money has been signed off by the Bristol City Council S151 Officer.		
<b>Total Scheme Cost</b>	–	<b>Risk</b>	An assessment of the appropriate level of risk provision has been provided against each of the workstreams. This has resulted in £469k (29% of base cost) being allowed for in the costings. Whilst a risk register has not been provided, seven key risks are identified. An early action in the next phase should be to expand and develop these risks to support risk management for the project.	<b>Grant Recipient</b>	Bristol City Council
<b>Match Funding %</b>	0%	<b>Delivery</b>	The delivery of this phase of the development work will be completed by March 2024. The SOC reports completion of phase 2 and the highways Outline Business Case and Masterplan and Delivery Strategy by June 2025.	<b>Payment Basis</b>	Quarterly in arrears on expenditure incurred

<b><i>Scheme Description</i></b>	<b><i>Recommendation to the Committee</i></b>	Approval of the Strategic Outline Case
The Western Harbour area is bounded to the north by Hotwells Road, Dowry Place and Oldfield Place, and includes the elevated flyover system. The central area includes the part of Spike Island west of Avon Crescent, Cumberland Basin and the Plimsoll Swing Bridge. To the south of the New Cut, the boundary follows Brunel Way and Jessop Underpass.	<b><i>Conditions of Approval</i></b>	None

**Record of Approval**

<b><i>West of England Combined Authority Committee</i></b>	
<b><i>Date of Meeting</i></b>	
<b><i>Decision</i></b>	16 June 2023

### Appendix 3 Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
<b>Project Name</b>	Keynsham to Willsbridge Path	<b>Strategic Case</b>	<p>The scheme aims to address perceived and actual safety for pedestrians, cyclists and wheelers; to increase the attractiveness of walking, cycling and wheeling modes for trips between Keynsham and Willsbridge; to enhance accessibility along the corridor and improve local and strategic connectivity for active mode users.</p> <p>The project will link into the separate developer funded scheme to connect the A4175 path to Keynsham Station and beyond.</p> <p>The scheme shows alignment and/or will help to implement national, regional and local policies and strategies in the transport sphere as well as covid recovery plans and net zero strategies.</p> <p>There is an expectation that all schemes meet the Department for Transport's Cycle Infrastructure Design guidance (LTN1/20) and for CRSTS schemes there is a requirement that schemes 'must be approved by Active Travel England as complying with LTN 1/20'. The Council have provided an assessment against LTN1/20, but this was completed in early 2022 and therefore does not represent a formal review of the current designs. There should be a review of the outline design based upon the Active Travel England checklist within 3 months and prior to commencing detailed design.</p>	<b>Funding Source(s)</b>	Investment Fund
<b>Scheme Promoter</b>	South Gloucestershire Council	<b>Subsidy Control</b>	The scheme is not economic in nature.	<b>Approval Requested</b>	Outline Business Case

<b>Date of Submission</b>	17/4/23	<b>Economic Case and Value for Money</b>	<p>The scheme currently presents a BCR of 1.95 categorised as ‘medium’ value for money, although with revisions to journey ambience benefits there is a reasonable expectation the scheme could present ‘high’ value for money (a BCR of at least 2). This is however predicated on achieving the uplift in cycling and walking forecast (79%).</p> <p>In line with the Local Growth Assurance Framework, the expectation is that this scheme should reconfirm the ‘high’ value for money categorisation at Full Business Case.</p> <p>The business case and value for money has been signed off by the South Gloucestershire Council S151 Officer.</p>	<b>Grant Award</b>	£455,000 capital (beyond £145,000 previously awarded)
<b>Funding Requested</b>	£455,000 (profiled £294k 23/24 and £161k 24/25)				
<b>Total Scheme Cost</b>	£4.213m (including development)	<b>Risk</b>	<p>Provision of £786k has been allowed for (25% of the base cost) within the overall development and delivery cost.</p> <p>The key identified risks are higher than expected amount of unknown utility diversions; incomplete understanding of asset condition during construction; bill of quantities errors in providing the works cost estimate; and the availability of contractors leading to increased tender prices or delay to programme.</p>	<b>Grant Recipient</b>	South Gloucestershire Council
<b>Match Funding %</b>	0% (capital cost)	<b>Delivery</b>	<p>Whilst works facilitating the delivery of the scheme are largely contained within the existing public highway, some essential components will require land outside of this or use of private roads. As such acquisition of (or access to) the land by negotiation and agreement will be required, avoiding Compulsory Purchase Orders if possible. It will be important that sufficient resource and programme are allowed for this workstream as the legal requirements and approach for some sections of the route are not clearly defined at this time.</p> <p>Planning permission will also be required for the sections of the scheme which diverge from the existing highway boundary.</p>	<b>Payment Basis</b>	Quarterly in arrears on expenditure incurred

			It is planned that the Full Business Case will be produced by March 2025.		
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<i>Scheme Description</i>	<i>Recommendation to the Committee</i>	Approval of the Outline Business Case
This project will develop the Keynsham to Willsbridge Path into a route that is accessible to pedestrians, cyclists and wheelers thereby making use of these modes easier, quicker and safer. This will be delivered through a direct active travel route along the corridor together with new crossing facilities on the A4175 Keynsham Road and A431 Bath Road.	<i>Conditions of Approval</i>	

**Record of Approval**

<i>West of England Combined Authority Committee</i>	
<i>Date of Meeting</i>	
<i>Decision</i>	16 June 2023

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**ITEM 10**

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

**DATE: 16 JUNE 2023**

**REPORT TITLE: DELIVERY ASSURANCE**

**DIRECTOR: STEPHEN FITZGERALD, INTERIM DIRECTOR OF  
INVESTMENT AND CORPORATE**

**AUTHOR: PETE DAVIS, HEAD OF GRANT MANAGEMENT  
AND ASSURANCE**

### **Purpose of Report**

1. To consider changes to schemes within the Investment Fund programme against the agreed delivery assurance principles.

### **Recommendations**

- The Committee is asked to approve the change requests for schemes within the current programme as set out in Appendix 2.

### **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 Metro Mayor.

### **Background / Issues for Consideration**

#### Delivery Assurance and Budgetary Principles

2. The West of England Combined Authority Committee agreed to delegate approval of changes within stated tolerances for schemes within the approved Investment Fund programme to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils. To support delivery of the City Region Sustainable Transport Settlement, a set of delegations are also in place to the Combined Authority Director of Infrastructure in consultation with the Directors of Infrastructure of the constituent Councils for schemes within the infrastructure portfolio.

- 2.1 At the West of England Combined Authority Committee meeting in July, a set of delivery assurance and budgetary principles were agreed to drive the delivery of projects and good practice. Key to the application of these principles is the establishment of a Programme Review Board (PRB) comprising the Combined and Unitary Authority S73/S151 officers and Directors. This Board oversees overall programme management and identifies and agrees which projects require review and support to improve delivery, provides overall strategic direction for the recovery of the project, helps to resolve conflicts and manage risks, and promotes learning and the sharing of practice.
- 2.2 A review is also being undertaken of possible measures to incentivise delivery to programme, to augment the actions to address project delay set out in the delivery assurance and budgetary principles (as shown in paragraph 4). To further address this, we will look to develop further methods including looking at financial incentives.

### Budget Review of Funding Programmes

3. At the West of England Combined Authority Committee meeting in March it was agreed that a detailed line by line budget review of each funding programme would be carried out and that the outcomes/progress would be reported back to this Committee. This process of review has been initiated starting with projects in the Investment Fund programme including consideration of the current spend profile and the realism of forecasts working with the relevant thematic Combined Authority Director. It is expected that this will improve the accuracy of forecasts, particularly for the capital programme, for which actual spend has been much lower than that forecast in previous years.
- 3.1 In parallel, as part of the West of England Combined Authority's continuous improvement work, a new Health Check assurance process has been rolled out by the Infrastructure Directorate. These Health Checks assess what controls are in place for a project to ensure gaps are highlighted and support is provided to projects to close these. The Health Check looks at a broad range of controls such as scope definition, benefits and alignment to strategy, governance, risk management plans, stakeholder plans, schedules, finances and cost.
- 3.2 On the West of England Combined Authority led projects, 12 Health Checks have taken place to date, including on the Future Transport Zone programme, Bristol to Bath Strategic Corridor and Step Free Rail Stations, with 26 further reviews scheduled. After this is completed, further Health Checks will be conducted at appropriate key decision points to be determined as part of the continuous improvement process. Alongside this new process, the West of England Combined Authority is currently carrying out a cost and schedule review of the City Regions Sustainable Transport Programme. This will assess the current estimated cost and schedule performance of the programme.
- 3.3 A further report on progress with the activities set out above will be provided to the next meeting of the Committee

## Change Requests

4. The PRB met in May and recommended the approval of a number of change requests. It should be noted that the number of change requests submitted for consideration was greater than would normally be expected owing to a combination of year end and the need to reconcile profiles to 22/23 actuals, and funding swops to manage out full spend of the Transforming Cities Fund. These change requests were considered against the agreed delivery assurance and budgetary principles set out in full in Appendix 1, and in particular those below:
- *Where there is delay, it should not be assumed that funding can automatically be moved between years, or that if significant change occurs that funding automatically continues. A full impact assessment would need to be undertaken to ensure the financial and contractual impacts are clearly understood prior to final decision by the Committee.*
  - *Where projects are stalled or significantly delayed, redeploying those resources to projects that will provide more certain or immediate benefits should be considered.*
  - *For projects over a certain threshold with significant delays or cost increase, where there is no consensus amongst the Programme Review Board on whether to agree to the change or delay, then a separate report to the West of England Combined Authority Committee will be prepared setting out the pros and cons.*
  - *All material changes to budget or profile should be challenged by the Programme Review Board. Formal submission of change requests should be preceded by updates and early warning, in order that the change and options can be understood and agreed.*
  - *Where programme delays are reported, change requests should set out the full extent of delays since that at original approval, and not just the latest change, together with the mitigation that has been, or will be, undertaken to avoid any further delays in future.*
- 4.1 The change requests recommended by the PRB for Committee approval are set out in Appendix 2. In addition, the changes shown in Appendix 3 have been approved through the granted delegation to the Combined Authority Director of Infrastructure in consultation with the Directors of Infrastructure of the constituent Councils.
- 4.2 The following schemes request increases to their overall funding:
- **Portway Station** – additional £450k Investment Fund (IF) to meet the operational costs (change request requires sign off from BCC).

- **South Gloucestershire STP 2018-2021** – increase of £158k Transforming Cities Fund (TCF) funding to complete the Badminton Road cycle scheme element
- **Grovesend Road/Gillingstool** – additional £20k IF owing to scope change.
- **Bath City Centre** – additional £705k City Region Sustainable Transport Settlement (CRSTS) to progress Outline/Full Business Case work.
- **Alveston Hill** – additional £160k CRSTS to develop the Full Business Case.

4.3 The following schemes report overall reductions in funding:

- **Old City and King Street** – additional £93k IF for development, with delivery funding now Active Travel Fund (£1.655m less IF).
- **Local Energy Advice Support** – project delivered a further £12k under budget to be returned to the Green Recovery Fund.
- **Bristol Cycle Hangers** – reduction in funding of £54k in TCF window.
- **Careers Hub** – reduction in IF funding of £37k.
- **Bus Stop Upgrades** – reduction in funding of £349k in TCF window.

4.4 The following report significant delay (more than 6 months) or reprofiling funding between financial years (£500k plus):

- **Chew Valley Lake Recreational Trail South** – delays of up to 17 months.
- **Milsom Quarter** – reprofiling back £947k
- **Somer Valley Enterprise Zone** – delays of up to 12 months
- **Bath Quays North Infrastructure Development Works** – delays of up to 12 months and reprofiling back £5.873m.
- **Bristol City Centre & High Streets Recovery and Renewal** – 18 month extension
- **City Centre Economic Development and Markets** – delays of up to 13 months.
- **Temple Island Enabling Works** – delays of up to 24 months.
- **Charfield Station** – delays of up to 9 months and reprofiling back £900k.
- **Tree Canopy Project** – delays of up to 7 months
- **Emersons Green Local Transport Enhancements** – reprofiling £116k forward and £680k back
- **Kingswood Regeneration Programme** - reprofiling back £529k

- **Avonmouth Severnside Ecology Mitigation and Flood Defence** – reprofiling back £2.645m.
- **Thornbury High Street** - reprofiling back £1.252m.
- **Business Growth and Adaptions Fund** - reprofiling back £784k.
- **Cultural Compact Start-Up Programme** – delays of up to 12 months.
- **Workforce for the Future** – 12 month extension.
- **High Street Catalyst Fund** – 12 month delay to completion.
- **LIS Productivity Challenge** - delay of up to 17 months and reprofiling back £1.039m.
- **Bath City Centre (Bristol to Bath Strategic Corridor)** – delays of up to 13 months.
- **Future Transport Zone** – delays of up to 31 months and reprofiling back £3.655m.
- **MetroWest Phase 2** – reprofiling back £1.6m.
- **Somer Valley to Bristol & Bath** - delays of up to 7 months
- **Step Free Stations** – delays of up to 11 months.
- **Green Infrastructure** – delays of up to 48 months.
- **Innovation for Renewal and Opportunity** – reprofiling back £1.05m

4.5 Where these schemes (and others with changes of lower magnitude) report delay, the stated reason for this is set out in Appendix 2. These reasons are varied across the programme as would be expected due to the different types of intervention funded and where they sit in the project lifecycle. However, a key theme appears to be project resourcing, particularly in the mobilisation phase, both in terms of in-house staff and specialist transport and other consultants. In addition, there are several changes relating to delays in securing planning or other consents, tendering or contractual processes, scope changes including addressing cost pressures, and insufficient time being allowed for approval and initiation. Additional time required for optioneering and consultation, and on site construction issues, are both referred to by a couple of projects.

4.6 The following changes to transport projects have an impact on spend for the time limited Transforming Cities Fund:

- **Reduced TCF spend and swapping TCF to IF** - Concorde Way/Dovercourt Road (£180k), Arena Infrastructure Package (£118k), Charfield Station (£64k), Yate Park & Ride (£66k), Grovesend Road/Gillingstool (£37k), Filton to MoD (£46k), Keynsham to Willsbridge Path (£61k), Yate Spur Phase 5 and 6 (£106k), Access for All Mid Tier

(£23k), Electric Vehicle Charging (£14k), MetroWest Phase 2 (£1.6m), Metrobus Consolidation (£38k) and Alveston Hill (£139k).

- **Reduced TCF spend and swapping TCF to CRSTS** - Step Free Stations (£114k), Bath City Centre (£348k) and Somer Valley to Bristol & Bath (£206k)
- **Increased TCF spend and swapping IF to TCF** - MetroWest Phase 1 (£310k)
- **Increased TCF spend and swapping CRSTS to TCF** - A432 Multi Modal Corridor (£11k) and A38 Multi Modal Corridor (£348k)

### **Consultation**

- 5 Engagement has taken place with officers in the West of England Combined Authority and constituent Unitary Authorities including consideration at the Programme Review Board.

### **Other Options Considered**

- 6 All Change Requests are required to set out in detail the full range of options considered and the reason the preferred option has been identified.

### **Risk Management / Assessment**

- 7 All projects underway maintain a specific risk register as part of the project management and monitoring arrangements. Key risks are included in regular Highlight Reports.

### **Public Sector Equality Duties**

- 8 For projects seeking funding through the Investment Fund scheme promoters are required to include as part of their Full Business Case, an equality and diversity assessment and plan. These assessments are published as part of the Business Case on the West of England Combined Authority website.

### **Climate Change Implications**

- 9 The West of England Combined Authority's Climate Emergency Action Plan has been considered in the production of this report. Points of particular relevance have been added to this report and reviewed by the Head of Environment.

Report and advice reviewed and signed off by: Roger Hoare, Head of Environment

### **Finance Implications, including economic impact assessment where appropriate**

- 10 The financial implications of the change requests detailed within this report are affordable within the overall funding as previously approved by the West of England Combined Authority Committee.

Advice given by: Stephen Fitzgerald, Interim Director of Investment and Corporate Services (Section 73 Officer)

### **Legal Implications**

- 11 There are no additional legal implications arising from this report.

Advice given by: Stephen Gerrard, Interim Monitoring Officer, West of England Combined Authority

### **Human Resources Implications**

- 12 There are no direct human resource implications arising from this report.

### **Land / Property Implications**

- 13 All land and property implications are set out within the specific business cases and dealt with by scheme promoters.

Advice given by: Advice given by: Stephen Fitzgerald, Interim Director of Investment and Corporate Services (Section 73 Officer)

### **Appendices:**

Appendix 1: Delivery Assurance and Budgetary Principles

Appendix 1: Change Requests for Schemes within the Current Programme Recommended for Committee Approval

Appendix 2: Change Request Approved through Delegation

### **West of England Combined Authority Contact:**

Report Author	Contact Details
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## Appendix 1

### **Delivery Assurance and Budgetary Principles (as agreed at July 2022 West of England Combined Authority Committee)**

- That openness and transparency in project reporting is maintained, capturing risks and opportunities and fostering a collocative approach.
- That where appropriate and practical the pooling of resources, skills and expertise between the Combined and Unitary authorities is further used for efficiency and to address peaks. A risk assessment for certain key roles would need to be undertaken to ensure no negative legal impact to the relevant organisation.
- In addition to funding awards, all funding allocations must have an agreed spend profile against them. For awards there will be a grant or budgetary condition that the spend profile will be met to encourage robustness and realism.
- Where there is subsequent delay, it should not be assumed that funding can automatically be moved between years, or that if significant change occurs that funding automatically continues. A full impact assessment would need to be undertaken to ensure the financial and contractual impacts are clearly understood prior to final decision by the Committee.
- Where projects are stalled or significantly delayed, redeploying those resources to projects that will provide more certain or immediate benefits should be considered.
- For projects over a certain threshold with significant delays or cost increase, where there is no consensus amongst the Programme Review Board on whether to agree to the change or delay, then a separate report to the West of England Combined Authority Committee will be prepared setting out the pros and cons.
- All material changes to budget or profile should be challenged by the Programme Review Board. Formal submission of change requests should be preceded by updates and early warning, in order that the change and options can be understood and agreed.
- Where programme delays are reported, change requests should set out the full extent of delays since that at original approval, and not just the latest change, together with the mitigation that has been, or will be, undertaken to avoid any further delays in future.
- Transparency and visibility of fund performance is paramount to building trust and monitoring performance.
- Regular independent health checks (drawing on experienced staff across the Combined and Unitary Authorities) should be conducted on projects throughout their lifecycle and findings reported to the Programme Review Board or relevant



Director's forum.

- Timely preventative action on programme slippage or risks to budget is required to support delivery.
- All projects should have robust financial plans in place based upon current benchmarks
- All projects carry an inherent level of risk, and clear risk contingency must be set at the start of a project and regularly reviewed.
- Clear definition of Projects at initiation stage is critical to setting a project up for success and a greater chance of meeting its requested budget, programme and outcomes.

## Appendix 2

### Change Requests for Schemes within the Current Programme Recommended for Approval

#### Bath & North East Somerset Council

<b>Project</b>	<b>Chew Valley Lake Recreational Trail South</b>
<b>Funding awarded</b>	£150k
<b>Source:</b>	Investment Fund (IF)
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £150k from 22/23 to 23/24 Revised profile £150k 23/24
<b>Milestones:</b>	Up to 17 month delay across milestones including public consultation (12 months), Full Business Case submission (9 months) and construction starts (10 months to Jul 24)
<b>Stated reason for change:</b> Delay in commencing the project due to not having a project team in place. In addition, Bristol Water's ecologist has advised that the proposal will require a full season of bat surveys to support the planning application.	

<b>Project</b>	<b>Milsom Quarter</b>
<b>Funding awarded</b>	£2.475m
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £947k from 22/23-23/24 to 24/25 Revised profile £46k 22/23 (revenue), £907k 23/24 (£112k capital, £795k revenue) and £1.523m 24/25 (£697k capital, £826k revenue)
<b>Milestones:</b>	Delay of up to 4 months across the milestones including 2 months for submission of the Full Business Case (to Feb 25).
<b>Stated reason for change:</b> Delay in securing staff and to ensure the right governance was in place and that objectives and requirements were defined.	

<b>Project</b>	<b>B&amp;NES Housing &amp; Regeneration Enabling Fund</b>
<b>Funding awarded</b>	£750k
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £22k from 22/23 to 23/24 Revised profile £149k 22/23, £254k 23/24 and £347k 24/25, total £750k
<b>Stated reason for change:</b> Costs for committed work for Radstock Town Centre not incurred by Mar 23 and delay in scoping work for Twerton masterplanning.	

<b>Project</b>	<b>Somer Valley Enterprise Zone</b>
<b>Funding awarded</b>	£1,820,467
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Reprofiling £254k from 22/23 to 23/24 Revised profile £286k pre 20/21, £281k 20/21, 126k 21/22, £607k 22/23 & £521k 23/24
<b>Milestones:</b>	Delays of up to 12 months across several milestones including 6 months for OBC+ submission to Jul 23, and 7 months to Full Business Case (FBC) approval (to Apr 24)
<b>Stated reason for change:</b> A decision was made to submit the OBC+ once the Local Development Order has been approved and resolution to adopt has been received from B&NES Cabinet. This has a knock on effect to the FBC submission date.	

<b>Project</b>	<b>Bath Quays South</b>
<b>Funding awarded</b>	£14.638m
<b>Source:</b>	Local Growth Fund/Getting Building Fund (LGF/GBF), Economic Development Fund (EDF), Department of Levelling Up Housing and Communities (DLUHC) In Year Capital
<b>Cost/ Spend:</b>	Decrease of overall funding by £151k to £34.349m Increase to DLUHC funding of £163k to £2.813m and £314k reduction in match funding. Revised DLUHC funding profile £2.813m in 22/23
<b>Milestones:</b>	Delay of 5 months (to May 23) to public realm works practical completion.
<b>Stated reason for change:</b> Less 22/23 spending than expected on Bath Quays North so transferring £163k underspend to Bath Quays South to ensure total £3m DLUHC funding for Bath Quays is utilised.	

<b>Project</b>	<b>Bath Quays North Infrastructure Development Works</b>
<b>Funding awarded</b>	£37.085m
<b>Source:</b>	LGF/GBF, EDF, DLUHC
<b>Cost/ Spend:</b>	No change to overall funding Reduction of DLUHC funding of £163k with equivalent increase in match funding Reprofiling £5.873m from 22/23 into 23/24 Revised EDF profile pre 22/23 924k, 22/23 £0, 23/24 £15.904m, 24/25 £12.943m, 25/26 £1m, total £30.771 Revised DLUHC profile £187k in 22/23
<b>Milestones</b>	Delay to Phase 1 milestones of up to 7 months and Phase 2 milestones of up to 12 months.
<b>Stated reason for change:</b> Delays due to the current economic uncertainty. The partners have been working to ensure a route forward is identified that delivers the core scheme economic targets.	

<b>Project</b>	<b>ISTART/ISTART Phase 0</b>
<b>Funding awarded</b>	£800,000/£1,360,544
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	ISTART Reprofiling £97,584 from 22/23 to 23/24 and inclusion in ISTART Phase 0 Revised profile £208k 20/21, £324k 21/22, £171k 22/23, total £702,416 START Phase 0 Additional £97,584 from ISTART development. Reprofiling £33k from 22/23 to 23/24 Revised profile £1.376m 23/24 and £82k 24/25, total £1,458,128
<b>Milestones:</b>	Delays of 2-7 months to several milestones including Phase 0 completion (7 months to Dec 24)
<b>Stated reason for change:</b> Phase 0 end date extended as innovation and research works to now begin in Jul 23 due to delay in confirming funding. Due to delays starting there is now additional time required for the overall project in order to meet all intended outcomes.	

<b>Project</b>	<b>BANES Strategic Masterplanning</b>
<b>Funding awarded</b>	£1.345m
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £305k from 22/23 to 23/24 Revised profile £420k 22/23 and £925k 23/24
<b>Milestones:</b>	Delay of 4-5 months across a number of milestones including community engagement and transport studies delivery programme (4 months to Jul 23).
<b>Stated reason for change:</b> Delays with commissions meant 22/23 spend was less than anticipated. Programme overall is anticipated to be completed as envisaged and to better align with the Local Plan programme.	

## Bristol City Council

<b>Project</b>	<b>Bottle Yard Studios- Hawkfield Business Park</b>
<b>Funding awarded</b>	£11,817,783
<b>Source:</b>	IF and DLUHC
<b>Cost/ Spend:</b>	£36k additional match funding bringing total to £1.727m and reprofiling back match funding to 23/24. Reprofiling £118k from 21/22-22/23 to 23/24 Revised profile £8.5m 21/22 (capital), £3.11m 22/23 (£3.077m capital and £32k revenue), £183k 23/24 (£115k capital and £68k revenue) and £25k 25/26 (revenue)
<b>Stated reason for change:</b> The key variance is associated with delays with Bristol City Council match funded works at the existing Bottle Yard Studios site, due to a failed tender process and procurement, due to tendered costs being outside of the available budget envelope.	

<b>Project</b>	<b>Bristol City Centre &amp; High Streets Recovery and Renewal Programme</b>	
<b>Funding awarded</b>	£2,920,000	
<b>Source:</b>	IF	
<b>Cost/ Spend:</b>	An additional £1.5m match funding through CIL Reprofiling £266k from 21/22-23/24 to 24/25 Revised profile £123k 21/22, £1.031m 22/23, £1.5m 23/24 & £267k 24/25	
<b>Milestones:</b>	18 month project extension to Mar 25	
<b>Scope:</b>	Inclusion of an additional 3 high streets. Project to be combined with City Centre Economic Development and Markets	
<b>Stated reason for change:</b> The street scene and greening element has been impacted by resourcing/restructure of several key teams/services within the Council and external contractor availability and resources.		

<b>Project</b>	<b>City Centre Economic Development and Markets</b>	
<b>Funding awarded</b>	£165k	
<b>Source:</b>	IF	
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £67k from 22/23 to 23/24 and 24/25 Revised profile £19k 22/23, £110k 23/24 and £36k 24/25	
<b>Milestones:</b>	Delay of up to 13 months across several milestones including 5 months to project completion (to Aug 24)	
<b>Scope:</b>	Project to be combined with Bristol City Centre & High Streets Recovery and Renewal Programme	
<b>Stated reason for change:</b> Delays in receiving funding approval.		

<b>Project</b>	<b>Concorde Way/Dovercourt Depot</b>	
<b>Funding awarded</b>	£400k	
<b>Source:</b>	Transforming Cities Fund (TCF)	
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £180k from TCF in 22/23 to IF in 23/24 Revised profile £220k 22/23 & £180k 23/24	
<b>Milestones:</b>	Delay of 8 months across several milestones including Outline Business Case submission (to Nov 23).	
<b>Stated reason for change:</b> Delay by the internal requirement to assess four options (one off-road and three on road), meaning that the public consultation was delayed. This was compounded by consultation having to await the planning application consultation by Goram Homes for the former Dovercourt Depot site.		

<b>Project</b>	<b>Old City and King Street</b>
<b>Funding awarded</b>	£516,250
<b>Source:</b>	TCF
<b>Cost/ Spend:</b>	Additional £93k IF in 23/24 Delivery costs now funded by Active Travel Fund round 4 Revised profile £516k 22/23 and £93k 23/24.
<b>Stated reason for change:</b> The tender process was more complex than anticipated and led to delays in time and therefore increased cost.	

<b>Project</b>	<b>Portway Station</b>
<b>Funding awarded</b>	£3.153m
<b>Source:</b>	GBF, EDF and TCF
<b>Cost/ Spend:</b>	Request for £450k revenue (£175k 23/24, £150k 24/25 and £125k 25/26) to meet operational costs.
<b>Milestones:</b>	Delay of one month to operational from Jun to Jul 23
<b>Stated reason for change:</b> When BCC signed the original New Stations Fund agreement with DfT which placed responsibility on the scheme promoter to work with the rail operator to identify (and where necessary fund) an appropriate rail service to serve the station. Discussions with Great Western Railway (GWR) early on in the project raised the issue of the potential for operational costs to be required but this was previously understood to be related to the need to enhance the service frequency on the Severn Beach Line to enable sufficient capacity in the timetable for GWR to be comfortable adding an additional stop to serve the station As BCC's powers as Transport Authority have passed to the CA since the original application, it would be more appropriate for the CA to provide the funding to underwrite operational costs, net of revenue, for the first three years of operation.	

<b>Project</b>	<b>Reboot West</b>
<b>Funding awarded</b>	£720k
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Reprofiling £42k from 21/22 – 22/23 to 23/24 Revised profile £106k 21/22, £303k 22/23, £275k 23/24 & £36k 24/25
<b>Stated reason for change:</b> Slower than expected onboarding of young people onto the project which impacted the level of spending.	

## South Gloucestershire Council

<b>Project</b>	<b>Arena Infrastructure Package</b>
<b>Funding awarded</b>	£10,080,128
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £118k from TCF in 22/23 to IF in 23/24 Revised profile £75k 22/23, £3.88m 23/24, £6.095m 24/25, £15k 25/26 and £15k 29/30
<b>Stated reason for change:</b> Full Business Case approved was later than anticipated (Mar 23 rather than Jan 23) which has reduced 22/23 spend.	

<b>Project</b>	<b>Charfield Station</b>
<b>Funding awarded</b>	£4,123,000
<b>Source:</b>	TCF and IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling forward £900k from 22/23-23/24 to 24/25 including £64k from TCF in 22/23 to IF in 23/24 Revised profile £1.109m to 21/22, £714k 22/23, £1.4m 23/24 and £900k 24/25
<b>Milestones:</b>	Delay to Network Rail GRIP 5 design completion (9 months), Highways Detailed Design Completion (6 months) and FBC Submission (9 months, to Aug 24).
<b>Stated reason for change:</b> Planning process took longer than anticipated. Adding additional time for review, assurance and governance procedures to the future programme adds realism and resilience. Change to cost categories reflecting increase in upfront costs of securing a land option met from risk provision.	

<b>Project</b>	<b>Frome Valley River Reserve</b>
<b>Funding awarded</b>	£1,106,377
<b>Source:</b>	IF (Green Recovery Fund)
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £31k from 22/23 to 23/24. Revised profile £667k 23/24 & £439k 24/25
<b>Stated reason for change:</b> Insufficient time to incur the planned expenditure before the first year end	

<b>Project</b>	<b>Yate Park &amp; Ride</b>
<b>Funding awarded</b>	£4,351,281
<b>Source:</b>	TCF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £66k TCF in 22/23 to IF in 23/24 Revised profile £477k 20/21, £3.668m 21/22, £140k 22/23 and £66k 23/24
<b>Milestones:</b>	12 month delay for scheme completion (to Sep 23).
<b>Stated reason for change:</b> Delay in the installation of final elements in particular the operating system (tender returns did not offer an appropriate solution to bus users not needing to pay for parking) and the installation of Sheffield stands.	

<b>Project</b>	<b>SGC High Street Catalyst Phase 2</b>
<b>Funding awarded</b>	£225k
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling forward £9k from 24/25 to 22/23. Revised profile £122k 22/23, £56k 23/24 and £47k 24/25
<b>Stated reason for change:</b> Expenditure associated with the Kingswood Hub refurbishment that needed to be incurred prior to the opening.	

<b>Project</b>	<b>Thornbury Hospital Site</b>
<b>Funding awarded</b>	£3,806,000
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding or repayment Reprofiling £122k from 22/23 to 23/24 Revised profile £3.628k 21/22, £56k 22/23 and £122k 23/24.
<b>Milestones:</b>	Delay of up to 22 months across several milestones including demolition of existing buildings (to Dec 23) and completion of Extra Care Housing (ECH) - 9 months to Jul 25.
<b>Stated reason for change:</b> Ongoing uncertainty relating to the availability of funding for the Integrated Health and Wellbeing Centre has led to difficulty in fixing a development design and has caused changes to key milestone delivery dates.  A restricted supply of environmental consultants and the discovery of heritage building concerns has influenced the key milestone commencement date for demolition. However, these influences do not cause material change to the overall programme.	



<b>Project</b>	<b>Winterbourne, Frampton Cotterell Bypass &amp; Coalpit Heath Westerleigh Bypass</b>	
<b>Funding awarded</b>	£412.500	
<b>Source:</b>	IF	
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £72k for 22/23 to 23/24 Revised profile £341k to 21/22 and £72k 23/24 Increasing third party costs by £41k from in house costs.	
<b>Milestones:</b>	Project completion extended by 3 months to Jun 2023.	
<b>Stated reason for change:</b> The final Movement Study has been delayed owing to the dependency on the availability of the Regional Transport model which was signed off in January 2023.		

<b>Project</b>	<b>Grovesend Road/Gillingstool</b>	
<b>Funding awarded</b>	£120k	
<b>Source:</b>	Investment Fund	
<b>Cost/ Spend:</b>	Request for additional £20k reflecting scope change Reprofiling £37k from TCF in 21/22 and 22/23 to IF in 23/24 Revised profile £63k 22/23 and £57k 23/24	
<b>Milestones:</b>	Delay of 5 months to OBC submission to Jun 23	
<b>Scope:</b>	Amendment of scope to include full Dutch roundabout designs	
<b>Stated reason for change:</b> Delay due to capacity within the consultant teams, who are also working on Full Business Cases for SGC on the Strategic Corridors and Yate Spur and Alveston Hill projects. The recommendation to amend the scope will require additional topographical surveys and design work to ensure the designs achieve the desired outcomes.		

<b>Project</b>	<b>Filton to MoD</b>	
<b>Funding awarded</b>	£145k	
<b>Source:</b>	IF	
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £46k TCF from 21/22 and 22/23 to IF in 23/24 Revised profile £99k 22/23 and £46k 23/24	
<b>Milestones:</b>	Delay of 6 months to OBC submission to Jun 23	
<b>Stated reason for change:</b> Delay due to capacity within the consultant teams, who are also working on Full Business Cases for SGC on the Strategic Corridors and Yate Spur and Alveston Hill projects.		

<b>Project</b>	<b>Keynsham to Willsbridge Path (formerly Keynsham Road)</b>
<b>Funding awarded</b>	£144,500
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £61k TCF from 21/22 and 22/23 to IF in 23/24 Revised profile £84k 22/23 and £61k 23/24
<b>Milestones:</b>	3 month delay to OBC submission to Apr 23
<b>Stated reason for change:</b> Delay due to capacity within the consultant teams, who are also working on Full Business Cases for SGC on the Strategic Corridors and Yate Spur and Alveston Hill projects. The OBC has now been prepared and submitted for consideration.	

<b>Project</b>	<b>Yate Spur Phases 5 and 6</b>
<b>Funding awarded</b>	£645,500
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £106k from TCF in 22/23 to IF in 23/24 Revised profile £68k 21/22, £45k 22/23 and £533k 23/24
<b>Stated reason for change:</b> Delays due to resource allocation from consultants.	

<b>Project</b>	<b>Tree Canopy Project (GRF Nature Recovery)</b>
<b>Funding awarded</b>	£1,131,046
<b>Source:</b>	IF (Green Recovery Fund)
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £42,931 from 22/23 into 23/24. Revised profile £566,258 23/24 and £564,788 24/25
<b>Milestones:</b>	1-7 months delay across 6 milestones including 7 months delay to staff recruitment from Oct 22 to May 23, 5 months delay to staff training ahead of planting rollout completion from Mar 23 to Jul 23.
<b>Stated reason for change:</b> Funding approval was later than originally scheduled resulting in a five month delay to the project start which had a knock-on impact to recruitment and associated milestones. Due to the seasonal nature of tree planting, the project is able to timetable work required to ensure planting remains on schedule for the remainder of 23/24.	

<b>Project</b>	<b>Cribbs Patchway Metrobus Extension</b>
<b>Funding awarded</b>	£47,200,000
<b>Source:</b>	LGF, IF/TCF and EDF
<b>Cost/ Spend:</b>	No change to overall funding. Reprofiling £40k EDF from 24/24 into 22/23 Reduction of £198k EDF replaced by S106 Revised EDF profile pre 21/22 £858k, 21/22 £1.010m, 22/23 -£1.010m, 23/24 £992k, 24/25 £5.162m, total £7.012 Reallocation of spend across costs headings
<b>Stated reason for change:</b> Swap of EDF for match funding due to S106 funding being identified that will reduce need to utilise EDF. Reallocation of spend across cost headings as it has been necessary to use more specialist consultants than originally budgeted due to complexity of the project.	

<b>Project</b>	<b>Emersons Green Local Transport Enhancements</b>
<b>Funding awarded</b>	£5.512m
<b>Source:</b>	LGF/GBF, EDF and TCF
<b>Cost/ Spend:</b>	No change to overall funding. Reprofiling forward £116k from 23/24 into 22/23 and reprofiling back £680k from 23/24 to 24/25 Revised EDF profile pre 21/22 £182k, 22/23 -£66k, 23/24 931k, 24/25 £680k, total £1.727m
<b>Milestones:</b>	Delay of 4 months to Completion of Newlands Bridge refurbishment and approaches, delays have also resulted in forecast spend extending into 24/25.
<b>Stated reason for change:</b> Delays in signing of the Deed of Variation to the S106 agreement which still outstanding.	

<b>Project</b>	<b>A432 Multi Modal Corridor</b>
<b>Funding awarded</b>	£1.877m
<b>Source:</b>	City Region Sustainable Transport Settlement (CRSTS) and TCF
<b>Cost/ Spend:</b>	No change to overall funding. Swap of £11k CRSTS for TCF and reprofiling from 23/24 into 22/23 Revised profile £236k TCF 22/23 and £1.640m CRSTS 23/24, total £1.877m
<b>Stated reason for change:</b> An increase in consultant expenditure has impacted profiling between years.	

<b>Project</b>	<b>CRSTS Mobilisation (South Gloucestershire Council)</b>
<b>Funding awarded</b>	£600k
<b>Source:</b>	CRSTS
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £254k from 22/23 into 23/24 and 25/26 Revised profile 22/23 £46k (£23k capital, £23k revenue), 23/24 £277k (£127k capital, £150k revenue), 24/25 £150k revenue, 25/26 £127k revenue, total £600k
<b>Milestones:</b>	Delay of 5 months (to Apr 23) to appointing CRSTS project staff
<b>Scope:</b>	The initial funding application sought to develop OBCs for Liveable Neighbourhoods and Bristol Bath Railway Path, but the intention is now to proceed directly to FBC and agree two Appraisal Specification Reports for discussion with the West of England Combined Authority
<b>Stated reason for change:</b> Change to scope due to both delay in mobilisation of staff resources and more efficient way of delivering the schemes. Reprofiling as a result of staff being mobilised later than anticipated.	

<b>Project</b>	<b>South Gloucestershire Council Specialist Support</b>
<b>Funding awarded</b>	£670k
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding. Reprofiling £18k from 22/23 into 23/24 Revised profile £0 22/23, £161k 23/24, £151k 24/25, £174k 25/26, £184k 26/27, total £670k
<b>Milestones:</b>	Delay of 2 months to completion of mobilisation of resources.
<b>Stated reason for change:</b> Anticipated earlier approval of funding application.	

<b>Project</b>	<b>Kingswood Regeneration Project</b>
<b>Funding awarded</b>	£7.560m (£1.613m IF and £5.947m EDF)
<b>Source:</b>	TCF, IF and EDF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £529k IF from pre 22/23 and 22/23 into 23/24 Revised IF profile £590k 22/23 and £1.023m in 23/24. Reprofiling £408k EDF from 23/24 into 24/25 Revised EDF profile £2.499m 23/24 and £3.448m in 24/25.
<b>Milestones:</b>	2-5 months delay across 2 milestones including Pedestrianisation Start of Construction from Nov 23 to Jan 24 and Complete Tabernacle Construction from Dec 23 to May 24.
<b>Stated reason for change:</b> Additional work was needed to support robust decision making with full oversight of technical data, assessing the diversion options and changes that will occur in traffic movements and the associated impacts on air quality. This work has been delayed due to resource issues with external consultants deferring the construction phase. Original programme for the Tabernacle were overly ambitious with delays to contract awards and the complexities in formalising legal agreements.	

<b>Project</b>	<b>Thornbury High Street</b>
<b>Funding awarded</b>	£4.577m
<b>Source:</b>	EDF and TCF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling of £1.252m EDF from 22/23 into 23/24 Revised profile £1.323m (£400k TCF, £923k EDF) 22/23, £3.254m EDF 23/24, total £4.177m Reallocation of spend across cost headings
<b>Milestones:</b>	Delays of 5 months to minor TRO amendments (to May 23) and 4 months to scheme completion (to Jan 24).
<b>Stated reason for change:</b> Delay to scheme completion due to approval decision being taken at July 22 Committee and delays to TRO amendments to ensure these were all captured through a single process. Funding for cost inflation and scope changes drawn from risk budget.	

<b>Project</b>	<b>Wraxall Road Roundabout Improvements</b>
<b>Funding awarded</b>	£6.887m
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Reprofiling £104k from 22/23 into 23/24 onwards. Revised profile £3.088m 20/21, £3.654m 21/22, £41k 22/23, £104k 23/24 onwards, total £6.887m
<b>Stated reason for change:</b> To cover any costs incurred due to claims under Part 1 of the Land Compensation Act 1973.	

<b>Project</b>	<b>A38 Multi Modal Corridor</b>
<b>Funding awarded</b>	£2.030m
<b>Source:</b>	CRSTS
<b>Cost/ Spend:</b>	Swap of £361k CRSTS for TCF and reprofiling of £39k from 22/23 to 23/24 Revised profile £361k TCF in 22/23, £1.669m CRSTS in 23/24, total £2.030m
<b>Stated reason for change:</b> To utilise TCF based on actual expenditure in 22/23	

<b>Project</b>	<b>East Fringe Masterplan</b>
<b>Funding awarded</b>	£310k
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Reprofiling forward £5k from 22/23 to 23/24 Revised profile £116k 21/22, £160k 22/23 & £34k 23/24
<b>Stated reason for change:</b> Additional project activity towards the end of 22/23 than originally anticipated.	

<b>Project</b>	<b>Alveston Hill</b>
<b>Funding awarded</b>	£392,663
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Additional £160k CRSTS to be drawn from the £26.01m CRSTS allocation for the A38 Multi Modal corridor Reprofiling £139k from TCF in 22/23 to IF in 23/24 Revised profile £16k TCF 22/23 and £537k (£377k IF, £160k CRTS) in 23/24
<b>Stated reason for change:</b> The allocation for this element of the A38 Multi Modal Corridor included in the OBC, did not include a share of the risk and inflation provision for the whole scheme. This came to light on receiving the costed consultant's proposal. Considering this, it is requested that an additional £160k is to be drawn down from the approved CRSTS funding allocation for delivery of this scheme.	

## West of England Combined Authority

<b>Project</b>	<b>Business Start Up School</b>
<b>Funding awarded</b>	£500k
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Increase in match funding of £1k to £448k Reprofiling £35,824 from 22/23 into 23/24 and 24/25 Revised profile £10,436 22/23, £245,468 23/24 and £244,096 in 24/25.
<b>Milestones:</b>	2-4 months delay across 5 milestones including the Consortium and Partner Agreements with UWE from Dec 22 to Apr 23
<b>Stated reason for change:</b> Delays to the Grant Offer Letter with UWE who are managing the project delivery had a knock-on effect to the recruitment, spend and milestones. Prioritisation has been given to partner contracts to deliver the first cohort delayed from Dec 22 to Feb 23.	

<b>Project</b>	<b>Business Growth and Adaptations Fund</b>
<b>Funding awarded</b>	£1.5m
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £784,087 from 22/23 into 23/24 and 24/25 Revised profile £647,913 22/23, £817,573 23/24 and £34,514 in 24/25.
<b>Milestones:</b>	2-3 months delay across 3 milestones including the launch of round three from Jan 23 to Mar 23 and closure from Jan 23 to Apr 23. 7 new milestones added to account for an additional funding round with the end of project review/evaluation delayed from May 24 to Dec 24.
<b>Stated reason for change:</b> Coordinating the Business Innovation Fund, Intellectual Property for Growth and Made Smarter grants, delayed the launch and closing of round three. The level of available grant funding was set at 25% per round with the intention of releasing more funding if significantly higher numbers of stronger applications were received. As this was not the case, a fourth funding round will open in Sep 23. The lag between funding being awarded and monies claimed by businesses caused the underspend in 22/23.	

<b>Project</b>	<b>Cultural Compact Start-Up Investment</b>
<b>Funding awarded</b>	£362,681
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Total project cost increase from £382,681 to £397,481 due to an additional £14,800 match funding. Reprofiling £70k from 22/23 and 23/24 into 24/25 Revised profile £108,059 22/23, £184,622 23/24 and £70k in 24/25.
<b>Milestones:</b>	2-12 months delay across 9 milestones including a 12 months delay for completion of the Creative Freelancer, Start Up and SME Delivery Plan from Sep 22 to Sep 23 and 11 months delay to the FBC submission for the Regional Cultural Investment Fund from Sep 22 to Aug 23.
<b>Stated reason for change:</b> The nature of the project is reliant on taking time to build new relationships/partnerships to research the needs of the sector before committing to investment, resulting in delays to milestones and the need for reprofiling. Changes to cost categories with an increase in Programme lead, reduction in specialist technical support and increase in placemaking costs also due to the need to target match funding from the Arts Council England.	

<b>Project</b>	<b>Community Pollinator Fund</b>
<b>Funding awarded</b>	£1,458,075
<b>Source:</b>	IF (Green Recovery Fund)
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £134k from 22/23 into 23/24 Revised profile £95k 22/23, £714k 23/24 and £649k 24/25.
<b>Milestones:</b>	2-4 months delay across 5 milestones including Appointing Evaluators from Jan 23 to May 23, Completion Deadline for Round 2 from Jun 24 to August 24 and Commencement of Round 3 from Apr 23 to Aug 23.
<b>Stated reason for change:</b> The recruitment of an experienced ecologist in a project support capacity removed the need to appoint a specialist ecological evaluator. Delays drawing down funding based on the awarded projects individual delivery plans necessitated the need for spend reprofiling.	

<b>Project</b>	<b>Local Energy Advice Support</b>
<b>Funding awarded</b>	£118,503
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Reduction in funding from £118,503 to £106,284, with £12,219 to be returned to the Green Recovery Fund Revised profile £106,284 22/23
<b>Milestones:</b>	1 month delay to Option Development Report from Apr 23 to May 23
<b>Stated reason for change:</b> Reduction of £12,219 in the amount claimed by supplier. Together with prior underspend, project delivered 29% (£44k) under-budget.	

<b>Project</b>	<b>Future Bright Plus</b>
<b>Funding awarded</b>	£3.6m
<b>Source:</b>	Investment Fund
<b>Cost/ Spend:</b>	No Change to overall Funding Reprofiling £272k from 22/23 into 23/24 Revised profile £80k 20/21, £1.004m 21/22, £1.144m 22/23 and £1.372m 23/24. Change to expenditure headings combining delivery costs, personal budget and marketing allocated to Councils into a new heading Grant Funding to Deliver Partners
<b>Stated reason for change:</b> Underspend in 22/23 due to reduced staffing both external and internal.	

<b>Project</b>	<b>Access for All Mid-Tier</b>
<b>Funding awarded</b>	£467,850
<b>Source:</b>	TCF and IF
<b>Cost/ Spend:</b>	No change in overall funding Reprofiling £7k from TCF in 22/23 to IF in 23/24 Swapping £16k incurred in 20/21 from TCF to IF revenue Revised profile £15,926 (IF) 20/21, £6,073 (TCF) 21/22, £192,745 (TCF) 22/23 and £253,106 (IF) 23/24.
<b>Milestones:</b>	1-4 months delay across 5 milestones including 3 months delay to Site Construction Work (from Nov 23 to Feb 24) and 4 months for Project Hand Back (Feb 24 to Jun 24).
<b>Stated reason for change:</b> Following completion of the outline designs, the cost estimate was above the fixed budget to complete the scheme, so a series of evaluation and rationalisation workshops were required to agree a final scope to go to competitive tender adding delays but reducing scope to a position where estimated costs fit within budget.	

<b>Project</b>	<b>Step Free Stations</b>
<b>Funding awarded</b>	£1,109,000
<b>Source:</b>	IF and CRSTS
<b>Cost/ Spend:</b>	No change in overall funding Swapping £114k TCF to CRSTS, reducing the TCF total from £250k to £136k and increasing the CRSTS total from £609k to £723k. Revised IF and TCF profile £3k (IF) 20/21, £38k (IF) 21/22, £136k (TCF) 22/23 and £209k (IF) 23/24, total £386k Revised CRSTS profile £233k 23/24 and £490k 24/25.
<b>Milestones:</b>	4-11 months delay across 11 milestones including Starting the Outline Design from Jun 23 to Oct 23, Design Completion from Jan 24 to May 24 and Detailed Design Completion from Sep 24 to Jul 25 delaying the start on site from Nov 24 to Aug 25.
<b>Stated reason for change:</b> Delays to the contract set up with Network Rail for the initial design development stage so they hold more obligation to better manage risks, costs and flag early warnings to the CA resulted in less progress than anticipated. The funding has been re-profiled based on the latest programme received from Network Rail who are overseeing the initial project development phase.	



<b>Project</b>	<b>West of England HGV Driver Training</b>
<b>Funding awarded</b>	£220k
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Bringing forward £9,689 from 23/24 and 24/25 into 22/23 Revised profile £150,871 22/23, £67,129 23/24 and £2,000 24/25.
<b>Milestones:</b>	1-2 months delay to the two milestones relating to the marketing campaign.
<b>Stated reason for change:</b> Due to the urgency of the bus recruitment and the impact on the local economy, budget has been brought forward so the project team can increase delivery and marketing efforts.	

<b>Project</b>	<b>Green Infrastructure</b>
<b>Funding awarded</b>	£300,000
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £30,608 from 21/22 and 22/23 into 23/24 Revised profile £151,553 21/22, £117,839 22/23 and £30,608 23/24.
<b>Milestones:</b>	5-48 months delay across 6 milestones including a 36 months delay to Waterspace Connected FBC Somerdale Bridget access to nature from Dec 21 to Nov 24 and 48 months delay to Waterspace connected - Somerdale Bridge completion from Mar 23 to Mar 27.
<b>Stated reason for change:</b> The projects which are being developed using this fund are pilot green infrastructure projects, learning how to develop these projects for FBC. Further consultation, stakeholder engagement and ecology work has been required than was originally envisaged.	

<b>Project</b>	<b>10 Year Rail Plan and Strategic Rail Investment</b>
<b>Funding awarded</b>	£470k 10 Year Rail Plan and £250k Strategic Rail Investment
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Merging the 10 Year Rail Plan and Strategic Rail Investment projects. Revised profile £51k 20/21, £19k 22/23, £325k 23/24 and £325k 24/25.
<b>Milestones:</b>	Removal of 2 milestones related to 10 Year Rail Plan with the addition of a new milestone – Branch line Feasibility and some 6-14 months delay across 2 milestones. One new milestone added to the Strategic Rail Investment – New Stations Study and 12 months delay to 25-year SOBC from May 23 to May 24.
<b>Stated reason for change:</b> Discussions with the rail industry indicated work on a freight strategy and east-west north rail scheme was being progressed using funding secured by GWR and Western Gateway Sub-national Transport Body. Therefore, the programme scope is changing to avoid duplicating this work. The changes provide an opportunity to prioritise spending on proposals with emerging evidence from Network Rail that will have the highest potential to provide environmental, connectivity and operational benefits to the transport system.	

<b>Project</b>	<b>Future 4 West (Mass Transit)</b>
<b>Funding awarded</b>	£3.361m
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £312k from 22/23 into 23/24 Revised profile £1.093m 20/21, £1.237m 21/22, £719k 22/23 and £312k 23/24.
<b>Milestones:</b>	3 months delay to Strategic Outline Business Case (SOBC) to Jun 23.
<b>Stated reason for change:</b> Additional tasks were identified to ensure the potential benefits are captured which took longer than anticipated to complete causing delays to the SOBC submission and the need for budget reprofiling. Additional work has been commissioned to secure confidence in the SOBC outcomes including technical assurance.	

<b>Project</b>	<b>Workforce for the Future</b>
<b>Funding awarded</b>	£4.171m
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £314k from 21/22 and 22/23 into 23/24 and 24/25. Revised profile £194k 19/20, £433k 20/21, £819k 21/22, £1.517m 22/23, £1,058m 23/24 and £150k 24/25.
<b>Milestones:</b>	12 months delay to project completion from Dec 23 to Dec 24
<b>Stated reason for change:</b> Staff changes, and vacancies resulted in an under-spend in 21/22 and 22/23. It is planned to use these funds to support the continuation of the project due to conclude in Sep 23 so additional projects can progress. Additional outputs and outcomes of the chosen project(s) to be confirmed once known.	

<b>Project</b>	<b>Bristol Cycle Hangars</b>
<b>Funding awarded</b>	£561,000
<b>Source:</b>	TCF
<b>Cost/ Spend:</b>	Reduction in overall TCF funding from £561k to £506,557 profiled in 22/23.
<b>Stated reason for change:</b> All costs have been spent prior to April 2023 with a small underspend in Bristol City Council resource costs.	

<b>Project</b>	<b>EV Charging Infrastructure</b>
<b>Funding awarded</b>	£200k
<b>Source:</b>	TCF and IF
<b>Cost/ Spend:</b>	No change in overall funding Reprofiling £14k from TCF in 22/23 to IF in 23/24 Revised profile £86,313 (TCF) 22/23 and £113,687 (IF) 23/24
<b>Milestones:</b>	4 months delay to the FBC approval from Jan 23 to May 23.
<b>Stated reason for change:</b> Decision relating to on-street lamppost charging has delayed the FBC decision by 4 months.	

<b>Project</b>	<b>All Age Advice Centre</b>
<b>Funding awarded</b>	£285k
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Reprofiling £34k from 22/23 into 23/24. Revised profile £114,323 22/23 and £170,677 23/24 Changes to cost categories moving £16k from the Third-Party Support and £4k from in-house staff costs to increase the marketing budget
<b>Stated reason for change:</b> Delays in recruitment and deferred work around the microsite necessitated the need for reprofiling. The increase in the marketing budget will enable improvements to the microsite and more extensive publicity to support take-up of the employment and skills support available across the region.	

<b>Project</b>	<b>Business Innovation Fund</b>
<b>Funding awarded</b>	£242k
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £5,554 from 23/24 into 22/23. Revised profile £47,162 20/21, £87,251 21/22, £67,867 22/23 and £39,418 23/24
<b>Stated reason for change:</b> Beneficiary businesses spend/claim forecasts were reviewed at the end of the 22/23 financial year with a small amount of reprofiling required as a result.	

<b>Project</b>	<b>Careers Hub 22/23-25/26</b>
<b>Funding awarded</b>	£885,427
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	Reduction in Careers Enterprise Company funding from £1.681m to £1.631m Reduction in IF funding of £36,570 from £885,427 to £848,857. Revised Profile £120,857 22/23, £300k 23/24, £288k 24/25 and £140k 25/26
<b>Stated reason for change:</b> The cost reductions are caused by amendments in the contract from the CEC for the 23/24 and 24/25 academic years and changes to the Careers Hub team structure.	

<b>Project</b>	<b>High Street Renewal Catalyst Fund</b>	
<b>Funding awarded</b>	£660k	
<b>Source:</b>	IF	
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £74,964 from 22/23 into 23/24. Revised profile £8k 20/21, £362k 21/22, £215,036 22/23 and £74,964 23/24	
<b>Milestones:</b>	12 months delay to project completion from Mar 23 to Mar 24	
<b>Stated reason for change:</b> The underspend was due to cost effective delivery for Phase 1 activities within scope and additional funding gained that enabled the project to be extended. The extension will allow live projects to continue and for ongoing work in Bath City Centre linking with the Milsom Quarter programme and the uses associated with the Future Fashion Museum building.		

<b>Project</b>	<b>Innovation for Renewal &amp; Opportunity (IRO)</b>	
<b>Funding awarded</b>	£6,316,714	
<b>Source:</b>	IF	
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £1,050,059 from 22/23 and 23/24 into 24/25. Revised Profile £345,492 21/22, £445,716 22/23, £3,624,160 23/24 and £1,901,346 24/25	
<b>Milestones:</b>	6 months delay to Angel Research completion from Jun 23 to Dec 23	
<b>Stated reason for change:</b> Whilst spending for Made Smarter, Intellectual Property for Growth and the Business Innovation Fund (the three largest projects in IRO) is underway, this depends on uptake and eligibility of applicants. The extension of all IRO project delivery to share a common end date of Mar 25 will ensure alignment to the overall strategy.		

<b>Project</b>	<b>LIS Productivity Challenge</b>
<b>Funding awarded</b>	£3.557m
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	<p>Reprofiling £1,039,433 from 20/21, 21/22, 22/23 and 23/24 into 24/25 and 25/26.</p> <p>Revised Profile £447,816k 20/21, £584,724 21/22, £576,361 22/23, £714,007 23/24, £798,529 24/25 and £435,562 25/26</p> <p>Reduction of funding contracted to UAs by £305k used to increase internal staff costs by £73k and delivery costs by £232k.</p>
<b>Milestones:</b>	14-17 months delay across 3 milestones including 15 months delay to activity end from Jan 25 to Apr 26 and 17 months delay to the final evaluation from Jan 25 to Jun 26.
<p><b>Stated reason for change:</b> An award of £500k in Feb 23 of UK Shared Prosperity Fund Local Business Support funds to meet costs incurred by the CA in delivering the Growth Hub and Universal Business Support Service in 22/23. This delivered a saving to the Productivity Challenge, which along with underspends identified within the 20/21 and 21/22 financial years, can be utilised to extend delivery of key projects. Internal salary costs increased to accommodate the project extension which also impacts on the need to increase project delivery costs. The reduction in UA contribution will be met by match funding.</p>	

<b>Project</b>	<b>Regional Low Carbon Delivery Programme</b>
<b>Funding awarded</b>	£4,994,670
<b>Source:</b>	IF (Green Recovery Fund)
<b>Cost/ Spend:</b>	<p>No change to overall funding</p> <p>Reprofiling £80,132 from 22/23 into 23/24.</p> <p>Revised Profile £14,798 22/23, £2,813,457 23/24, £2,116,463 24/25 and £49,952 25/26</p>
<b>Milestones:</b>	1-3 months delay across 4 milestones including Local Energy Scheme launch from Mar 23 to Jun 23 and Low Carbon Evidence Base completion from Jun 23 to Sep 23.
<p><b>Stated reason for change:</b> Delays to the recruitment for the Project Manager and Project Officer posts, had a knock-on impact to the launch of the Local Energy Scheme and Green Business Grants.</p>	

<b>Project</b>	<b>Low Carbon Challenge Fund Extension</b>
<b>Funding awarded</b>	£2,243,111
<b>Source:</b>	IF (Green Recovery Fund)
<b>Cost/ Spend:</b>	<p>No change to overall funding</p> <p>Reprofiling £443k from 22/23 and 23/24 into 24/25.</p> <p>Revised Profile £150,124 20/21, £332,952 21/22, £317,362 22/23, £999,673 23/24 and £443k 24/25.</p>
<b>Milestones:</b>	3 months delay to completing applicant projects from Dec 23 to Mar 24
<p><b>Stated reason for change:</b> Delays to the project caused underspend, however, full costs are required to deliver the project, particularly as the European Regional Development Fund management has extended into 23/24.</p>	

<b>Project</b>	<b>Bus Stop Upgrades</b>
<b>Funding awarded</b>	£1,056,448
<b>Source:</b>	TCF
<b>Cost/ Spend:</b>	Reduction in total TCF funding from £1,056,448 to £707,732 Revised funding: B&NES £221,279 22/23, Combined Authority £97,475 22/23 and SGC £388,978 22/23
<b>Milestones:</b>	3 months delay to construction completion from Mar 23 to Jun 23 and Monitoring and Evaluation from Apr 24 to Jun 23.
<b>Stated reason for change:</b> The main reasons for the underspend were that proposed contingency was not drawn upon together with installation costs for the Nile Street eastbound shelter, together with a scope change with three other shelters no longer being funded through the project due to slippage in delivery beyond Mar 23. The slippage in the installation of the Real Time Information Units was due to longer than anticipated lead times from the supplier.	

<b>Project</b>	<b>Skills Connect and Priority Skills Fund</b>
<b>Funding awarded</b>	£4,485,134
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding IF profile £256k 22/23, £1,717,394 23/24, £2,197,322 24/25 and £314,418 25/26 Change to Skills Connect cost categories reducing internal staff costs and overheads by a combined total of £53k to increase the Marketing and Comms and Microsite budget as well as a small increase to the grant payments.
<b>Stated reason for change:</b> The funding allocated to staffing and overheads has been reduced as a number of roles are now being funded through alternative funding. The increase to the marketing budget and development of the microsite will improve user functionality and experience as well as raising the visibility of employment and skills provision across the West of England.	

<b>Project</b>	<b>Bath City Centre (previously part of the Bus Infrastructure Programme)</b>
<b>Funding awarded</b>	£500k
<b>Source:</b>	TCF
<b>Cost/ Spend:</b>	Increase in total funding from £500k to £1,205,129 requesting an additional £705,121 CRSTS and swapping £347,829.63 from TCF to CRSTS. Revised Profile: £152,170 (TCF) 22/23, £876,580 23/24 (CRSTS) and £176,379 (CRSTS) 24/54
<b>Milestones:</b>	6-15 months delay across 3 milestones including Phase 2 OBC completion from Jan 23 to Apr 24 and completion of Phase 2 from Mar 26 to Sep 26. Three new milestones added including approval of Phase 2 OBC and Phase 1 and 2 FBC scheduled for Jun 24. Phase 1 is due to complete 7 months earlier than anticipated (to Jul 25).
<b>Stated reason for change:</b> Additional CRSTS funding needed to cover the cost of the OBC and FBC for the project. The change reflects an update in scope and exploits an opportunity to bring forward early delivery through the phasing and acceleration of the project. The delay to the OBC is as a result of rebasing to include realistic and deliverable timescales and a review and amendment to the project scope to reflect the requirements of CRSTS funding.	

<b>Project</b>	<b>Future Transport Zones</b>
<b>Funding awarded</b>	£3.655m
<b>Source:</b>	IF
<b>Cost/ Spend:</b>	No change to overall funding. Reprofiling £3.655m IF from 21/22, 22/23 and 23/24 into 24/25 and 25/26 Revised profile: £1.511m 24/25 and £2.144m 25/26. Reprofiling £8k DfT funding from 22/23 and 23/24 into 24/25.
<b>Milestones:</b>	9-31 months delay across 6 milestones including 22 months delay to Stage 3/4 completion of Feasibility and Procurement, 15 months delay to the Stage 5 initial design and delivery and conclusion of the E-scooters trial delayed by 31 months from Oct 21 to May 24.
<b>Stated reason for change:</b> Impact of Covid 19 pandemic with virtual working making collaborative relationships difficult to generate creativity, essential to the innovative nature of the project. The impact on the transport system was also significant, with less travel initially and change to travel patterns, much of which has not reverted to pre-pandemic norms. Resourcing has also been a challenge due to the competitive nature of the marketplace for they type of roles needed for delivery.	

<b>Project</b>	<b>MetroWest Phase 1</b>
<b>Funding awarded</b>	£78.361m
<b>Source:</b>	LGF, EDF, IF, TCF
<b>Cost/ Spend:</b>	No change to overall funding Reprofiling £301k from IF in 25/26 to TCF in 22/23 Revised profile 21/22 £5.245m TCF, 22/23 £958k TCF, £9.657m 25/26 IF, total £15.86m
<b>Stated reason for change:</b> Funding brought forward to utilise TCF spend	

<b>Project</b>	<b>MetroWest Phase 2</b>
<b>Funding awarded</b>	£32m
<b>Source:</b>	LGF, TCF/IF, EDF
<b>Cost/ Spend:</b>	No change to overall funding. Reprofiling of funds across all financial years with reduction in spend to 22/23 of £1.6m, Revised EDF profile 23/24 £1.759m, 24/25 £1.920m, 25/26 £5.515m, total £9.194m Revised IF/TCF profile 20/21 £588k (TCF), 21/22 £1.660m (TCF), 22/23 £3.869m (TCF), 23/24 £7.546m (IF), 26/27 £5.583m (IF), 27/28 £662k (IF), total £19.908
<b>Milestones:</b>	Delay of 8 months to securing statutory power Henbury and 4 months to FBC Approval – Phase 2.
<b>Stated reason for change:</b> The project spend profile has been updated to reflect the receipt of detailed cost plan from Network Rail for the delivery phase of Ashley Down Station. Delays to securing statutory powers Henbury due to safety audit identifying concerns of crossing close to the road junction meaning the crossing had to be moved and reconfigured. FBC approval delayed as a result of changed procurement strategy driven by uncertainty over North Filton Station public realm.	

<b>Project</b>	<b>Metrobus Consolidation</b>
<b>Funding awarded</b>	£1,827,973 (£1,817,973 TCF and £10k IF)
<b>Source:</b>	TCF and Investment Fund
<b>Cost/ Spend:</b>	No change to overall funding Swopping £38k from TCF to IF and reprofiling from 22/23 into 23/24. Revised profile £1,779,973 (TCF) 22/23, £38k (IF) 23/24, £5k (IF) 24/25 and £5k (IF) 28/29.
<b>Milestones:</b>	3 months delay to the completion of Bamfield construction from Mar 23 to Jun 23.
<b>Stated reason for change:</b> The Bamfield lpoint could be installed in Apr but due to the lead-in time for the CCTV and associated equipment Jun 23 is a more realistic timeframe.	

<b>Project</b>	<b>Somer Valley to Bristol &amp; Bath</b>
<b>Funding awarded</b>	£690k (£562k TCF and £128K CRSTS)
<b>Source:</b>	TCF and CRSTS
<b>Cost/ Spend:</b>	No change to overall funding Swopping £206k from TCF to CRSTS and reprofiling from 22/23 into 23/24. Revised profile £356k (TCF) 22/23 and £334k (CRSTS) 23/24.
<b>Milestones:</b>	4-7 months delay across 5 milestones including OBC Submission from Jul 23 to Nov 23 and approval from Sep 23 to Jan 24.
<b>Stated reason for change:</b> Public consultation has been postponed due to the pre-election period which has led to delays to the submission of the OBC and FBC which impacted on the spend profile.	



## Appendix 3

### Changes Approved through Delegation

<b>Project</b>	<b>A4 Portway Corridor</b>
<b>Funding awarded</b>	£377k (Bus Infrastructure Programme)
<b>Source:</b>	Transforming Cities Fund (TCF) and City Region Sustainable Transport Settlement (CRSTS)
<b>Cost/ Spend:</b>	Approval of additional £629k CRSTS capital, increasing overall cost to £1.006m Funding profile to be confirmed in grant offer letter following separation from Bus Infrastructure Programme.
<b>Scope:</b>	Change in scope to progress Portway Park & Ride bus access improvement work package as a separate Full Business Case to be issued in May 23 and programme change for Outline Business Case to be issued in Oct 23
<b>Stated reason for change:</b> The original ambition was to deliver the Portway Park & Ride bus access / egress as part of the TCF programme as a third phase of the Portway Park and Ride expansion work, along with the new rail station access and the expansion of the Portway Park & Ride car park. However it was not possible to deliver the bus access in this timeframe. Additional funds are requested to progress further the business case development.	

<b>Project</b>	<b>A37-A4018 Corridor</b>
<b>Funding awarded</b>	£1.2m (Bus Infrastructure Programme)
<b>Source:</b>	TCF and CRSTS
<b>Cost/ Spend:</b>	Approval of award of £640k CRSTS capital Funding profile to be confirmed in grant offer letter following separation from Bus Infrastructure Programme.
<b>Scope:</b>	An accelerated, phased approach is proposed, with two elements to progress straight to Full Business Case – Victoria Street / Colson Avenue and the Southern Section - with an updated OBC to cover the remainder of the scheme.
<b>Stated reason for change:</b> Following the preparation of a draft Outline Business Case the scope of the elements to be taken forward in the business cases have now been defined	

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## ITEM 11

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

**DATE:** 16 JUNE 2023

**REPORT TITLE:** TRANSPORT SCHEMES

**DIRECTOR:** DAVID GIBSON / STRATEGIC DIRECTOR OF INFRASTRUCTURE

**AUTHOR:** LOUISE MCBRIDE

### **Purpose of Report**

To provide an update to West of England Combined Authority Committee on key transport schemes and to secure approval from Committee on key decisions and associated funding (where applicable) related to the following projects within the West of England Combined Authority's Transport Infrastructure programme:

- i. MetroWest 1 (recommendation 1)
- ii. Local Electric Vehicle Infrastructure funding (recommendation 2)
- iii. Active Travel Fund tranche 4 (recommendation 3)
- iv. Joint Local Transport Plan (recommendation 4)
- v. M32 Sustainable Transport Corridor and Hub (recommendation 5)
- vi. Cycling / walking schemes (recommendation 6)
- vii. City Regions Sustainable Travel Settlement Top Slice (recommendation 7)

### **Recommendations**

The Committee is asked to:

#### ***MetroWest 1***

- 1 Approve the award of £7.775m to fund enhanced rail services on the Severn Beach and Westbury lines for 3 years, drawing down the £4m allocated for programme risk at the March 2023 Committee and £3.775m of additional revenue funding from Investment Fund, as set out in paragraphs 2.1.1 to 2.1.14 of the report.

#### **Local Electric Vehicle Infrastructure (LEVI) funding**

- 2 Approve delegated authority to the West of England Combined Authority Strategic Director of Infrastructure in consultation with the Unitary Authority

Infrastructure Directors to spend the £123k of LEVI capability funding that has been secured and any future capability and capital funding secured through LEVI where there is urgency, subject to successful bids, as outlined in paragraphs 2.2.1 to 2.2.4 of the report.

### **Active Travel Fund**

- 3 Approve delegated authority to the West of England Combined Authority Strategic Director of Infrastructure in consultation with the Unitary Authority Infrastructure Directors to spend the £3.6m of Active Travel Fund that has been secured through the tranche 4 bidding process for schemes as outlined in paragraphs 2.3.1 to 2.3.10 of the report.

### **Joint Local Transport Plan**

- 4 Approve funding of £1.25m to review and update the Joint Local Transport Plan and transport major scheme programme following the publication of guidance from the Department for Transport, as outlined in paragraphs 2.4.1 to 2.4.5 of the report.

### **M32 Sustainable Transport Corridor and Hub (M32 STC)**

- 5 Approve the extension to the Outline Business Case submission date to March 2024 and associated funding of £471k, as outlined in paragraphs 2.5.1 to 2.5.7 of the report.

### **Cycling / walking Infrastructure**

- 6 Approve delegated authority for approval of business cases and subsequent spend and delivery of cycling and walking schemes of £6m and below to the West of England Combined Authority Strategic Director of Infrastructure in consultation with the Unitary Authority Directors of Infrastructure, where there is headroom within a programme and no material impact on other schemes. In the absence of unanimous agreement the delegation reverts to the West of England Combined Authority Chief Executive in consultation with the Unitary Authority CEOs, as set out in paragraphs 2.6.1 to 2.6.7 of the report.

### **City Regions Sustainable Travel Settlement Top Slice**

- 7 Delegate the approval of a Feasibility and Development Funding Application(s) for up to £15.1m for the activities to be undertaken through the City Regions Sustainable Travel Settlement top slice to the West of England Combined Authority Strategic Director of Infrastructure in consultation with the Unitary Authority Directors of Infrastructure, as outlined in paragraph 2.7.1 of the report.

### **Reasons for recommendations**

#### *Strategic Benefits*

- 1.1 Delivery of the Transport investment programme will support growth and productivity across the region and are critical to enabling our net zero transition.

The sustainable transport corridors and walking and cycling routes create a network that will reach far across the region. This scale means we will bring more frequent and reliable bus and rail services, and better cycling and walking infrastructure.

- 1.2 Improving our transport network is a critical step in achieving our net zero transition. Transport represents 46% of the region's carbon emissions, and the level of emissions has not declined in recent decades. The region cannot achieve a sustainable pathway to net zero without significant improvements to public and low-carbon transport options, to reduce reliance on private cars.
- 1.3 Improved links between the region's cities, towns and villages will help provide residents with faster and more sustainable travel options to key employment and education centres. Residents along these corridors will be better able to access appropriate jobs and training, raising productivity and wages.

#### *Investment benefits*

- 1.4 As a Mayoral Combined Authority (MCA) there are a number of external funding opportunities that, subject to meeting the requirements of that funding, mean additional investment can be secured resulting in an expansion of infrastructure, such as walking and cycling facilities, delivering against the identified priorities for the region.

### **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 Metro Mayor.

### **Background / Issues for Consideration**

2. Details for each of the schemes are provided below.

#### *MetroWest 1*

- 2.1.1 The West of England Combined Authority's ambitious and systematic rail delivery plan, which includes the anticipated opening of 7 new stations in the region over the next 5 years, is underpinned by the planned introduction of following enhanced rail services:
  - o Half hourly Bristol Temple Meads (BTM) to Severn Beach service
  - o Half hourly BTM to Westbury Service
  - o Half hourly BTM to Gloucester service
  - o Hourly BTM to Portishead service
  - o Hourly BTM to Henbury service
- 2.1.2 These services will deliver a step-change in connectivity within the region, linking people living on and around key arteries into Bristol to housing and work opportunities, whilst forming an essential part of the West of England Combined Authority's plan to decarbonise the transport network.

2.1.3 The West of England Combined Authority has a contractual agreement with Great Western Railways (GWR) which commits the West of England Combined Authority to funding a fixed revenue subsidy for 3 years to operate additional half-hourly rail services between Bristol Temple Meads (BTM)-Severn Beach station, BTM-Westbury station and BTM-Gloucester station, and associated start-up costs. The value of the agreement is £11.662m. Up to March 2023 the West of England Combined Authority's contractual liability was £2.170m. Sign off of the agreement was endorsed by CEOs (delegated by Committee), including North Somerset Council, in September 2021. The rail service subsidies that the West of England Combined Authority are in contract with GWR to fund are summarised in the table below.

Opex funding requirement	Current approved funding (£M's)	Funding required (£M's)	Additional funding required (£M's)	Funding ask to June 2023 Committee
<b>Rail services</b>				
MW1a - Severn Beach Services	£4m*	£3.8873m	£0m	-
MW1a - Westbury Service	-	£3.8873m	£3.887m	£3.775m
MW2 - Gloucester	£3.887m	£3.8874m	£0m	-
<b>Total</b>	<b>£7.887m</b>	<b>£11.662m</b>	<b>£3.887m</b>	<b>£3.775m</b>

\*Funding approved at March 2023 West of England Combined Authority Committee under Investment fund programme risk (see section 2.1.6)

2.1.4 The West of England Combined Authority has been actively engaging with the Department for Transport (DfT) about funding for rail services and station operations since 2021. The aim of these discussions was to secure a funding commitment from them to support the West of England Combined Authority's contractual commitment, including the planned half-hourly Westbury and Severn Beach line services, and to support the future opex funding requirement for Portishead line and the proposed new stations. Discussions with DfT have not progressed as anticipated and we are now in a position whereby we can only recommend a commitment to fund the live rail services and meet our contractual commitment, including the Westbury line services. An independent review will be undertaken and will include lessons learned in this respect.

2.1.5 The West of England Combined Authority wrote to DfT in March 2022 setting out the capital and revenue funding challenge on MetroWest 1 project and the need to work together to resolve this. Following capital funding approval for MetroWest 1 in July 2022 a written commitment was issued from DfT to work with North Somerset Council and the West of England Combined Authority to address the operational funding challenge.

2.1.6 The Severn Beach line enhanced rail services were introduced in December 2021. The Westbury and Gloucester line enhanced rail services were introduced in May 2023.

- 2.1.7 £3.887m of the West of England Combined Authority's funding was agreed by Committee in January 2023 to subsidise the BTM-Gloucester rail services. £4m of the required revenue funding is recommended in this paper to be drawn from Investment Fund 'Programme Risk' which was approved at March 2023 Committee. A further £3.775m is recommended in this paper to be drawn from Investment Fund (revenue) headroom.
- 2.1.8 The total estimated funding requirement to enable the operation of the planned new rail services and stations for 3 years is c. £16m. This funding requirement includes station operation subsidy costs for Portway station, which has been contractually committed by Bristol City Council as part of an agreement with the DfT. A separate change request to draw down the authority's funding is included in the separate Delivery Assurance Report submitted to June 2023 West of England Combined Authority Committee.
- 2.1.9 Subject to approval of the funding requested in this Committee paper, the total unresolved rail operational funding challenge is estimated to be c. £4.5m. This amount includes the estimated revenue subsidy requirement to operate the Portishead line rail services and the estimated revenue subsidy requirement to operate all of the proposed new rail stations. The shortfall in revenue funding for Portishead line rail services was highlighted in the July 2022 West of England Combined Authority Joint Committee paper when the capital funding for the MetroWest 1 project was approved. No contracts are in place at this point, which commits the authority to funding these costs. DfT's expectation that the authority would fund station operational costs for the first 3 years post-station openings was only communicated in November 2022.
- 2.1.10 In June 2023 DfT will be formally asked by the West of England Combined Authority to provide the funding required to address the current estimated funding shortfall and to commit to funding rail services and station operations beyond the initial 3-year funding period. The West of England Combined Authority are working with officers in DfT to agree the proposed funding ask and once agreed, this will then be reflected in an 'advice to ministers' note that will need approval by Treasury before funding can be confirmed.
- 2.1.11 The unresolved rail operational funding challenge is an estimate at this stage and is potentially subject to change. The estimated GWR operating costs are being scrutinised and further work is underway to model the anticipated delta between the assumed additional revenue associated with the new train service and new stations, compared to the cost of operating them (including rail service start-up costs). This work is expected to conclude by the end of June 2023. The estimated costs to operate the new stations vary subject to the proposed station infrastructure, such as the number of platforms and ticket vending machines.
- 2.1.12 Portway Station cannot open without the operation of the live Severn Beach line half-hourly rail services. Charfield Station is dependent on the operation of the live half-hourly Gloucester line services. The Portishead and Henbury line stations (Ashley Down, North Filton, Henbury, Pill and Portishead stations) cannot open without the associated rail services being funded and operated.

- 2.1.13 The remaining funding shortfall related to MetroWest 1 project (Portishead line) specifically must be resolved no later than October 2023. To submit the project Full Business Case (FBC) in early 2024, a clear picture needs to be established for how the capital and revenue funding requirements of the project will be met. Resolution of the remaining shortfall is necessary ahead of FBC submissions for MetroWest 2 and the opening of Ashley Down Station, which are planned in 2024. For these milestones to be achieved, clarity is required on how station operations will be subsidised post-opening and how station and rail services will be funded beyond the initial 3-year period.
- 2.1.14 Capital funding allocations have been made to support the latest project estimates for MetroWest 1 (July 2022) and MetroWest 2 (January 2023). FBC submissions, including updated market-tested estimates, are expected to be presented for both projects in 2024.

#### *Local Electric Vehicle Infrastructure funding (LEVI)*

- 2.2.1 The Office for Zero Emission Vehicles (OZEV) has indicated that the West of England Combined Authority has been allocated £6,644,000 capital funding (from a total national £343m pot) and an additional £564,160 revenue funding (in addition to the £123k already secured), to support the longer-term delivery of EV charging infrastructure.
- 2.2.2 In order to access this funding, the West of England Combined Authority is required to submit information in stages:
- a. LEVI Capital Fund:
    - i. Stage 1 (Expression of Interest (EOI) – deadline for submission 26 May 2023)
    - ii. Subject to a review of the strength of the authority’s Stage 1 submission, submission deadlines for following stages are then expected to be:
      1. Stage 2 (Preparation of business case - anticipated deadline December 2023)
      2. Stage 3 (Contract reviews by the support body - anticipated deadline Spring 2024)
  - b. LEVI Revenue Fund:
    - i. Stage 1 (Tranche 1 Revenue Fund Proforma - deadline was 10 March 2023).
      1. The West of England Combined Authority received £123k of revenue funding from OZEV in March 2023, following the submission of a proposal to use this funding to appoint a specialist Electric Vehicle (EV) charging resource.
    - ii. Stage 2 (Tranche 2 and 3 Revenue Fund Proforma - deadline 26 May 2023)
      1. This will provide an additional £564,160, with the West of England Combined Authority and Unitary Authorities working together to develop a revenue funding proposal which is intended to provide the UAs with the additional



funding required to scale up the delivery of new charging infrastructure.

2.2.3 Guidance provided by the LEVI Support Body indicates that capital funding applications will be assessed based on their alignment with the eligibility criteria below:

- c. The funding must support people who are unable to charge 'at home'.
  - i. The majority of chargers must benefit people without off-street parking, and could be a combination of on-street bollards and chargers in LA-owned car parks.
  - ii. It could support other types of chargers, such as for car clubs, chargers for taxis / fleets, and at Park & Ride sites if this helps the commercial case, although the majority of chargers must provide access for residents.
- d. There is a focus on accelerating the commercialisation of, and investment in, low-speed, residential charging infrastructure. To access the funding grant, the West of England Combined Authority's funding proposal must demonstrate that private sector match funding will be secured to match OZEV's funding grant. The West of England Combined Authority must also demonstrate that the maximum possible level of match funding will be sought by committing to a competitive procurement exercise under stage 2 of the application process.
  - i. This means that a direct investment in the Unitary Authority owned and operated Revive chargepoint network using the LEVI funding allocation would not be possible.
  - ii. However, while a competitive procurement exercise is required to access the funding, it is proposed to use an existing procurement framework as the route to procurement. It is expected that this will minimise the time, cost and resource required to undertake procurement, while also providing access to a number of leading chargepoint suppliers with relevant public charging infrastructure capabilities.

2.2.4 The delegated authority is sought due to the requirements of the funding and the expected timescales in which the funding needs to be spent. The delegations will put the West of England Combined Authority and the unitary authorities in the best possible position to meet these requirements.

#### *Active Travel Fund tranche 4*

2.3.1 In January, Active Travel England (ATE) invited local authorities to bid for funding to support walking and cycling infrastructure in their regions. The fund aimed to prioritise construction ready projects that align with Gear Change (the Government's walking and cycling strategy) and wider Government objectives including:

- local growth and productivity,
- tackling public health issues,
- decarbonisation,

- levelling up and cost of living challenges; and
- Increasing participation in active travel amongst underrepresented groups.

2.3.2 ATE set out six criteria for Active Travel Fund tranche 4 (ATF4) schemes in the invite letter:

- Compliance with the ATF4 funding principles:
  - Consideration of a range of users
  - Network planning / Local Cycling and Walking Infrastructure Plan (LCWIP) alignment to ensure schemes are integral to long term investment plans
  - Developed in consultation with local communities
  - Supported by local leaders
  - Have appropriate design review and assurance
  - Commit to ATE change control process
- Design quality and safety as defined by the ATE design tools;
- Value for Money as defined by ATF4 Value for Money guidance;
- Deliverability based on evidence of robust consultation and construction scheduling;
- Propensity to convert short journeys to walking, wheeling and cycling based on analysis of available data; and
- Targeting areas with poor health outcomes and with high levels of deprivation, as defined by the Index of Multiple Deprivation and Healthy Life Expectancy.

2.3.3 During the process ATE highlighted that value for money, deliverability, design quality, and levels of deprivation in the location of the scheme were key criteria and these would be weighted in the scoring system. These criteria have an impact on which schemes should be included in the funding submission and are successful in securing ATF4 funding and could be restrictive to progressing the delivery of high-quality walking and cycling infrastructure in some areas of the region. This has already been raised with DfT and will continue to be subject to discussion with ATE.

2.3.4 A multi criteria assessment framework (MCAF) was created based on the ATE criteria and key weighting to score the schemes that the Unitary Authorities had put forward. This approach enabled the region to include schemes in the funding submission that closely aligned to the ATE priorities for Tranche 4. A further category in the MCAF assessment was 'cost' and how the scheme fit against the indicative allocation of £3.3m for the region. As a result, not all schemes could be included in the bid.

2.3.5 The West of England Combined Authority has been awarded £3.6m as part of Active Travel Fund Tranche 4 to develop and deliver a number of schemes. Not all schemes that were submitted as part of the bid were deemed by ATE to have met all of the criteria.

2.3.6 The schemes that have been awarded funding are outlined in table 1 below.

Table 1 ATF4 funded schemes:

Authority	Scheme Name	Type of Scheme	Funding awarded (£)
BCC	Old City	Construction	1,655,463
CA	Cycle hangars Phase 1	Construction	442,727
BCC	Kenmare Road to Hengrove Park	Development	141,757
BCC	Deanery Road	Development	261,890
BCC	Old Market Junction to Lawrence Hill	Development	259,111
BCC	Malago Greenway	Development	180,855
SGC	A4174 Warmley to Longwell Green	Development	200,000
CA	Cycle hangars Phase 2	Construction	500,000
TOTAL			3,641,803

2.3.7 Delivery of these schemes must now be progressed at pace and delivered within the 2023/2024 financial year. Where construction will extend beyond the financial year, procurement of a supplier must have taken place prior to the end of 2023/2024 and a clear programme of work be outlined for delivery.

2.3.8 Schemes being delivered utilising ATF4 funding will complement schemes being delivered as part of the walking and cycling programme and funded by the Investment Fund and City Regions Sustainable Travel Settlement (CRSTS), such as Bath Quays Walking and Cycling Links, City Centre to Weston, and Midsomer Norton to Westfield.

2.3.9 The West of England Combined Authority is actively progressing new ways of accelerating development and delivery of walking and cycling schemes, including developing designs in advance to prepare to future funding opportunities, and programme level business cases, both of which will be pursued through this funding.

2.3.10 Greater detail on the accelerated delivery approach across the active travel programme is given below in paragraphs 2.6.2 to 2.6.4.

#### *Joint Local Transport Plan –*

2.4.1 The Joint Local Transport Plan (JLTP) sets out the West of England’s local transport policies and transport major scheme programme for the West of England Combined Authority area and North Somerset. A Local Transport Plan is required as:

- It is a statutory duty for all English Local Transport Authorities. The Transport Act 2000 (updated by the Local Transport Act 2008) requires local transport and/or Integrated Transport authorities to prepare a document to be known as the Local Transport Plan to “develop policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within their area”.
- It is necessary to set out the specific transport policies and interventions required to deliver a Net Zero Transport Network in line with our Climate

Change Emergency Declaration. Carbon emissions from the transport sector have remained stubbornly high, and the JLTP is expected to include Quantified Carbon Reductions (QCRs) which will robustly demonstrate how specific packages of interventions will reduce carbon emissions and by how much.

- Having a compliant JLTP sets out the vision and level of ambition for the region and will be key to securing future transport funding from Government.

2.4.2 Following extensive consultation, the current JLTP was adopted by the West of England Joint Committee in March 2020. The Plan is available on the West of England Combined Authority's website at: <https://www.westofengland-ca.gov.uk/what-we-do/transport/joint-local-transport-plan/>

2.4.3 The JLTP was adopted and the plan states that it will remain under review and further work will be undertaken to build up the evidence base and establish what will be required to reach the 2030 target and this will set the basis for the next JLTP. Since adoption, the legacy impacts of the COVID lockdown on the performance of the transport network have become clearer, the West of England has been successful in a number of funding bids for transport infrastructure and services, and new guidance from the Department for Transport on Local Transport Plans, at the time of writing, is due for publication for consultation imminently.

2.4.4 Engagement with the DfT to date suggests that the new guidance will require LTPs to be updated by Summer 2024. This is a very tight timescale for a full update, but equally it is essential that the JLTP remains consistent with national policy, in particular an expected requirement to set out robust QCRs to demonstrate and monitor success in reducing greenhouse gas emissions from the transport sector, as well as to ensure that future bids for central government funding for major transport schemes continue to be successful. Advice from the DfT suggests that, in order to maintain consistency with national guidance and policy, a fuller update to the JLTP is likely to be necessary. In particular:

- A clear evidence base, pathway and rationale behind the preferred vision and strategy will need to be demonstrated;
- Further carbon modelling will be required to clarify future year scenarios up to 2040, demonstrating that substantial cuts in carbon emissions are deliverable with the programme of investment proposed;
- Good alignment with spatial planning including the West of England councils' developing Local Plans to show that transport and planning decisions are effectively coordinated; and
- Future funding scenarios, and updates to the transport major scheme programme and phasing need to be clearly set out.

2.4.5 Work to update the JLTP will be undertaken in coordination with the West of England constituent councils and North Somerset Council. Consultation on the draft update to the JLTP is expected to be undertaken in early 2024, with adoption of the new JLTP in Summer 2024. In order to prepare the updated plan, including a statutory Environment Impact Assessment, a budget of

£1.25m is required and could be drawn from funding previously allocated for strategic planning and Committee is requested to endorse this allocation.

### *M32 Sustainable Transport Corridor and Hub (M32 STC)*

- 2.5.1 The project team are working to revise cost position in line with a CRSTS re-baselining exercise currently underway. Due to inflation and other financial dependencies, our latest review of costs and risks, compared to budget affordability has resulted in the need to consider phasing the project into affordable outputs. This would result in some elements of the wider, long-term vision being delivered through subsequent phases, subject to funding, including the recently announced CRSTS 2.
- 2.5.2 To achieve a cost compliant project, it is proposed to adopt a two phased approach. Phase 1 would include a multi-modal transport hub site, new junction on the M32, bus lanes inbound (south), a section of outbound (north) bus lane and the reclassification of the motorway, delivered within CRSTS 1, compliant to the funding available and within programme timeframe (subject to approval). This phase would include key parts of the project required to ensure the functionality of the site enabling project benefits to be realised. Phase 2 would include; infill remaining bus lanes, and de-trunking followed by bus stops to deliver greater benefits.
- 2.5.3 Following two decades of consideration of an appropriate location for a transport hub, work is progressing to identify a preferred site adjacent to, and accessed from, the M32 south of Junction 1, as discussed with project partners. A land, planning and property agent has been commissioned to carry out land referencing, initial valuations, and ecology assessments. There is a requirement to engage with landowners and key stakeholders in the vicinity of the northern section of the M32 between J1 and J2 as soon as possible following formal approval of the site location.
- 2.5.4 Further highway modelling is required, alongside highway design iterations to secure in-principal agreement with National Highways (NH) for the proposed site connections onto the M32.
- 2.5.5 NH has advised of their expectations to substantially repair the Eastville viaduct on the M32 (junction 2) due to poor structure condition and safety concerns. The delivery schedule of NH works remains aspirational pending funding, officers continue to work closely with NH. There may be opportunities for the M32 STC project to support NH aspirations, enabling mitigations for the viaduct reconstruction project in the future.
- 2.5.6 As a result of the updates above, primarily the rephasing to achieve budget compliance, there is a need to move the Outline Business Case (OBC) submission date to March 2024 from September 2023. This will allow these vital

pieces of work to take place, recognising the significant changes that have occurred nationally (Autumn 2022 statement resulting in confirmed DfT funding constraints and inflation increasing above Bank of England forecasts) and locally since the previous Committee Paper was submitted. This will also see additional costs being drawn down from within the project budget allocation to support prolongation of the OBC stage meeting cost compliance.

- 2.5.7 The £540m CRSTS award to the West of England Combined Authority included £39.5m for the M32 STC. Following the initial Transforming Cities Fund (TCF) funding of £0.350m, to date £1.464m (3.7% of CRSTS award) has been drawn down from the CRSTS award, to take the project through to September 2023. A further £0.471m (1.19%) is now requested through to completion of the OBC.

#### *Cycling and walking scheme delivery*

- 2.6.1 The West of England Combined Authority is actively progressing new ways of accelerating development and delivery of walking and cycling schemes to meet our ambitious net zero, modal shift, and decongestion targets.
- 2.6.2 Wherever possible, strategic or programme level business cases will be undertaken as early as possible to enable quicker assurance and approvals and maximise use of resource.
- 2.6.3 Business cases for these schemes will also be undertaken in a manner that is more proportionate to their scale and complexity, in compliance with the Local Assurance Framework. Through use of a simplified template and proceeding straight to FBC when appropriate, timescales for delivery will be reduced.
- 2.6.4 The delegation in recommendation 6 will also accelerate the delivery of these schemes through reducing timescales for business case approvals once interventions have been approved by Committee at the Feasibility and Development Funding Application Forms stage, which is not included within this delegation, except where the project scope is included within a Programme Strategic Outline Case that has already been approved by Committee, such as for the CRSTS.
- 2.6.5 The CRSTS re-baselining paper to Committee in October 2023 will clarify that the existing delegation on CRSTS approvals to Directors of Infrastructure on projects below £6m applies to Feasibility and Development Funding Application Forms for schemes within the approved scope of this programme.
- 2.6.6 An increased focus on developing a pipeline of schemes in readiness for future funding opportunities will reduce future project development timelines. This will be undertaken on routes prioritised in the Walking & Cycling Investment Plan (WCIP), which is currently in development, utilising revenue funding awarded at Committee in March 2023.

2.6.7 As part of identifying the strategic cycle network and the development of this pipeline of schemes, the West of England Combined Authority is mapping the existing, planned, and potential cycle network using digital tools. These maps will be available on the West of England Combined Authority’s website when finalised.

*CRSTS Top Slice –*

2.7.1 The costs for CRSTS programme management sit outside of specific CRSTS projects. These include costs for coordinating the programme, programme risk management, implementing regional commercial and procurement strategies (including procuring a Programme Delivery Partner and Tier 1 Contractor), business case coordination, stakeholder engagement, approval of designs, benefits management, monitoring & evaluation, coordinating FOI requests and communications. Up to four percent (4%) of the programme funding has been allocated for this programme management activity. Any projected underspend for this budget will be identified for reallocation across the programme.

*Future4WEST –*

2.8.1 The ambition for an enhanced public transport system in the West of England was first outlined in the 2017 Joint Transport Study (JTS), which aimed to establish a clear direction for the long-term development of transport in the region. Following on from this and several initial studies, work began in 2020 to develop options for new public transport within key transport corridors. Working with representatives from the region’s authorities, this led to the production of first an Options Assessment Report (OAR) and now the development of a draft Strategic Outline Case (SOC) for Future4WEST. This ongoing SOC forms the first stage of the Business Case process as set out below.

→ Strategic Case	Outline	Outline Business Case	→ Full Business Case
<ul style="list-style-type: none"> <li>Establishes the potential scope of the transport proposal</li> <li>Sets out the case for change</li> <li>Confirms investment will support delivery of policy priorities</li> <li>Establishes a set of objectives and looks for options to achieve these</li> <li>Uses an options framework to consider a</li> </ul>		<ul style="list-style-type: none"> <li>Concentrates on detailed assessments of shortlisted options to find optimal solution</li> <li>Detailed planning and assessments</li> <li>Full economic and financial appraisals take place</li> <li>Preferred option identified</li> </ul>	<ul style="list-style-type: none"> <li>Confirms the conclusions made in the SOC and OBC</li> <li>Procurement phase</li> <li>Records contractual arrangements</li> <li>Confirms affordability</li> <li>Puts in place management arrangements for the delivery, monitoring and post-evaluation phase</li> </ul>

longlist of options to a shortlist of viable options for more detailed appraisal at OBC

- Concludes in an investment decision point

2.8.2 The draft SOC will set out the strategic need for transport investment in the West of England and potential wider economic and environmental benefits that a Future4WEST solution could bring to the region, should an appropriate solution be identified.

2.8.3 The development of the SOC is now in the final stages. Assurance work received has identified some tasks to be completed to finalise the SOC and we have received additional proposals from a partner to be considered within the SOC. The intention is to present the SOC and next steps at the October committee meeting.

### *CRSTS re-baselining*

2.9.1 The £540 million CRSTS Programme is now entering the second of a five-year delivery period.

2.9.2 Although the West of England Combined Authority included cost contingency in case of cost-pressures in the original Strategic Outline Business Case, this was based on forecasts available when it was originally submitted in January 2022.

2.9.3 With the Consumer Prices Index (CPI) rising by 10.4% in the 12 months to February 2023, the MCA has consistently communicated to DfT through three rounds of quarterly monitoring reports that inflationary pressures are the pre-eminent risk to successful delivery. The Committee also considered a report in September 2022 on inflationary pressures and mitigations.

2.9.4 The 2022 Autumn statement confirmed HM Treasury position with regard DfT funding allocation. The DfT are required to operate within their existing allocation with no funding flexibility to mitigate for inflation. Consequences of this position have been seen nationally through descopeing national infrastructure programmes.

2.9.5 To ensure delivery plans for our West of England CRSTS funding remain realistic and effective in the current fiscal environment, the DfT has offered all Mayoral Combined Authorities the opportunity to submit proposals for re-baselined profiles to help alleviate inflationary pressure, enable delivery within the existing grant offer, and to ensure we are being held accountable to an achievable programme of delivery by the DfT and the public.

2.9.6 Proposals should be submitted to the DfT by 29th September 2023 however, given that the proposal requires Committee approval, and the autumn



committee date is currently 6th October 2023, the West of England Combined Authority is in discussions with the DfT to extend the deadline by a week.

## **Consultation**

3. This report has been developed by the West of England Combined Authority in conjunction with South Gloucestershire Council, Bristol City Council and Bath and North-East Somerset Council. Unitary Authority officers have been engaged on scheme specifics through a range of working groups. Other key stakeholders have been engaged through West of England Combined Authority Directors and CEO meetings.

### *Working with unitary authorities:*

- 3.1.1 In relation to MetroWest 1, sign off of the West of England Combined Authority's contractual agreement with GWR was endorsed by CA CEOs, including representation from North Somerset Council, in September 2021.
- 3.1.2 In addition, the funding risk surrounding rail operational costs was raised at West of England Combined Authority Joint Committee in June 2019, the CEOs meeting held March 2022 and subsequently as part of the MetroWest 1 Committee paper submitted and approved in July 2022.
- 3.1.3 The West of England Combined Authority has a number of officer working groups that have been used to discuss key issues impacting the transport programme of investment.
- 3.1.4 In order to develop a set of compliant and ambitious proposals for the LEVI funding, West of England Combined Authority officers have been working closely with the Unitary Authorities and North Somerset Council. This includes officers who are part of the West of England EV Charging Working group, who provided information in a series of one-to-one interviews, group workshops. Subject to a successful EOI this collaborative way of working will need to continue in relation to the future stages of the bidding process.
- 3.1.5 The bid for the ATF4 was developed in consultation with the Unitary Authorities. Schemes within the programme have gone through or will undergo public consultation individually, which is a requirement of the funding.
- 3.1.6 In order to develop the draft Walking and Cycling Investment Plan (WCIP), the West of England Combined Authority has consulted and worked with the Unitary Authorities. Discussions have been held through a series of one-to-one meetings and group workshops.
- 3.1.7 Throughout the development of the SOC for Future4WEST we have held regular meetings with representatives of the Unitary Authorities and the draft SOC has also been considered by Infrastructure Directors and CEOs. The feedback from these meetings will inform the progression of the SOC.

- 3.1.8 The West of England Combined Authority have actively engaged with the UAs during the development of the M32 project at both working group level and through infrastructure Director's meetings. The proposal to delay the OBC was discussed initially with the working group along with the phasing to meet CRSTS timescales. Subsequently this has been discussed at formal Directors in April 2023 and May 2023. This proposal aligns with the current re-baselining exercise.
- 3.1.9 CRSTS Programme Management costs and the proposed 4% funding top slice to cover these were discussed and agreed with all senior UA Directors in 2022. Such arrangements were formalised through the sign-off of a CRSTS Memorandum of Understanding between all parties.
- 3.1.10 We are developing our CRSTS re-baselining plans for the successful delivery of the programme which are being shaped in consultation with Unitary Authorities and key stakeholders. We are working with UA Project Managers, Programme Managers, Heads of Service and Directors, using regular forums and specific workshops as the mechanism for meaningful discussions. The re-baselining plans are being developed around five clear principles to help guide our approach including:
- A clear vision of what we want to achieve with this programme. Delivery areas are clearly defined with bold yet deliverable objectives, making sure that the expected outcomes are straightforward.
  - Defined roles and responsibilities. Everyone involved in re-baselining understands what is expected from them and there is a pro-growth and a delivery-focused mindset.
  - Ensuring that budget is identified and allocated effectively and efficiently to deliver value for money and benefits realisation.
  - Active stakeholder engagement. The programme entails a great degree of change across communities, and parties involved are consulted and will be part of the delivery.
  - Identification of the dependencies. The projects within the programme have significant overlaps and dependencies with each other, and with broader transport, land-use and economic plans for the region. From the outset, we are clear about these linkages.

#### *Public Engagement / consultation*

- 3.2.1 A key stage in the update of the JLTP will be public consultation on a draft Plan. A key focus will be to reach out to as wide a range of residents and stakeholders as possible, through a combination of web-based media and a potential launch event. A consultation report will then be produced summarising the results and where necessary amendments made to the draft Plan prior to adoption. The timing of this consultation will be confirmed following the publication of the DfT guidance.

3.2.2 As referred to in paragraph 2.6.6, the WCIP is currently being developed and the prioritisation of routes included within the final plan will be informed by an engagement exercise which is planned for late summer 2023. This plan will then be used to inform schemes that should be included in future funding opportunities in order to secure additional investment in the region to expand walking and cycling infrastructure.

## **Other Options Considered**

### **MetroWest 1**

4.1.1 The West of England Combined Authority secured funding totalling c. £16m to subsidise all of the proposed new rail services and stations for 3 years. DfT would be asked to fund the operational costs of all MetroWest enhanced services and new stations beyond the initial 3-year period. This option is not currently recommended as the option to secure alternative funding contributions other than from DfT have not yet been exhausted.

4.1.2 Plans for the introduction of specific rail services and/or stations are curtailed, including potential consideration of early termination of the GWR agreement. This option is not recommended as curtailing Severn Beach, Gloucester, Henbury and/or Portishead line services would currently prevent the opening of planned rail stations on these lines. Curtailing planned Westbury line services significantly undermines the MetroWest 1 (Portishead Line) FBC. Depending on the timing of this option being implemented, the West of England Combined Authority would be contractually liable for costs incurred to date by GWR.

### **External funding opportunities**

4.1.3 With regard to the funding opportunities relating to LEVI and ATF4 the alternative option would have been not to submit funding bids to OZEV and ATE. This option would have resulted in a lost opportunity to secure additional investment into the region and the ability to expand infrastructure relating to electric vehicles and active travel and contribute to delivering the regions transport priorities. For these reasons this option was not taken forward.

### **M32 STC**

4.1.4 A number of options regarding the progression of the OBC were considered before refining to two options for consideration by Infrastructure Directors. These two options, that would still allow progression in line with the latest cost constraints and programme, were presented to Directors in April:

- I. Produce a OBC light for September 2023 that covers the principles with an outline high level cost and programme and a full OBC to follow in early 2024
- II. Produce the full OBC for submission in January 2024 recognising that the risk areas would need to be addressed to achieve this revised date

- 4.1.5 The 2nd option was recommended and agreed in principle subject to further review. This option would result in the most cost-efficient way of delivering the OBC with no need to revisit certain elements, whilst the project development continued. Conversely, option 1 whilst delivering an evolving OBC as originally planned in September would cost more, involve duplicated/abortive work and additional governance. The further review highlighted challenges fitting the decision pathway into the programme, including DfT and NH reviews, resulting in a change to a March 2024 OBC submission date being proposed.

#### *Cycling and walking scheme delivery*

- 4.1.6 Changes to the business case process, including the recommended delegation, are not carried out and the programme proceeds with the current business-as-usual approach. This option is not recommended as it would lead to extended project timelines, slower delivery, and not assist the West of England Combined Authority in meeting its modal shift, decarbonisation, and decongestion targets.

### **Risk Management/Assessment**

#### Metro West

- 5.1.1 Rail operational costs present a risk to the delivery of enhanced rail services and additional stations across the region. While the DfT's funding position remains in negation, the West of England Combined Authority and Unitary Authorities agreed to enter into a legally binding agreement with the principal train operator within the region to meet the immediate operational funding requirement. Failure to comply with the full terms of the agreement, including making payments as specified within the contract schedules, could result in either;
- Removal of rail services within the region
  - Legal action
  - Interest paid on unpaid invoices
- 5.1.2 Failure to comply with the terms of the agreement has begun to erode relations with the DfT, which may lead to further funding challenges for capital investment the DfT has currently committed for MetroWest 1, Portishead line.
- 5.1.3 Should DfT not agree to fund the subsidy of all or some of the remaining enhanced rail service costs (Portishead line) and station operating costs for the initial 3 years and beyond, the West of England Combined Authority could be faced with a decision to either commit to subsidise the operations, secure funding from other authorities benefiting from the proposed stations and services or curtail plans for future station/rail service introductions. No formal budgetary provision has been made by the West of England Combined Authority to reflect this potential eventuality.

#### External funding

- 5.1.4 For the external funding that has been secured to progress schemes relating to walking and cycling and EV charging infrastructure there is a risk of not meeting the conditions of the funding, such as funding being committed within the required timescales. This risk has been mitigated by working with Unitary Authorities to develop the funding bids. In addition, the delegations sought within the recommendations of this report will result in approvals being able to be secured in a timely way.

#### M32 STC

- 5.1.5 The project team continues to work collaboratively with partners to achieve an agreeable outcome within the funding and programme constraints. The revised OBC date contains risks, including dependencies on others which will require detailed handling to achieve the desired outcomes. These risks include interface with NH, limited resource capacity within NH to meet approval timescales, unknown environmental factors for the chosen transport hub site (currently being assessed), regional governance and DfT alignment.

### **Public Sector Equality Duties**

- 6.1 In coming to any decision Committee Members must comply with their duties under the Equality Act 2010, in particular the public sector equality duty under section 149 and the duty under section 29 not to discriminate when providing a public service and to make reasonable adjustments. Under the Duty the relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion, sex, and sexual orientation.
- 6.2 The impact on people with protected characteristics will be considered as part of policy and scheme development. To assess these impacts and any mitigation measures required an Equality Impact Assessment (EqIA) will be completed on a case by case basis.

### **Climate Change Implications**

- 7.1 The West of England Combined Authority's Climate and Ecological Strategy and Action Plan (CESAP) 2023 has been considered in the production of this report. The recommendations in this report contribute to the delivery of a number of actions in the CESAP, most notably:
- Improving frequency and accessibility of trains through delivery of new train lines and stations (via MetroWest Phase 1a, Phase 2 and CRSTS) (recommendation 1)
  - Increase walking, cycling & wheeling by: working with partners to submit applications for additional schemes to future active travel fund (round four) (recommendation 3).
  - Supporting councils and regional partners in their walking and cycling initiatives (recommendation 3 and 6)
  - Reviewing our Joint Local Transport Plan to confirm the policies which will substantially cut greenhouse gas emissions to prioritise options progressed

- in terms of their carbon and environmental impact (recommendation 4)
- Increase uptake of electric and net zero fuel vehicles (recommendation 2)

Report and advice reviewed and signed off by: Roger Hoare, Head of Environment

## Finance Implications, including economic impact assessment where appropriate:

8.1 For recommendation 1 (MetroWest 1) the £4m approved at March 2023 Committee against 'Programme risk' is recommended to be allocated to the project to fund the subsidy of Severn Beach line rail services. A further £3.775m is recommended for approval to fund the subsidy of Westbury line rail services. The below table summarises the financial implications for Recommendation 1.

MetroWest 1 Operational costs -

Opex funding requirement	Current approved funding (£M's)	Funding required (£M's)	Additional funding required (£M's)	Funding ask to June 2023 Committee
<b>Rail services</b>				
MW1a - Severn Beach Rail Services	£4m	£3.887m	£0m	-
MW1a - Westbury Rail Services	-	£3.887m	£3.887m	£3.775m
MW2 – Gloucester Rail Services	£3.887m	£3.887m*	£0m	-
<b>Total</b>	<b>£7.887m</b>	<b>£11.662m</b>	<b>£3.887m</b>	<b>£3.775m</b>

- 8.2 No funding has been provisioned to cover future forecast rail revenue costs beyond the funding requirements set out in the table above and funding to subsidise Portway Station operational costs. This is based on the assumption, subject to further work and confirmation that DfT will provide the necessary funding to subsidise (where required) future forecast rail service and station revenue costs related to the MetroWest programme.
- 8.3 Recommendation 4 (JLTP) involves the use of £1.25m of existing committed funding for Strategic Master Planning for the JLTP. Strategic Master Planning had an original allocation of £5.75m of which £2.525m has been utilised. Funding available after developing the JLTP will be £1.975m.
- 8.4 In respect of the proposed CRSTS top slice for programme management costs those funds have already been safeguarded and there is no further financial burden.

8.5 There is no further ask in terms of funding for Future4West at this stage. Currently £3.361m has been allocated for developing the SOC, of which £3.088m has been utilised. The remaining £273k of already approved available budget will be spent on finalising the SOC. A further £13.639m of Investment Fund has been ring fenced for future stages, agreed in April 2022.

Report and advice reviewed and signed off by: Stephen Fitzgerald, Section 73 Officer.

**Legal Implications:**

9.1 These matters are within the authority of the West of England Combined Authority.

Report and advice reviewed and signed off by: Tom Clark, Head of Law and Governance

**Human Resources Implications:**

10.1 Not applicable.

**Land/property Implications**

11.1 Not applicable.

**Appendices:**

*List any appendices to the report:*

**Background papers:**

*Insert details (any documents listed will need to be made available for public inspection on request – where possible, insert links to documents quoted)*

**West of England Combined Authority Contact:**

Report Author	Contact Details
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## ITEM 12

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

**DATE: 16 JUNE 2023**

**REPORT TITLE: TRANSFORMATION PROGRAMME & REGIONAL STRATEGY**

**DIRECTOR: JESS LEE, HEAD OF STRATEGY & INNOVATION**

**AUTHOR: RACHEL PYKETT, HEAD OF POLICY**

### **Purpose of Report**

- 1 This report sets out progress and next steps on the West of England Combined Authority's route to improvement. The report provides Committee with an update on the West of England Combined Authority transformation programme that is underway to respond to and take forward recommendations from the recent Grant Thornton external audit report, the West of England Combined Authority commissioned an Independent Peer Review and the West of England Combined Authority Committee approved the action plan. This report provides a more detailed update on the progress to deliver a revised regional strategy as part of the transformation programme.

### **Recommendation**

- Committee is recommended to:
  1. Consider and comment on the structure and actions of the West of England Combined Authority transformation programme.
  2. Consider progress towards the revised regional strategy, providing any steers on issues you would like factored in as the work progresses.
  3. Note that a further update on the transformation programme will be provided to the October Committee meeting.
  4. Note intention to invite further external review of progress after approximately 12 months.

## **Reasons for recommendation**

- At March Committee, the action plan agreed committed to bringing an update on progress in delivering actions to June Committee.

## **Voting arrangements**

- At March Committee, members requested an update on transformation and the regional strategy at their next meeting. This paper sets out the update requested. There are no votes associated with this item.

## **Background / Issues for Consideration**

- 2 At the West of England Combined Authority Committee meeting on 17<sup>th</sup> March 2023, Committee:
  - Approved the action plan that had been developed in response to the Grant Thornton external audit report.
  - Agreed the conclusions of the Independent Peer Review that was committed to in December 2022.
  - Delegated to the Combined Authority Chief Executive, in consultation with the Chief Executives of the Unitary Authorities, to incorporate recommendations from the Independent Peer Review into the action plan as appropriate.
- 2.1 Since March Committee, CEOs have worked together to establish a Combined Authority transformation programme. The programme draws together the conclusions and recommendations from the work highlighted in paragraph 2. As there is a degree of duplication and overlap in the conclusions that have been reached, the transformation programme actions have been streamlined.
- 2.2 Four workstreams have been established, along with a set of programme level actions. Workstreams cover:
  - Purpose and strategy
  - Workforce and culture
  - Governance and structures
  - Effectiveness, efficiencies and delivery
- 2.3 Figure 1 provides an overview of the transformation programme, including a summary of the aims and core actions within each workstream. An update on actions across each workstream are set out in more detail later in this report.

Figure 1: Transformation programme overview

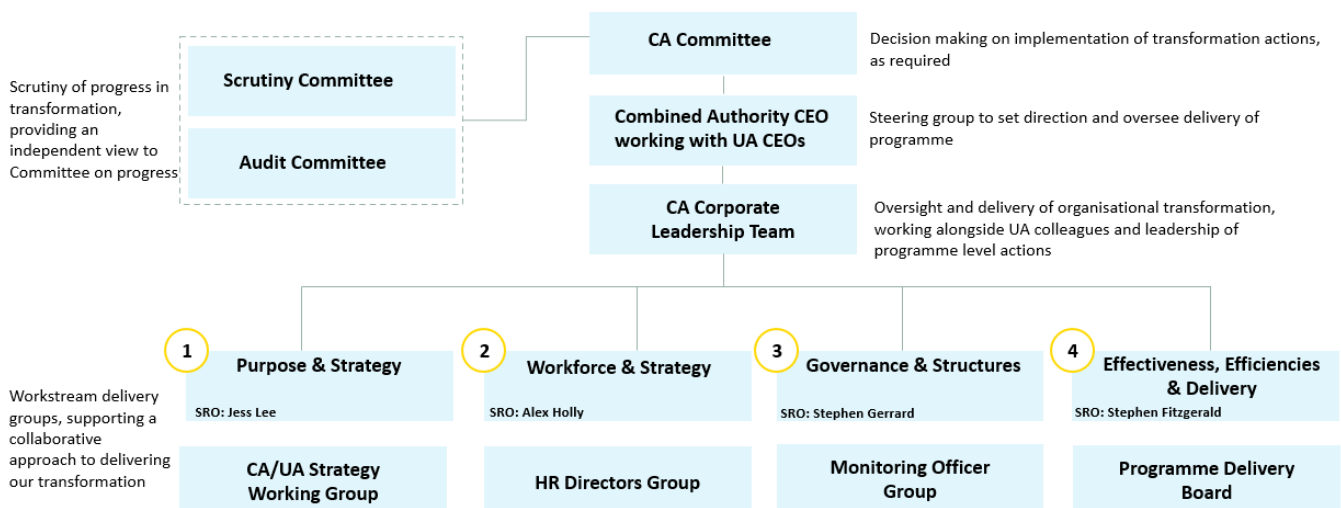
	1	2	3	4
	Purpose & Strategy	Workforce & Culture	Governance & Structures	Effectiveness, Efficiencies & Delivery
	Programme Level Actions (actions that cut across all workstreams, including stakeholder comms and engagement)			Workstream lead: Jess Lee
Aims of workstream	Developing a shared view of the role and purpose of the Combined Authority	Ensuring that the Combined Authority has the right resources, people management processes and culture to enable successful delivery	Ensuring that the Combined Authority has the appropriate governance structures and constitutional arrangements to support effective decision making	Ensuring that the Combined Authority can deliver on corporate objectives and achieve efficiencies, delivering value for money
Summary of core actions to deliver	<ul style="list-style-type: none"> <li>• Discussion of regional priorities</li> <li>• Facilitated, structured discussions on core purpose of the CA</li> <li>• Refreshed regional strategy</li> <li>• Facilitated work with business community to redefine role of Business Board</li> <li>• Joint Committee meetings held alongside the CA Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Roll out 'step change' programme that will:                             <ul style="list-style-type: none"> <li>• Establish working behaviours and principles for the CA</li> <li>• Strengthen the corporate core</li> <li>• Build enhanced relationships with UAs</li> <li>• Complete a management restructure</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Develop CA operating principles</li> <li>• Establish a set of committees/ meetings to deliver on CA operating principles</li> <li>• Consider use of Leader portfolio model</li> <li>• Revise CA constitution as required to deliver ambitions of the transformation programme</li> </ul>	<ul style="list-style-type: none"> <li>• Revisit the business case/project evaluation process</li> <li>• Build use of the Programme Delivery Board to ensure delivery remains on track and delivers <u>vfm</u></li> <li>• Build the internal CA organisational Governance Board to strengthen governance and processes within the organisation</li> <li>• Consider routes to maturing the approach of the CA to attracting and delivering investment</li> </ul>
Workstream lead	<b>Jess Lee</b> Head of Strategy & Innovation	<b>Alex Holly</b> Head of People & Assets	<b>Stephen Gerrard</b> Director of Law	<b>Stephen Fitzgerald</b> Interim Director of Finance & Resources

\* The table above sets out workstreams. Work will progress on all the different workstreams both simultaneously and sequentially as appropriate.

## Programme Governance

- 2.4 At March Committee, members delegated to the Combined Authority CEO, in consultation with the Chief Executives of the Unitary Authorities, the incorporation of the areas set out in the Independent Peer Review into the West of England Combined Authority action plan.
- 2.5 CEOs have agreed the structure of a transformation programme to take forward this work and the CEO group is acting as the steering group for this programme, providing oversight and direction. They are receiving regular updates on programme wide progress and are in the process of receiving workstream specific updates. CEO oversight is ensuring actions remain on track as appropriate, and that work underway reflects the perspectives of all partners as much as possible given accountabilities.
- 2.6 For each workstream, arrangements are in place to ensure delivery is progressed in collaboration between Unitary Authority and Combined Authority officers. Where needed, new officer groups have been established to support collaboration. Where appropriate working groups are already in place, arrangements to ensure collaboration have been strengthened where required.
- 2.7 Decisions flowing from the transformation programme that require Committee decisions will come to Committee as required, with independent review from the Audit and Scrutiny Committees. Figure 2 provides a summary of transformation programme governance. For workstream 4, work that falls outside the remit of the Programme Review Board will be taken direct to CEOs.

**Figure 2: Transformation Governance**



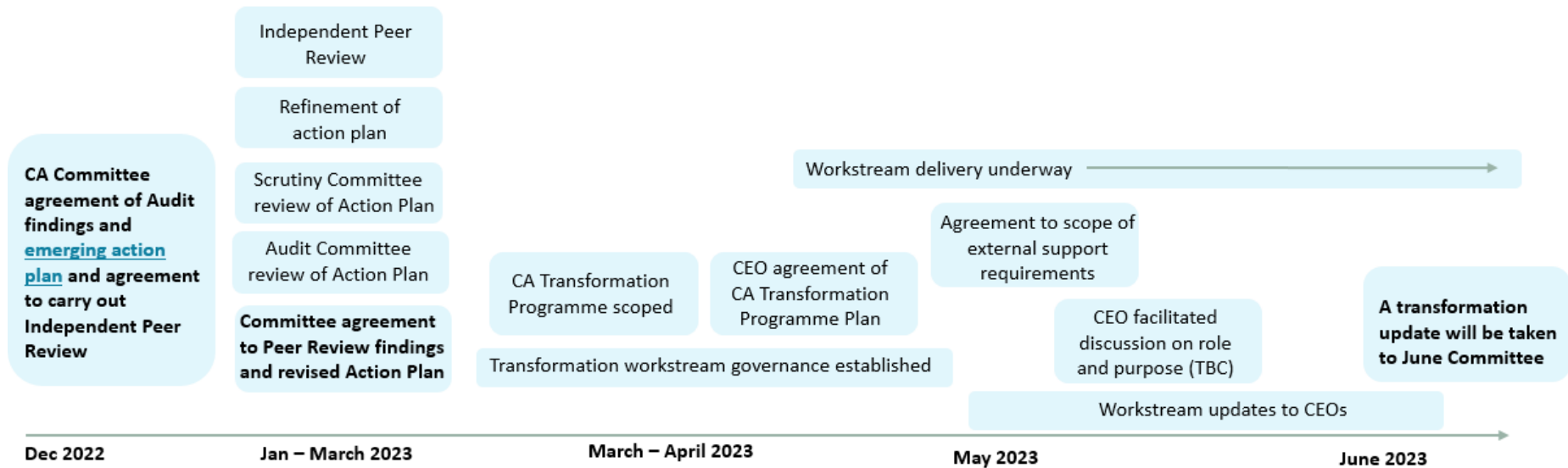
## Action to date

2.8 Since Committee agreed an emerging action plan in response to the Grant Thornton external audit, swift work has taken place to conduct an Independent Peer Review and establish a transformation programme. Figure 3 provides an overview of progress to date.

**Figure 3: Progress to date in delivering the West of England Combined Authority transformation programme**

Phase 1 of the Transformation Programme has focused on identification of areas for action and agreement of the work programme required to deliver

Page 109



2.9 The timeline for the next phase of the transformation programme is in development and each workstream is in the process of detailed CEO review.

## Workstream updates

- 2.10 The following sections of the report provide an update on each workstream across the transformation programme. A more detailed update is included in relation to workstream 1 (purpose and strategy), recognising that actions in this workstream will drive progress across the rest of the programme. Focus is therefore being placed on progressing this workstream swiftly. However, as the following pages show, there is progress to report across all aspects of the programme.
- 2.11 Key progress to note since the March 2023 Committee discussion includes:
- The bringing together of recommendations and actions from independent reviews and West of England Combined Authority Committee agreed action plan into a single transformation programme plan.
  - The development of a forward plan of decisions for Committee approval.
  - A work programme approved by CEOs to deliver a refreshed regional strategy with the aim of completing this work by Autumn 2023.
  - Preparation for externally facilitated CEO discussion to help shape work in planning Mayors and Leaders discussions on the role and purpose of the West of England Combined Authority.
  - Progress in delivering a 'step change' workforce strategy across the West of England Combined Authority organisation, including progress in recruitment of permanent members of the West of England Combined Authority Corporate Leadership Team.
  - Completion of a range of governance actions recommended in the Grant Thornton external audit report to strengthen processes around the commissioning of legal advice.
  - The ongoing strengthening of the Programme Delivery Board, which brings together senior West of England Combined Authority and Unitary Authority officers to review progress on projects, providing challenge and support to ensure more timely delivery of projects.
  - The establishment of a new Governance Board within the West of England Combined Authority organisation to strengthen processes within the organisation.
- 2.12 Regional CEOs have signed off the transformation programme action plan and have guided the delivery of actions set out above. CEOs will continue to receive regular updates on progress across the programme, ensuring delivery is informed by all partners within the West of England Combined Authority.
- 2.13 The following sections of the report provide updates across the transformation programme. Actions across the programme reflect the conclusions of the Grant Thornton Audit report, the Independent Peer Review, and the Committee approved action plan. Across these reports there has been a degree of duplication and overlap in conclusions and recommendations. The transformation programme streamlines actions into a clear set of activity. Annex 1 provides an overview of all source recommendations and actions that have informed the programme, providing clarity and transparency on how actions have been mapped.

## Programme level workstream

2.14 Figure 4 provides an update on programme level actions, including progress in the development of a forward plan of decisions that Committee is due to discuss during their meeting on 16<sup>th</sup> June.

**Figure 4: programme level workstream**

Action No.	Action	Activity Planned	Key dates
TP1	<b>Bring together recommendations and actions from independent reviews and West of England Combined Authority Committee agreed action plan into a single transformation programme plan</b>	Creation of a single transformation programme has taken place with workstreams approved by CEOs. This document brings the approved programme into a single programme plan.	April – May 2023
TP2	<b>Independent progress reviews to be carried out</b> , monitoring progress of the transformation programme and should be reported to Committee	The LGA and Solace are involved in the work and Solace will be invited to undertake a high-level independent progress report at the half year with a fuller more detailed 1 year on report.	Progress report: Sept 2023, 1 year on report: Mar 2024
TP3	<b>Senior Officers will continue to meet</b> collectively and on a 1:1 basis going forward	A range of senior officer groups are in place, including fortnightly meetings of CEOs. Attendance and regularity of meetings will be monitored via independent progress reports. 1 to 1's between the West of England CEO and the Unitary Authority CEO's have been set up and are being set up.	Progress to be reported via reports noted in action TP2
TP4	<b>Senior Leaders and officers will:</b> a. <b>Work collaboratively</b> and engage in meaningful consultation when developing solutions and proposals to help leaders to mitigate points of contention where possible ahead of West of England Combined Authority Committee meetings. Where possible, flagging matters of contention in good time to allow for solutions to be developed ahead of West of England Combined Authority Committee meetings. b. <b>Commit to promoting a culture of respect</b> and understanding at all times. c. <b>Seek mediation at an early stage if required</b> to ensure working practice continue and solutions can be developed.	TP4a. To be managed through CEO meetings or 121 discussions, as appropriate. TP4b. Progress to be considered via reports noted in action 2. TP4c. Progress to be considered via reports noted in action 2. Access to mediation to be considered as part of workstream 2.  A programme of external engagement (including with Government) will be developed to ensure stakeholders are aware of progress and able to provide constructive feedback.	Progress to be reported via reports noted in action TP2
TP5	<b>A forward plan of decisions and activities will be developed</b> to help with planning / resourcing / engagement for CEOs meeting.	An indicative 12 month forward plan for West of England Combined Authority Committee will be presented to the June meeting. As the forward plan is refined, this will contribute to forward planning of CEO meetings.	Progress to be reported via reports noted in action TP2

## Workstream 1: Purpose and strategy

2.15 Figure 5 provides an overview of workstream 1. A more detailed update on this workstream is set out below.

**Figure 5: purpose and strategy workstream**

Action No.	Action	Activity Planned	Key dates
PS1	<b>The West of England Combined Authority will engage in a facilitated structured conversation to revisit and clarify its core role and purpose</b> including the policy areas where we agree working together regionally to develop strategies and plans is beneficial. Discussions on role and purpose will also consider when and how to engage with partners outside the combined authority, potentially including deepening partnership arrangements where appropriate.	CEO discussion (with external facilitators) currently anticipated in late June, which will set scope for Mayors and Leaders discussions (timing TBC ensuring that new members of the committees are given appropriate time to understand the issues within the transformation plan).	June CEO discussion Mayors and Leaders timing TBC
PS2	<b>The West of England Combined Authority, in dialogue with partners, will co-produce a Regional Economic Strategy</b> , providing a common narrative for all regional stakeholders to be able to promote the economic vision of the region to external audiences. Through this work, highlighting investment opportunities across the region.	A series of workstreams are progressing, including reviewing investment opportunities, considering future devolution opportunities, reviewing existing strategies, etc.	Updates to future Committee meetings to ensure Mayors and Leaders continue to set strategic direction
PS3	Using independent facilitation, <b>work with the business and partner community to refine a Terms of Reference for a Business Board</b> to advise, support and challenge the West of England Combined Authority. Through this work, delivering a LEP integration plan	This action will be progressed as part of and ahead of the October committee report dealing with both the future of the Local Enterprise Partnership and the creation and significance of a business board.	TBC – following role and purpose discussions
PS4	<b>Align the West of England Combined Authority and the Joint Committee into the same business meeting.</b>	We will set these up to deliver the business as required.	Action Complete
PS5	<b>Activity to agree regional priorities</b> including allocation of resources.	A regional priorities workshop took place in February 2023. Out of this, Mayors and Leaders agreed work to progress a revised regional strategy; work to support refinement of regional investment opportunities; work to strengthen our investment in the region; and a strengthened focus on working together to deliver. The regional strategy will be refreshed on a regular	Workshop in Feb 2023. Actions now embedded across the transformation programme.



		basis as required. The conclusions of this workshop are being taken forward across the transformation programme.	
PS6	<b>Board members to be involved at an earlier stage in setting strategic regional direction</b>	Feb 2023 workshop set initial direction. CEOs are acting as a steering group for this work.	Mayors and Leaders will continue to set strategic direction

### Revised regional strategy update on activity

- 2.16 There are clear interdependencies between the transformation programme workstreams. Delivering a revised strategy for the region will help deliver the wider programme, this work is therefore being progressed at pace and a more detailed update on this workstream is set out below.
- 2.17 The current overarching regional strategy is the Local Industrial Strategy (LIS), which was published in 2019. This document needs refreshing, reflecting the changed priorities of the region and reflecting the impact and continued response to the Covid pandemic and economic downturn.
- 2.18 As figure 6 shows, a revised regional strategy, developed in dialogue with partners, will give the region a common narrative for all regional stakeholders to be able to promote the vision of the region to external audiences. It will provide the context for other regional delivery plans.
- 2.19 The revised regional strategy will also provide an agreed vision and set of priorities to support Committee in its decisions over the coming period. It will also be a document we can share with a wide range of potential investors in the region, helping articulate the investment opportunity that exists in the West of England.

**Figure 6: The role of the refreshed regional strategy**



2.20 The workstreams underway to help deliver the regional strategy are:

- **A refresh of the regional evidence base**

The refreshed evidence base was discussed by Mayors and Leaders during their regional priorities workshop on 20<sup>th</sup> February. It highlights the strengths and challenges of the regional economy. Mayors and Leaders agreed a range of issues that should be considered in more detail based on the evidence presented in February 2023.

- **Deep Dive questions**

The issues Mayors and Leaders agreed should be considered in further detail are being taken forward through the deep dive workstream. For each question, work is underway to understand the scale of the challenge faced, activity already taking place within the region to address the challenge, and examples of national and international best practice we may

want to draw on. The conclusions of this work will set out a series of potential actions we may want to take. CEOs are guiding this work, and officers from across UAs and the authority are inputting.

- **Reviewing our existing strategies**

To ensure the refreshed regional strategy reflects both new priorities and those Committee has agreed over recent years, we are reviewing existing regional delivery plans and strategies to ensure actions and ambition are drawn through as appropriate.

- **Assessing the impact of our work**

Work is underway to assess the impact of our work. While this work will highlight areas for potential improvement, it is being scoped in such a way as to also draw out the positive impact of our work. This work will help us understand where we have good practice to build on and where the West of England Combined Authority can achieve positive impact. As well as informing our future strategy, this work will be a useful resource to inform discussions between Mayors and Leaders on the role and purpose of the West of England Combined Authority.

- **Potential areas for devolution**

Since the West of England agreed its devolution deal in 2016 there have been developments in English devolution that we should reflect on as we revise our strategy. Work is underway to articulate devolution priorities for the region, reflecting both on our own regional ambitions and the developments that have taken place in other MCA areas since the publication of the Levelling Up White Paper.

- **Regional investment opportunities**

Following the Mayors and Leaders regional priorities meeting in February, CEOs were tasked with revising and updating the list of investment opportunities that have been identified across the region. Officers are progressing this work with the aim of providing Mayors and Leaders with a refreshed range of investment opportunities to consider as part of the strategy refresh process.

- **External engagement**

Across our regional partners, there is a wealth of knowledge, experience and thinking on how we can help our region thrive. To ensure the refreshed regional strategy is something that all partners can get behind, a programme of external engagement will take place during the summer, asking our partners to highlight evidence we should consider and ideas for delivery priorities that we may want to factor into the regional strategy. The views we gather through this external

engagement exercise will help inform the regional strategy and the conclusions Mayors and Leaders reach on the positioning of the strategy.

- 2.21 At the regional priorities workshop in Feb 2023, Mayors and Leaders also requested work to consider how we **broaden our approach to investment**, working existing funds as hard as possible and considering opportunities to bring new investment into the region. The refreshed regional strategy will also be informed by this work, which is being led from workstream 4 of the transformation programme.
- 2.22 A regional strategy working group has been established bringing together officers from the authority and UAs. This group, guided by CEOs, will collaborate in drafting the revised regional strategy over the summer with the aim of bringing a draft strategy for Committee approval in October 2023.
- 2.23 As part of the transformation programme, discussions between Mayors and Leaders will be taking place on the role and purpose of the West of England Combined Authority. The conclusions of these discussions will help shape the positioning of the refreshed regional strategy and will also inform the direction of the broader transformation programme.

### **Workstream 2: workforce and culture**

- 2.24 This workstream is primarily focused on ensuring that the West of England Combined Authority has the right resources, people management processes and culture to enable successful delivery, both through directly addressing the recommendations raised in the Grant Thornton and Solace reports, and through the implementation of themes of work as identified in the West of England Combined Authority's agreed HR strategy.
- 2.25 Figure 7 provides an overview of actions under workstream 2 of the transformation programme. The update notes the progress underway in recruiting permanent members of staff to the West of England Combined Authority Corporate Leadership Team.

Figure 7: workforce and culture workstream

Action No.	Action	Activity Planned	Key dates
WC1	<b>Through ‘Step Change’ programme, develop revised leadership structure for the West of England Combined Authority organisation</b> including review of senior pay and grading structures and titles and creation of consistent ‘job families’ across the authority	Develop revised leadership structure for the Combined Authority which provides appropriate senior capacity and capability to ensure successful delivery. This work will engage the LGA for benchmarking and the CEOs will be consulted in advance of Committee approval.	Target date: July 2023
WC2	Through ‘Step Change’ programme, <b>establish working behaviours and principles for the West of England Combined Authority</b> and revised values for the organisation, using established LA networks as appropriate	Proposal for revised values work agreed by leadership team on 30 <sup>th</sup> May 2023. Work to take place over the summer, with a view to launching agreed values in Autumn 2023. Benchmarking / external engagement to take place as needed.	Target date: September 2023
WC3	Through ‘Step Change’ programme, <b>strengthen the function of the ‘corporate core’ of the West of England Combined Authority organisation</b>	Further review capacity within Infrastructure and Corporate services, to finalise the ‘step change’ work and ensure that sufficient resource in both direct delivery and corporate enabling services	Target date: ongoing, but progress to be made by June 2023
WC4	<b>Complete management restructure to fill interim posts permanently</b> in consultation with the LAs, with external support, and in line with the constitution of the West of England Combined Authority. Ensure Monitoring Officer role is at Director level	Permanent Strategic Director of Infrastructure now in place. Solace have been appointed as Executive Search partner to support recruitment of Strategic Director of Resources (s.73 Officer) and Director of Legal Services (Monitoring Officer). Kick off meeting held on 25 <sup>th</sup> May 2023, and a planned schedule of recruitment activity is in place over the coming months. Once complete, all reports to the CEO will be permanent employees.	Target: Autumn 2023 for Legal Director, Winter 2023 for Resources
WC5	<b>Ensure performance reviews are formally recorded</b>	The CEO has had year end performance reviews and target setting with all of the Corporate Leadership Team in April and early May 2023. Cascade to all areas of the organisation by early August 2023. Revised approach and new system to continuous Performance Management across the Combined Authority has been agreed by the Corporate Leadership Team.	All performance reviews by August 2023. New performance approach implemented by Sept 2023
WC6	<b>Consideration of the GT Auditing Culture report</b> made by the Head of HR in consultation with UA HR leads (and others as relevant), and	Regular meeting between the HR leads of the authorities are already in place. Next meeting will specifically pick up	Ongoing

	recommendations for improvement made for consideration by the constituent member CEO group	collaboration and benchmarking. Values work will consider GT culture report and other best practice.	
WC7	<b>Agree process for sharing performance indicators and information with member organisation relating to organisational culture and health</b>	HR dashboard has been in place for a number of years. This was brought for review to the leadership team in March 2023 and revised metrics agreed. Roll out of revised metrics over the coming months, to be shared as appropriate with HR network.	Regular reporting of agreed revised metrics. Target date: July 2023
WC8	<b>Review of recruitment and attraction strategy</b> to ensure that the Authority can bring in the right people with the right skills and reduce interim usage	Through organisational workforce strategy, external benchmarking will take place to support delivery of this action.	Target date: July 2023

## Workstream 2 – other related work

- 2.26 In addition to addressing the recommendations highlighted by Grant Thornton and Solace, it is important that delivery of this workstream is seen in the context of wider work covered in the HR strategy, to ensure that a holistic approach is taken to addressing workforce and culture considerations within the West of England Combined Authority. The activities highlighted below all form component parts of the wider HR strategy.
- 2.27 **Refreshing our organisational values** – an approach to this work was considered by the Corporate Leadership Team on 30<sup>th</sup> May 2023. This included a plan to engage the wider organisation to deliver a revised set of values and behaviours, to be rolled out late summer / early autumn 2023. This work is fundamental to ensuring we get the right culture within the authority and that staff feel a sense of belonging and purpose.
- 2.28 **Revised learning and development offer** – we are in the process of undertaking a learning needs analysis, which will be further informed by the development needs identified in the performance review process, to ensure that staff can access the right opportunities to develop the skills they need to excel in their role.
- 2.29 **Review approach to recruitment and attraction** – this work will review our recruitment, benefits and attraction strategies, to ensure that we are able to attract the best people to help us deliver for the region.
- 2.30 **Development of Equality, Diversity and Inclusion Advisory Group** – this will be rolled out in the coming months. The group will be chaired by a member of the Corporate Leadership Team, with the remit of ensuring that both internal policies

and external interventions are critically evaluated to understand their impact on a range of diverse groups.

2.31 As with other areas of the transformation programme, external support will be sought – including the Local Authority HR leads groups, the Combined Authorities HR leads group, the Local Government Association, and other appropriate bodies as necessary (e.g. the Chartered Institute for Personnel and Development). This external support will help to ensure that any proposals are properly benchmarked and represent best practice.

### Workstream 3: governance and structures

2.32 Figure 8 provides an overview of actions in the governance and structures workstream. As noted in the update, a number of the actions that fit within this workstream were completed before the transformation programme was established (details on these can be found in annex 1). The more substantial actions around reviewing the West of England Combined Authority constitution and meeting structures will be progressed through discussions on the role and purpose of the West of England Combined Authority. Planning for these sessions is underway, as noted in the update on workstream 1.

**Figure 8: governance and structures workstream**

Action No.	Action	Activity Planned	Key dates
GS1	<b>Following discussions on the role and purpose of the CA, develop revised West of England Combined Authority operating principles</b> as part of revisions to the Constitution of the West of England Combined Authority. Have regard to the Constitutions of other CAs as revisions are made. In reviewing the Constitution, revise the scheme of delegations.	A programme of potential constitutional changes will emerge, any change will require unanimous agreement of the constituent authorities and the Metro Mayor. This will be in addition to the recommended scheme of delegation changes on this agenda.	TBC - Following role and purpose discussions
GS2	<b>Establish a set of meetings with the purpose of enhancing ownership and collaboration of the agenda and the West of England Combined Authority.</b> Committees to have clear ToR, forward timetable and training programme to support implementation. This work should be independently supported	Through discussions on role and purpose of the West of England Combined Authority and by looking at other combined authorities, consideration can be given to the range of meetings / Committees in place and potential constitutional changes required, ensuring that any options take account of, and work effectively in the West of England.	TBC - Following role and purpose discussions

GS3	<b>Consider assigning Leader portfolios</b> and CEO portfolios to support Leaders.	Through discussions on role and purpose of the West of England Combined Authority, the question of Leader portfolios can be considered as and when appropriate.	TBC - Following role and purpose discussions
GS4	<b>West of England Combined Authority officers will ensure Cabinet Members from UAs can request briefings from senior CA officers as required</b>	The Combined Authority Chief Executive has offered briefings to all Local Authority member portfolio holders in advance of committee meetings.	To start from lead-in to June 2023 Committee
GS5	<b>Regional Monitoring Officers will meet regularly</b> to discuss matters regarding the constitution that need addressing	Regional Monitoring Officers meet as necessary, this meeting can be called by any of the Monitoring Officers in the region. Monitoring Officers will meet at least quarterly.	Ongoing
GS6	Following the 2023 local elections, <b>highlight the opportunity of joining the Audit and Scrutiny Committees to UA members.</b>	Material will be provided to new members as part of their induction process and all members will be offered the opportunity to meet with CA officers to discuss the role of Audit and Scrutiny Committees	June 2023

- 2.33 The West of England Combined Authority Action Plan, following the Grant Thornton external audit report, agreed a range of specific actions associated with agreement of a new protocol covering when legal advice can be sought. These actions have all been completed (as noted in annex 1) and a constitutional amendment was approved by Committee in March 2023.
- 2.34 As noted above, other actions associated with this workstream which are about improving working practices (i.e. briefing cabinet members, regular meetings of the regional Monitoring Officers group) have been taken forward and will become part of our ongoing approach to working across the West of England Combined Authority partnership.
- 2.35 As the steering group for the transformation programme, the CEOs have agreed that a number of the actions set out in Figure 7 will be taken forward following discussions on the role and purpose of the West of England Combined Authority.
- 2.36 **Workstream 4: effectiveness, efficiencies and delivery**
- 2.37 Figure 9 provides an update on workstream 4 of the transformation programme, including strengthened arrangements in place to review progress in project delivery.



**Figure 9: effectiveness, efficiencies and delivery workstream**

Action No.	Action	Activity Planned/Completed	Key dates
DE1	<p><b>Review the process for project evaluation of Business Cases</b>, having regard to the models used in other Combined Authorities – ensuring business case assessment and decision-making is transparent and streamlined, and that criteria are clear.</p>	<p>We will review the Business Case process to ensure robust testing of proposals, involvement by decision-makers at the right time, and linkage to the strategic prioritisation exercise. This will include increasing external transparency on when funding is available for non-government delivery partners.</p> <p>A review of the business case process was recently undertaken including seeking feedback from scheme promoters on how this could be streamlined and made more efficient, whilst continuing to meet the requirements of the National Local Growth Assurance Framework guidelines. One outcome of this process was the rollout of a streamlined approach for smaller scale, less complex transport schemes in April.</p>	Ongoing
DE2	<p>Use the <b>Programme Review Board to review progress on agreed projects</b>, providing challenge and support to ensure more timely delivery of all projects.</p>	<p>The Programme Review Board meets once a month and has scrutinised delivery on a wide range of projects involving senior officers from both the West of England Combined Authority and the Unitary Authorities.</p> <p>The work of PRB informed the profiling of spend, a review took place of the profile of spend in the Capital Programme. This change of profiling was reported to the West of England Combined Authority Committee on 17<sup>th</sup> March 2023.</p> <p>The last meeting of the programme review board considered:</p> <ul style="list-style-type: none"> <li>• Changes to Key Projects</li> <li>• Metro West Scheme</li> <li>• City Region Sustainable Transport</li> <li>• Line by line review of projects</li> </ul>	Ongoing

		<ul style="list-style-type: none"> <li>• Longer term work program.</li> </ul> <p>The Infrastructure Directorate of the Combined Authority is implementing a change programme, ensuring it is positioned effectively to oversee the delivery of the significant infrastructure programme over the coming years.</p> <p>It is essential that the work of the PRB maximises the focus on delivery including consideration of all appropriate options to improve delivery across the region.</p>	
DE3	Use the West of England Combined Authority <b>Corporate Governance Board to strengthen governance throughout the organisation.</b>	The Corporate Governance Board has been established to lead on all aspects of Governance across the organisation in support of the statutory officers. This includes organisational processes and standards, financial management, employment practice, audit and risk, and health and safety. The board has undertaken a gap analysis of where Governance needs to be improved and this is being developed into a work program. It will deliver improved oversight for day-to-day delivery of the work of the organisation. The last meeting of the board took place on 26 May.	Ongoing
DE4	<b>Review approach to existing investment funds</b> providing CEOs with up-to-date position on commitments, headroom, delivery timeframes.	The West of England Combined Authority has initiated a detailed line by line review of projects both in infrastructure and across the totality of the West of England Combined Authority's operations. This line-by-line review was initiated by the Combine Authority Committee on 17 March. This work is now underway.	11 May
DE5	<b>Bring forward proposals for revisions on how we invest current funds and proposals for new investment approaches</b> to help money go further	The intelligence gained from the line-by-line review and the detailed work of the Program Review Board will provide revisions to how of how current funds are invested. Additionally, the West of England Combined Authority is preparing a concept paper on how it develops its role as an investment organising to complement of its existing grant giving responsibilities the results of this initial work will be reported to the West of England Combined Authority Committee in October.	6 October

DE6	<p>Through a programme of <b>effectiveness and efficiency reviews</b>:</p> <ol style="list-style-type: none"> <li>a. consider the <b>appropriate routes to allocating the final 10% of the staffing budget</b> increase agreed at Jan '23 Committee</li> <li>b. Consider areas for <b>'shared services'</b></li> </ol>	<p>Then West of England Combined Authority is establishing a programme of efficiency reviews. These will be applied vertically across the organisation with each Directorate of the Combined Authority being reviewed in turn. These reviews will involve a detailed scrutiny of each directorate's operations to determine fitness for purpose and value to money. They will involve challenge sessions leading to the development of transformational change. An update on progress of the reviews will be provided at the West of England Combined Authority Committee on 6 October.</p> <p>The West of England Combined Authority is working to secure an external partner to provide support and independent input to the reviews. Discussions are currently ongoing with the Local Government Association about how this additional support will be delivered.</p> <p>The West of England Combined Authority is currently monitoring the spend of the allocation for additional staffing provided at 27 January Committee to determine at what point in the year the "final 10%" will be required.</p> <p>The West of England Combined Authority will actively work with the Unitary Authorities to explore the opportunity for the delivery of operations through shared service arrangements both within the West of England and beyond.</p>	6 October
DE7	<p><b>Strengthen monitoring and evaluation of all projects</b> to meet requirements of the Investment Fund Gateway Review and the CRSTS national evaluation. This will include updating the monitoring and evaluation framework and providing clearer guidance to project managers on proportionate requirements.</p>	<p>Preparation for the Gateway Review is underway. The Local Evaluation Framework for the second Investment Fund Gateway Review is to be submitted to Government in June 2023, including setting out those projects in scope for impact or progress evaluation, together with proposals for complementary workstreams as set out in the National Evaluation Framework. This process has included a review of the evaluation plans of schemes selected for impact evaluation and there will be regular dialogue with project leads moving forward, through to conclusion of this second Gateway process in 2026.</p>	30 June

		<p>The West of England Combined Authority has recruited a Monitoring &amp; Evaluation manager, starting in July, who will lead work to update our M&amp;E framework for all funding streams. This will bring more consistency to the evaluation of projects to ensure that a proportionate approach is taken to identify lessons for future delivery and to meet the needs of funders.</p> <p>We are awaiting guidance from DfT on the framework for M&amp;E for CRSTS. We will develop a comprehensive approach that collects relevant data across the region and provides a framework for all projects to follow.</p>	<p>December</p> <p>October</p>
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- 2.38 As noted above, a range of activity is underway to deliver this workstream. To continue strengthening our focus on delivery, the Programme Review Board is continuing to meet regularly, providing support and challenge to ensure delivery remains on track. Action has also been taken to put new arrangements in place to strengthen processes within the West of England Combined Authority organisation with the establishment of a new internal governance board. This board is led by the Interim Director of Investment and Corporate Services and has senior representation from across the organisation. While the board is at an early stage in development, it will ensure there is appropriate rigour to internal processes.
- 2.39 A programme of effectiveness and efficiency reviews is currently being scoped. This programme will focus on ensuring each part of the West of England Combined Authority organisation is delivering value for money and supporting the delivery of our regional priorities. This will include ensuring the organisation is fit for purpose.
- 2.40 As part of this workstream, we will also be progressing work to consider how the West of England Combined Authority can evolve its approach to investment – ensuring each pound of investment is working as hard as possible and identifying new ways we might want to invest and new approaches to bringing further funding into the region. As part of this process, we will continue to ensure CEOs have regular sight of the current position of funding streams across the West of England Combined Authority.
- 2.41 Underpinning this workstream, we will also be taking forward actions to strengthen and streamline our Business Case process and strengthening our monitoring and evaluation process, ensuring Committee has the best possible information available to support future decision making.

### **External support**

- 2.42 Across the programme, CEOs have considered where it is appropriate to draw on external support to deliver actions, having regard to the recommendations of our external auditors and independent peer reviewer. The question of external support will be considered further following the externally facilitated discussions on the role and purpose of the West of England Combined Authority that are due to take place in the coming months.
- 2.43 A further update on progress across all workstreams will be provided to the October Committee.

## **Consultation**

- 3 UAs have been partners in the development of this report. A regional strategy working group is in place to collaborate in delivering the revised regional strategy and the CEO group is acting as the steering group for both the strategy and the wider transformation programme.
- 3.1 All content in this report has been discussed by CEOs.

## **Risk Management/Assessment**

- 5 Failure to address the issues highlighted in the Grant Thornton Audit report and Independent Peer Review will hamper the West of England Combined Authority failing to deliver for the residents of the West of England. It may also impact on the highly successful track record of attracting additional funding from Government for the region.

## **Public Sector Equality Duties**

- 6 There are no specific equality implications arising directly from this report at this stage.

## **Climate Change Implications**

- 7 The West of England Combined Authority's Climate Emergency Action Plan has been considered in the production of this report and there are no specific implications at this stage.

Report and advice reviewed and signed off by:

## **Finance Implications, including economic impact assessment where appropriate:**

- 8 The financial implications both in terms of supporting expenditure and potential savings are currently under consideration. As work across the transformation programme progresses, financial implications will be discussed with the CEO steering group and will be brought to Committee as appropriate for decision.

Report and advice reviewed and signed off by: Stephen Fitzgerald, Section 73 Officer.

## **Legal Implications:**

- 9 There are no direct legal implications contained in this report. The transformation programme will include work to consider revisions to the West

of England Combined Authority constitution. Legal implications will be set out as this work progresses.

Report and advice reviewed and signed off by: Stephen Gerrard, Monitoring Officer.

### **Human Resources Implications:**

- 10 While there are no direct HR implications arising from this report, workstream two in particular highlights a programme of HR-related activity. Specific HR implications arising from the development and completion of this work will be highlighted to Committee as required as the programme progresses.

Report and advice reviewed and signed off by: Alex Holly, Head of People and Assets.

### **Land/property Implications**

- 11 There are no land or property implications contained in this report. Any land or property issues arising from the transformation programme as it progresses will be highlighted to Committee.

Report and advice reviewed and signed off by:

### **Appendices:**

*List any appendices to the report:*

Appendix 1 – overview of all recommendation and actions that have informed the development of the West of England Combined Authority transformation programme

### **West of England Combined Authority Contact:**

Report Author	Contact Details
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## Annex 1: All recommendations and actions informing the West of England Combined Authority transformation programme plan

Actions have been identified through a range of pieces of work. A full list of actions is set out below, noting their original source, to ensure we do not lose sight of any action that has been agreed. Action sources are:

- The Grant Thornton external audit report
- The Independent Peer Review conducted by SOLACE
- The West of England Combined Authority Action Plan agreed by Committee in March 2023

There is a degree of overlap between actions. To keep the transformation programme coherent and manageable, a streamlined set of actions has been established. All actions below are incorporated into workstream actions – the tables on the following slides show where actions can be found in the programme plan and are included in this pack to ensure there is visibility on how actions recommendations have been incorporated into the transformation programme.

### Grant Thornton audit recommendations

Recommendation	Source Code	Where this can be found in the transformation programme	Action status
The Mayor and members of the West of England Combined Authority represented by the Council Leaders, must commit to improving their working relationship and demonstrate that significant progress has been made within a reasonable timeframe to be determined by the Mayor and the West of England Combined Authority. This should include a role for independent mediation and the constructive consideration of advice arising from this process.	SR1	Workstream 1, action PS1	Open
A formal protocol should be agreed between member organisations within the West of England Combined Authority to commit to consultation on key proposals, that they should define, at an earlier stage. The West of England Combined Authority members should engage effectively in this process, to help mitigate points of contention before they are published and debated in public. This should include a commitment to deliver proposals on a reasonable timetable.	SR2	Workstream 3, action GS1 and GS2	Open



In future, in all circumstances, including where there is a potential conflict of interest affecting individual statutory officers, adequate steps must be taken to ensure the statutory duties of these officers is effectively discharged	SR3	Action complete. Provision for a deputy to act now in the Constitution	Complete
The future management structure of the West of England Combined Authority should be reviewed in order to ensure it is fit for purpose in the context of new funding awards and strategic priorities and this must include appropriate consultation and agreement by the West of England Combined Authority Committee.	KR1	Workstream 2, action WC1	Open
The Constitution of the West of England Combined Authority should be revised to define the conditions under which it is acceptable for other officers and members to seek independent legal advice, without reference to the Monitoring Officer and/or Head of Legal Services.	KR2	Action Complete. Constitutional amendment made.	Complete
We recommend that consideration of relationships within the Chief Executive Group should be incorporated into any relationship development and mediation work undertaken.	IR1	Programme level workstream, action TP3, TP4	Open
We recommend that the Constitution be reviewed, as previously considered by the West of England Combined Authority members. This should incorporate the new Monitoring Officer protocol but also focus on the specific ambiguities raised in recent legal advice including the definition of statutory roles, delegated powers, managing conflicts of interest, decisions on all senior staffing matters including restructure and severance. The results should be reported to Committee and used alongside the points we have raised as a basis for revision. There may be value in reviewing other combined a authority constitutions to optimise the opportunity to improve the document in these areas.	IR2	Workstream 3, action GS1, GS2 (refer to constitutional review) – the new MO protocol on accessing legal advise is in place.	Open
We recommend that the annual performance reviews of senior officers be formally recorded, including reasonable steps taken to manage issues and provide access to resources to enable skills development as appropriate.	IR3	Workstream 2, action WC5	Open
We recommend that the Monitoring Officer role retains its current seniority at Director level in any future restructure or that sufficient safeguards are implemented to protect the authority and influence of the role.	IR4	Workstream 2, action WC4	Open

## Independent Peer Review recommendations

Recommendation	Source Code	Where this can be found in the transformation programme	Action status
The West of England Combined Authority to engage in a facilitated structured conversation to revisit and clarify its core purpose taking on views from strategic partners, business and other regional bodies.	S1	Workstream 1, action PS1	Open
The West of England Combined Authority to co-produce a Regional Strategic Economic Strategy which is accessible and provides a common narrative for all regional stakeholders to be able to promote the economic vision of the region to external audiences.	S2	Workstream 1, action PS2	Open
To explore whether the process of developing a Spatial Development Strategy could be revisited.	S3	Workstream 1, action PS1	Open
To consider expanding the membership of The West of England Combined Authority	S4	Workstream 1, action PS1	Open
Roll out the 'Step Change' programme with external support and facilitation. Establish working behaviours and principles for The West of England Combined Authority.	S5	Workstream 2, action WC2	Open
Strengthen the function of the 'corporate core' to be fit for the new West of England Combined Authority delivery function.	S6	Workstream 2, action WC3	Open
Continue to build on enhanced relationships with the LAs based on agreed principles.	S7	Programme level action TP3, TP4	Open
Complete a management restructure to fill interim posts permanently in consultation with the LAs	S8	Workstream 2, action WC1 and WC4	Open
Use independent facilitation to work with the business and partner community to redefine the role and Terms of Reference of a Business Board to advise, support and challenge The West of England Combined Authority. Ensure that the Board fits into policy/decision at an early stage in The West of England Combined Authority processes. Consider the collaboration of other regional bodies such as Western gateway, Universities and other Local Authorities in this work.	S9	Workstream 1, action PS3	Open

As part of the work in redefining the core purpose of the West of England Combined Authority , with independent support, develop fundamental the West of England Combined Authority operating principles.	S10	Workstream 3, action GS1	Open
With independent support, establish a set of meetings as above with the purpose of enhancing ownership and collaboration of the agenda and the West of England Combined Authority itself. Develop clear ToRs for these meetings and move in a phased way with a defined timetable and training programme to full implementation.	S11	Workstream 3, action GS2	Open
Consider assigning Leader portfolios to help with the work of The West of England Combined Authority as above. Consider assigning Chief Executive portfolios to support the Leaders with their work and co-design a working protocol for operation of the portfolios.	S12	Workstream 3, action GS3	Open
Revisit the process for Project Evaluation with regard to models adopted in other Combined Authorities.	S13	Workstream 4, action DE1	Open
Identify the issues with the constitution which would help The West of England Combined Authority to work in a more effective and agile way. Have regard to constitutions in other Combined Authority areas. This process would have regard to activity in other recommendations listed above and would need to be sequenced as such.	S14	Workstream 3, action GS1, GS2	Open
Hence, review the constitution making representations to government on proposed changes, if necessary.	S15	Workstream 3, action GS1, GS2	Open
As trust begins to become stronger, it will become necessary to align the West of England Combined Authority and the Joint Committee into the same business meeting. This will serve as an indicator as to the maturity of the West of England Combined Authority.	S16	Workstream 1, action TP5	Open
With independent support, the West of England Combined Authority should rework the action plan to include recommendations in this review and of any other external feedback, for example, any potential monitoring report from External Auditors Grant Thornton.	S17	Programme level action TP2	Open
Progress on the action plan should be subject to external independent review every four months and reported to Audit and Scrutiny Boards and through to the West of England Combined Authority Board for consideration.	S18	Programme level action TP2	Open

## West of England Combined Authority Action Plan agreed March 2023

Recommendation	Source Code	Where this can be found in the transformation programme	Action status
Leaders will continue to regularly meet with the West of England Combined Authority Metro Mayor as required to both address any concerns early and to identify opportunities.	AP1	Programme level action TP3, TP4	Open
A programme of activities to agree regional priorities will take place in 2023. This will involve free and frank discussion regarding the allocation of existing resources in the context of new and emerging challenges, such as inflationary pressures, to primarily focus on the delivery of projects. A Regional Priorities workshop which leaders have all agreed to attend is scheduled for January.	AP2	Workstream 1, action PS5	Complete
Board members will be involved at an earlier stage in setting a strategic regional direction	AP3	Workstream 1, action PS6	Open
Consideration of appropriate attendees (wider than Mayors, Leaders and CEOs) to attend the regional prioritisation workshop will be made (including regional finance officers (S.151) officers, Directors for Infrastructure, and independent voice(s)), to ensure the workshops results in meaningful outcomes	AP4	This workshop took place in Feb 2023. Mayors, Leaders and CEOs were in attendance	Complete
Senior Officers will meet collectively and individually with their counterparts as policies and projects progress, from conception to delivery and evaluation.	AP5	Programme level action TP3	Ongoing
The West of England Combined Authority will ensure that Cabinet Members from the Unitary Authorities can request briefings with senior CA officers as required. Any existing regular meetings will continue in line with agreed arrangements.	AP6	Workstream 3, action GS4	Ongoing
An officer delivery board has been established and meets twice a month to review progress on agreed projects and to provide challenge and support to ensure more timely delivery on all projects where relevant. These boards will continue and will report directly to regular joint CEO meetings. This process will be reviewed to further	AP7	Workstream 4, action DE2	Open

strengthen the board if necessary			
To help support driving delivery of key projects, proposals will include a commitment to deliver on a reasonable timetable (agreed by the Committee), which will be included in relevant papers going forward	AP8	Workstream 4, action DE2	Ongoing
The protocol will be shared with UA Leaders, Chairs of Audit and Scrutiny for comment before being adopted and published.	AP9	Action complete prior to transformation programme plan.	Complete
The protocol will be published on the West of England Combined Authority's website and shared with West of England Combined Authority officers.	AP10	Action complete prior to transformation programme plan.	Complete
The West of England Combined Authority Monitoring Officer will brief senior officers regarding the implications of the protocol.	AP11	Action complete prior to transformation programme plan.	Complete
A new Senior Leadership Structure of the West of England Combined Authority will be developed in 2023.	AP12	Workstream 2, action WC1	Open
The West of England Combined Authority will use expert support to determine necessary skills and appropriate structures are in place so as to recruit suitably skilled permanent staff at pace.	AP13	Workstream 2, action WC8	Open
It will be agreed in line with the Constitution by the West of England Combined Authority Committee	AP14	Workstream 2, action WC4	Open
Process regarding Senior Officer appointments to be guided by external expert support	AP15	Workstream 2, action WC4	Open
The West of England Combined Authority Monitoring Officer will provide wording for the constitution at the next suitable meeting of the West of England Combined Authority Committee (no later than March) in consultation with the Monitoring Officers of the Unitary Authorities.	AP16	Action complete prior to transformation programme plan.	Complete
Such a change would require unanimous support of the Mayor and Leaders at a West of England Combined Authority Committee meeting.	AP17	Action complete prior to transformation programme plan.	Complete
Senior Officers will continue to meet collectively and on a 1:1 basis going forward.	AP18	Programme level action TP3	Ongoing
All Senior officers will work collaboratively and engage in meaningful consultation when developing solutions and proposals to help leaders to mitigate points of contention where possible ahead of the West of England Combined Authority Committee meetings.	AP19	Programme level action TP4	Ongoing

Where possible, matters of contention will be flagged with all senior officers in good time to allow for solutions to be developed ahead of the West of England Combined Authority meetings.	AP20	Programme level action TP3, TP4	Ongoing
All Senior Leaders will commit to promote a culture of respect and understanding at all times.	AP21	Programme level action TP4	Ongoing
Where relationships require support, Senior Leaders will seek mediation at an early stage to ensure good working practice continue and solutions can be developed.	AP22	Programme level action TP4	Ongoing
A forward plan of decisions and activities to help with planning / resourcing / engagement for CEOs meeting will be developed.	AP23	Programme level action TP5	Open
The Constitution will be revised to include the new Monitoring Officer protocol.	AP24	Workstream 3, action GS1, GS2. However, the new MO protocol is agreed.	Complete
Regional MOs to meet regularly to discuss any matters regarding the constitution that need addressing.	AP25	Workstream 3, action GS5	Open
Internal actions put in place to ensure Performance reviews are formally recorded.	AP26	Workstream 2, action WC5	Open
Consideration of the GT Auditing Culture report made by the Head of HR in consultation with UA HR leads (and others as relevant), and recommendations for improvement made for consideration by the constituent member CEO group	AP27	Workstream 2, action WC6	Open
Process agreed by March 2023 for the recording and sharing of key organisation performance indicators and information with member organisations relating to organisational culture and health	AP28	Workstream 2, action WC7	Open
Monitoring Officer to be confirmed at Director Level in any future leadership structure. Any change would require a vote of the West of England Combined Authority Committee.	AP29	Workstream 2, action WC4	Open



## ITEM 13

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

**DATE: FRIDAY 16 JUNE 2023**

**REPORT TITLE: WEST OF ENGLAND EMPLOYMENT AND SKILLS PLAN**

**DIRECTOR: STEPHEN BASHFORD**

**AUTHOR: NAOMI LOGAN**

### **Purpose of Report**

- 1 To present for approval the refreshed West of England Employment and Skills Plan, and to consider progress and approve next steps in relation to the green construction and retrofit skills feasibility work supported by the Green Recovery Fund.

### **Recommendation**

- To approve the refreshed West of England Employment and Skills Plan (see Appendix 1).
- To approve next steps on the green construction and retrofit skills feasibility work (par 2.7).

### **Reasons for recommendation**

**The recommendations follow discussions at the 17<sup>th</sup> of March 2023 West of England Combined Authority Committee meeting.**

### **Voting arrangements**

The 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

## **Background / Issues for Consideration**

### **2 West of England Employment and Skills Plan**

- 2.1 The West of England produced its first comprehensive and ambitious Employment and Skills Plan in 2019, which was based on a thorough review of the evidence available at that time.
- 2.2 Significant progress has been made in delivering the 2019 Plan with over 32,000 people in the region supported through a range of employment and skills programmes developed in line with its vision and objectives. The value of the West of England Combined Authority's investment in skills has trebled to around £60m in just 2 years, with activity including the devolved Adult Education Budget, Skills Bootcamps, Multiply, and improving the quality of careers support – all the way from school age to people in work looking for opportunities to change direction.
- 2.3 Despite this progress, for many people across the region, the skills landscape remains overly complicated and difficult to navigate: we have currently mapped over 300 skills and training offers across our area. This means that those who could gain the most from the quality and depth of training provision available, are missing out. Work in the region is changing too. Traditional sectors like manufacturing, engineering, construction, and transport are having to adapt to the pressing need to tackle the climate and ecological emergency. Digital advances like artificial intelligence, automation, and quantum technologies, will create new ways of working and jobs in the future which haven't even been invented yet. People working in our large employment sectors like care, teaching, hospitality, and our creative and cultural industries, have been deeply affected by major events like the global pandemic and the current cost of living crisis.
- 2.4 As a key building block in the development of a new Regional Strategy, this Plan sets out our collective regional ambition for employment and skills over the coming 3-5 years and it will act as the reference point and strategic guide for investment and delivery. Developed with national, regional, and local partners, it is underpinned by the latest available evidence on how the region's labour market is performing comparatively, including its strengths and weaknesses, and emerging issues and opportunities.
- 2.5 New areas of focus include the delivery of a single regional careers, training and job support service – Skills Connect – which will help an extra 3,000 people every year to upskill, reskill, progress in work, and find new employment and apprenticeship opportunities; and the introduction of a new Mayoral Priority Skills Fund to help us respond more flexibly to skills challenges and opportunities as they arise, whether that is in helping bridge severe skills and labour shortages in certain sectors, or equipping people with the green and digital skills they need for future jobs.



### *Green construction and retrofit skills feasibility work*

2.6 As agreed by Committee in March 2023, as part of the implementation of the refreshed Employment and Skills Plan, further analysis is required on suitability of the current post-16 education and training provision (and the developments required) to deliver the region's green skills construction needs. Running alongside a separately funded initiative to drive up training for retrofit and to knit together delivery of more green skills (the 'Retrofit Step Up' project), the West of England Combined Authority is in the process of procuring consultancy support up to a value of £100K to deliver this research work, which will be structured as follows:

- Consideration of the current and future construction skills supply and demand position at all levels, building on established regional and national research (e.g. Post-16 Horizon Scanning, Green Skills Market Analysis, Retrofit Market Analysis and Labour Market and Skills Projects 2002 - 2035 etc.) as well as taking into consideration key priorities and findings emerging from the Employment and Skills Plan Evidence Base and Local Skills Improvement Plan (LSIP) led by Business West.
- With the current and future skills needs identified, a detailed suitability analysis of the region's Post-16 construction skills training infrastructure (across FE Colleges, Higher Education Institutions, Independent Training Providers etc.) to deliver these skills will be undertaken. This will identify any new capital developments (facilities and equipment) required in the estate to ensure supply can meet demand, and include both the type of facilities needed, and where those facilities should be located geographically.
- The potential need for a Regional Centre for Net Zero Construction Skills. This facility could work in tandem with the rest of the estate to not only deliver current skills needs but also develop the innovative future training approaches required in the region. This will form part of a wider Post-16 Investment Strategy.

2.7 **Next Steps:** The commissioned research will be procured in June 2023 and take an anticipated 6 months to fully conclude (timeline to be confirmed by successful bidder), with regular updates to the Business and Skills Directors and CEOs Groups as it progresses. The work will align with the process for developing the new Regional Strategy and associated Investment Priorities. A summary of next steps is set out below:

- Brief development (May-June 2023)
- Research commissioned (June 2023)
- Monthly updates to Business and Skills Directors Group (from July 2023)
- Final report to Directors and CEOs (December 2023)

### **Consultation**

- 3 The refreshed Employment and Skills Plan has been overseen by the West of England Skills Advisory Panel, a sub-group of the Local Enterprise Partnership Board. The Panel includes a range of public, private and third sector stakeholders. Skills leads from the West of England Combined Authority and the West of England Unitary Authorities have a seat on the Panel.

### **Other Options Considered**

- 4.1 Retain existing Plan – the evidence underpinning the Plan and its original recommendations is outdated. The refreshed Plan draws on a comprehensive updated evidence base.
- 4.2 Discontinue – the Plan is fundamental to guiding the programmes and services delivered by the West of England Combined Authority and its partners, ensuring activity is fully reflective of economic need.

### **Risk Management/Assessment**

- 5 The Employment and Skills Plan provides an evidence-based framework to guide future investment decisions by the West of England Combined Authority and partners, which address regional challenges and opportunities, and supports the economic wellbeing of our people, communities and employers. Projects brought forward by the Plan will be subject to their own risk management/assessment in due course.

### **Public Sector Equality Duties**

- 6 There are no specific equality implications arising directly from this report at this stage.

### **Climate Change Implications**

- 7 The West of England Combined Authority's Climate Emergency Action Plan has been considered in the production of this report. Points of particular relevance have been added to this report and reviewed by the Head of Environment.

Report and advice reviewed and signed off by: Roger Hoare, Head of Environment

### **Finance Implications, including economic impact assessment where appropriate:**

- 8 The Plan provides a framework for both directing existing funded projects and for helping to shape any new investments that may come forward. Therefore, existing and known delivery will be within current budgets (around £60m) and any new delivery will be subject to new funding bids from a variety of sources.

Report and advice reviewed and signed off by: Stephen Fitzgerald, Interim Director of Investments and Corporate Services.

**Legal Implications:**

- 9 The proposals in the report are within the powers of the West of England Combined Authority.

Report and advice reviewed and signed off by: Tom Clark, Head of Legal Services.

**Human Resources Implications:**

- 10 There are no Human Resources implications arising directly from this paper. Individual projects arising from the Employment and Skills Plan may have resource requirements, and if this is the case, separate business cases will be brought and any HR implications will be detailed within these business cases.

Report and advice reviewed and signed off by: Alex Holly, Head of People and Assets

**Appendices:**

*List any appendices to the report:*

Appendix 1 – Draft West of England Employment and Skills Plan

**West of England Combined Authority Contact:**

Report Authors	Contact Details
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# WEST OF ENGLAND EMPLOYMENT AND SKILLS PLAN



# FOREWORD



**The West of England is an amazing place to live, work and grow up in. It is a thriving region with beautiful rural areas, alongside bustling towns and two great cities.**

**Employment here is strong, with many residents able to find the work and training opportunities they need to succeed.**

Page 142

But work in the region is changing. Traditional sectors like manufacturing, construction and transport are having to adapt to the urgent need to tackle the climate and ecological emergency we all face. New digital technologies like artificial intelligence and automation mean that the jobs of tomorrow will look very different from the jobs of today, and so require workers with completely different skillsets. Meanwhile, people working in some the West of England's largest sectors, like our world-leading creative industries, continue to be deeply affected by the after-effects of the pandemic and the current cost-of-living crisis.

Over the past two years, the West of England Mayoral Combined Authority, which I lead, has built a significant jobs and training offer for local people, with the value of our services trebling from £20m to £60m. I'm proud of this work. We are helping over 10,000 people in

our region every single year across a range of programmes – from adult education, to new courses for electricians, welders, retrofitters and others, and careers support – all the way from school age to adults in work looking for opportunities to change direction. And we have created the first-ever West of England 'Good Employment Charter' – rewarding and encouraging businesses to do the right thing by their workers.

But the skills system remains too complicated and difficult to navigate, meaning those who could gain the most from the training available are missing out. That's why, when I became Metro Mayor, I was clear that I wanted to see a real focus on simplifying and improving access for residents, and businesses, to ensure everyone can benefit from the brilliant options out there. I am proud that through this Plan, we will introduce a new single regional jobs, careers, and training support service – Skills Connect – which will help an extra 3,000 people every year to upskill, reskill, progress in work and find new employment and apprenticeship opportunities.

Alongside this, I am establishing a new Mayoral Priority Skills Fund which will help us, as a region, respond more flexibly to new skills challenges and opportunities. As we have seen most recently, through the Mayoral Combined Authority's work to address the national HGV

and bus driver shortages impacting locally, a concerted, targeted effort can lead to positive results, and I am keen we build on this work and apply it across a whole range of sectors where we are hearing concerns.






My Climate and Ecological Strategy Action Plan sets out an ambition to bring 23,000 new green jobs to the region as we seek to reduce emissions by 10% each year by 2030. Our regional training offer is fundamental to this and will need to adapt and scale-up rapidly to ensure local people can access these skilled jobs of the future. We are making real progress. Through our training courses, we are training more people for new roles in areas like construction and retrofit – sectors that are vital as we look to hit our ambitious net-zero targets locally. But much more is needed, and this Plan sets out how we will go even further, and faster.

Of course, we cannot deliver this Plan in isolation – our Trade Unions, our amazing schools, further education colleges, universities and employers all have an important role to play. We also need government to do much, much more – and I will continue to relentlessly make our case to them to ensure we have the long-term funding and levers we need to build a fully devolved, West of England Employment Service – one helping our region create and retain the decent jobs of tomorrow, and which works for all our residents, wherever they live.

I'm hugely proud of our great West of England region for many reasons. I know that together we can make a real difference for our residents, employers, and communities. Let's get to it and show our country and the world how it can be done.

**Dan Norris**

West of England Metro Mayor

Labour Market Snapshot	Our Priorities	Outcome we want to achieve
<p><b>1,171,000+</b> residents in region</p> <p><b>27%</b> of young people in the region (aged 0-18)</p> <p><b>630,000+</b> employee jobs in the region</p> <p><b>-80,000+</b> self-employed residents</p> <p><b>46,000+</b> business in the region.</p> <p><b>97</b> secondary schools/ college in the region</p> <p><b>50.5%</b> of residents have a higher education qualification (LEP Area)</p>	 <p><b>Strengthen and simplify the employment and skills system</b></p>	<ul style="list-style-type: none"> <li>• Stronger regional systems leadership</li> <li>• A more coherent and responsive employment and skills system</li> <li>• Simpler access to skills, employment support and progression for all</li> </ul>
	 <p><b>Enable all young people to achieve their potential</b></p>	<ul style="list-style-type: none"> <li>• More young people achieve positive and sustained destinations, especially those facing the greatest barriers and challenges.</li> <li>• More young people participating in apprenticeships and technical education opportunities and pathways</li> <li>• More young people progressing to education or training at level 4 or higher (such as degrees, higher apprenticeships and higher national diplomas)</li> </ul>
	 <p><b>Support unemployed and inactive people into work</b></p>	<ul style="list-style-type: none"> <li>• More unemployed and inactive people supported into work</li> <li>• More people facing complex barriers supported to re-engage in education and employment pathways</li> <li>• More unemployed/ inactive people having career development skills and engaged with lifelong learning</li> <li>• More inclusive and equitable employers</li> </ul>
<p><b>Some Key Challenges</b></p> <ul style="list-style-type: none"> <li>• Highly fragmented skills system (300+ support and training offers)</li> <li>• 6% of 16-17 year olds are NEETs (/activity not known)</li> <li>• 2.6% of residents are unemployed (aged 16-64)</li> <li>• 18.1% of residents are inactive (aged 16-64)</li> <li>• 14.8% of people earning less than the Real Living Wage (as defined by the Living Wage Foundation)</li> <li>• In 2021/22 7000+ residents started an apprenticeship (LEP)                             <ul style="list-style-type: none"> <li>- 2% in educational subjects</li> <li>- 1% in creative subjects</li> <li>- 8% in construction subjects</li> </ul> </li> </ul>	 <p><b>Support people to progress in work</b></p>	<ul style="list-style-type: none"> <li>• More people working in decent jobs which offer good rates of pay, flexibility and opportunities for progression</li> <li>• More people taking up training opportunities aligned with regional skills needs</li> <li>• More people achieving technical and professional skills</li> <li>• More people 25 years and over taking up apprenticeship opportunities</li> </ul>
	 <p><b>Address employer needs and skills gaps</b></p>	<ul style="list-style-type: none"> <li>• More businesses having the skills and talent they need to thrive</li> <li>• More businesses training their staff, supporting retention and creating opportunities for progression</li> <li>• More businesses engaging in the codesign and co-delivery of education and training provision</li> <li>• A greater number and variety of businesses adopting apprenticeships</li> <li>• A more inclusive regional workforce</li> </ul>



# PURPOSE OF THIS PLAN

**The West of England produced its first comprehensive and ambitious Employment and Skills Plan in 2019, which was based on a thorough review of the evidence available at that time.**

Massive progress has been made in delivering the 2019 Plan, which is summarised below; however, the pandemic, Brexit, cost of living crisis, and technological and digital advances, are changing the regional landscape. This Plan provides a refreshed view of our current regional skills needs and objectives and sets out how we will address them.

A diverse well skilled workforce is fundamental for employers in the West of England to improve their productivity, grow and, ultimately, create more good quality jobs for our residents. This Plan sets out our collective regional ambition for employment and skills over the coming 3-5 years and it will act as the reference point and strategic guide for investment and delivery. Developed with national, regional, and local partners, it is underpinned by the latest available evidence on how the region's labour market is performing comparatively, including its strengths and weaknesses, and emerging issues and opportunities.

This Plan sets out the longer term strategic ambition for skills, training and employment and the key focus for support, but given the likely continued rapid pace of change and economic uncertainty over coming months and years, we will develop an annual delivery plan to sit behind this Plan which is flexible and responsive. That way, we will be able to retain our shared collective vision and understanding of longer-term objectives, while flexing our approach to meet emerging and changing needs. We will review and report progress against the delivery plan annually.

The Plan aligns with and supports the implementation of broader regional priorities and strategies including:

- The West of England Mayor's priorities
- A new Regional Economic Resilience Strategy
- Climate and Ecological Strategy & Action Plan (CESAP)
- West of England Cultural Plan
- Emerging Plan for Innovation and Digital Plan
- Sub-regional plans published by local partners
- The Local Skills Improvement Plan (LSIP)



This is the West of England Combined Authority's regional Employment and Skills Plan. The scope of the Plan covers the West of England functional economic area; however, delivery of the majority of employment and skills activity will be within the Combined Authority area covering Bath and North East Somerset, Bristol and South Gloucestershire.

## PROGRESS

The Combined Authority and its partners have made huge inroads in key priority areas for the region. We have:

- Secured over £11m additional funds for skills bootcamps, helping employers deliver short, sharp training in areas of greatest demand – digital, construction, welding, retrofit, health, and management;
- Supported over 3,500 people to progress in work, helping to combat precarious work and the cost-of-living crisis;
- Helped employers with their skills needs, and established an apprenticeship investment and support service which has retained over £2m of apprenticeship levy in the region which can be used by smaller employers to meet their apprenticeship needs;
- Launched the Mayor's Good Employment Charter, supporting employers to become even better at recruiting, supporting, and retaining their staff;
- Promoted green skills as a career path and funded training for specialist roles such as retrofit, organisational sustainability, environmental data science, green technologies, and modern methods of construction;
- Established specialist training for HGV and bus drivers to support a critical shortage;
- Reformed our Adult Education Budget provision to improve alignment with local priorities and better equip residents with the skills they need to progress into and within work;
- Put in place new support in response to the impact including recruitment support in tourism and hospitality, a Digital Skills Programme, and a new Community Support Fund
- Launched Multiply, a multimillion-pound programme which will help drive up maths and numeracy sought by many employers;
- Established a range of school and college-based initiatives, to better prepare young people for their next best step and achieve their potential, with a focus on green careers;
- Worked with all partners, including trade unions, our local authorities, and business networks, to establish a shared understanding of our changing economy and find collective solutions; and
- Taken the first important steps to raise the visibility of existing provision in the region by mapping employment and skills provision in the region and made this available via an online search function. The precursor to our fully fledged Skills Connect service.

**32,483+**  
residents supported  
comprising:

**15,649+**  
employed residents

**10,934+**  
unemployed residents

**100**  
people at risk of NEET

**97**  
schools and colleges

# OUR STRATEGY

Having reviewed the evidence base and engaged with our partners, we have concluded that our five strategic objectives remain broadly the right ones. We recognise, however, that digital and green skills are so important to the future of our economy, that they must be integrated into all our objectives and


actions. Therefore, we have shown green and digital skills as a cross cutting theme throughout the remainder of the strategy and will ensure our delivery aligns with other regional plans supporting these objectives. It is also recognised that given the relative strength of the region's labour market and

low unemployment, that a stronger emphasis should be placed on helping people already in work to progress and fulfil their productive potential. This is reflected in the mix of actions included throughout the Plan.

**Bring secure and fairly paid jobs to the region including green jobs, working with trade unions, local employers, skills providers and others to help residents access opportunities.**

## Our objectives

Page 147



**Strengthen and simplify the skills system**



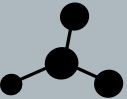
**Enable all young people to achieve their potential**



**Support unemployed and inactive people into work**




**Support people to progress in work**



**Address employer needs and skills shortages**

## Our cross cutting themes...



**Improve digital skills at all levels**



**Deliver green skills for our low carbon transition**

# The Challenge

Despite progress and the region continuing to see above average levels of productivity, low rates of unemployment, and a highly skilled workforce, structural challenges remain, and these have been exacerbated by wider national and international economic uncertainty.

For instance:

- Skills miss-matches with skills shortages in some sectors, but also within geographic and demographic communities where individuals struggle to access opportunities;
- Low pay, particularly for part time workers, and insecure employment;
- Wage and occupational inequality and lack of progression in work;
- Growing polarisation between higher and lower skilled occupations;
- Unequal educational attainment in schools, particularly for disadvantaged children;
- High numbers of young people not in education, employment, or training (NEET) in parts of the area;
- Some reduction of over 50's in the labour market including those who have not returned following covid;
- 

- Greater difficulty for those with special education needs to gain work experience and employment;
- Lower than average progression to higher level learning;
- Low awareness and participation in apprenticeship opportunities;
- Low uptake of apprenticeships as a route to talent supply/development within certain key industrial sectors
- Geographical inequalities, including health and wellbeing, and some deprivation.

The covid pandemic also created new challenges. In the short-term, the economic and social impacts hit some groups harder than others and widened existing regional inequalities. Whilst the recovery was faster than expected the scarring effect on these groups leaves a legacy which needs addressing. The pandemic also changed the face of employment, for instance, it caused a rise in unemployment and economic inactivity amongst older workers and increased health-related barriers to work. Young people missed out on work experience opportunities and the social elements of joining a new workplace, and many struggled. Data suggests that the economic crisis is similarly impacting many of our residents.

The sectoral impact of the pandemic was also uneven with some sectors, such as aerospace, retail, hospitality and tourism, placed under greater pressure than others. Whilst the long-term impact remains to be seen, it is likely that some of these sectoral changes will be permanent, and that the shift to new technologies has been hastened.

The speed of digital transformation is a particularly pressing challenge, in terms of upskilling as well as keeping technology up to date. Digital skills are now essential to participate in all aspects of society as well as to support wider digital growth (57% of digital jobs are found in non-digital sectors). We have great resources to address these challenges in the West of England, including the Institute of Technology, the Digital Engineering Technology and Innovation (DETI) programme, HE and FE provision, but we need to ensure that digital provision is a cross cutting theme throughout our provision.

The pandemic also saw an upsurge in home working, which has become the new normal for many. Whilst home working offers many advantages the full impact on the world of work may be significant and may not yet be fully understood.

At time of publishing this Plan, we estimate that around 285,000 jobs will need to be filled over the next 15 years across the following key sectors: Advanced Engineering and Aerospace; Construction; Creative and Digital; Health; Professional Services; and Tourism, Culture and Hospitality. Our Post 16 Research indicates that providers are already experiencing excess demand for courses related to these sectors and that certain apprenticeship courses are over-subscribed. Furthermore, increased demand due to population growth is putting a strain on the region's providers. The research also highlights concerns that transport networks do not currently support travel to learn and raised the question of how specialist learning facilities should best be provided.

National employment and skills initiatives provide opportunities to resource some of the region's priorities (e.g. the UK Shared Prosperity Fund and Multiply, National Skills Fund etc). However, the complex nature of the skills ecosystem, partly stemming from departmental silos at national level, as well as the short-term nature of

the funding streams and inflexibility in some of the funded programmes, is a barrier to achieving local skills and employment objectives. Further devolution of skills and employment support is critical.

In addition to upskilling and providing the best possible local talent for our indigenous employers, we also need to recognise the opportunity to attract new employers to the region through targeted inward investment. Access to people, alongside technology and markets/customers is always a fundamental driver of investment decisions. Maintaining an up to date, progressive and future focussed workforce will enable the West of England to compete for global opportunities.

## Green Skills

The West of England has set an ambitious goal to be net zero carbon by 2030. To achieve this target, a further 50,383 total net retrofit jobs would be required. Currently, low carbon jobs equate to less than 1% of all jobs in the region. At the current pace of installations in West of England Combined Authority, it would take around 557 years to install the required solid wall insulation and 857 years for the required heat pumps!

The Mayor's priority to create 23,000 Green jobs therefore represents a significant opportunity for people to upskill and retrain. However, uncertainty regarding the demand and supply of green skills creates a barrier to the development of courses. Neither employers nor providers fully understand the green skills required in the future and therefore both, for the time being, are focusing on "known" issues – which tend to be around existing technology and not around future zero-emission requirements.

The launch of initiatives under the £50m Green Recovery Fund (such as the Retrofit Accelerator and Low Carbon Challenge Fund) will help to stimulate the market. Alongside these demand stimulation measures Green Skills elements have also been integrated into flagship programmes such as Workforce for the Future, the Careers Hub/Green Futures Fund, Skills Bootcamps, Community Support Fund and Adult Education. Green skills signposting will also form an integral part of the Skills Connect service.

# Principles

In delivering a regional plan, we recognise that we are part of a much bigger employment and skills ecosystem, and our partners play a vital role in delivering regional objectives deploying their own range of resources.

In working towards the vision in this plan, we will work closely with our partners in the spirit of co-design and genuine partnership working, which recognises the different challenges facing different parts of the region.

We will also work closely with our partners when monitoring progress and developing annual delivery plans to ensure these align fully with the needs of the region. The mechanisms for this are detailed later in the plan.

As we co-design activities, we will:

- **Focus on people** – placing the aspirations of residents and employees at the heart of all activities;
- **Deliver for businesses** – engaging employers and placing them upfront and central to skills and workforce development;
- **Be intelligence led** – enabling informed, evidence-based decisions to be made that address the area's challenges whilst maximising opportunities;
- **Build on good practice** – learning from each other but also innovating and being open-minded to exploring ideas and new ways of working from elsewhere;
- **Build on existing services/assets** – collaborating, utilising and enhancing existing high-quality services and assets rather than re-inventing provision;
- **Create positive outcomes** – delivering meaningful benefits, progression and sustainable social value for residents, employers and communities;
- **Champion equality, diversity and inclusion** – ensuring everyone understands and benefits from opportunity, regardless of their personal circumstances or location in the region.

# 1. Strengthen and simplify the employment and skills system

## Why is this important to us?

Tens of thousands of our residents engage with different parts of the employment and skills system each year. 'The system' is complicated and involves a plethora of institutions and organisations who are working hard to achieve the best outcomes for our residents, young and old. These include:

- Schools, colleges and universities;
- Trades Unions;
- Employers, sector and network bodies
- Independent Training Providers (ITPs);
- Providers of key national services such as the National Careers Service;
- Charities and social enterprises;
- Government departments and agencies;

**...and many more.**

Provision ranges from multi-million-pound mainstream services to small scale, localised and often short-term initiatives which address specific gaps/needs. The Combined Authority's skills website currently lists 226 support services. We need to work collaboratively to create the best join up for our individuals and better enable access to skills development for our employers. We also need to harness opportunity to build on social value through procurement and other mechanisms. Much has already been done but there is more to do to ensure that:

- Individuals can find and move between provision that is right for them;
- Opportunities to cross-refer individuals and participants are maximised leading to more people accessing training and accessing decent jobs;
- Education meets the needs of the economy;
- Collaboration is maximised, based on feedback and evidence; and
- The system can react quickly to new and emerging skills needs

## Where are we now?

Since the first plan was published, we have made many inroads to building and simplifying the skills landscape. We have:

- Undertaken development work with trade unions and other partners, to establish the scope for Skills Connect – a single regional jobs, careers and training support service;
- Delivered the Metro Mayor's Annual Jobs and Skills Summit to better understand priority skills needs among our residents;
- Put in place fast, responsive provision where need has been identified, for example, HGV/bus drivers, hospitality and retrofit (precursors to the Mayoral Priority Skills Fund)
- Established the Skills Advisory Panel to bring employer voices to the table, publishing an Annual Skills Report to frame the challenge and monitor progress;
- Commissioned and published reports to help position our support including the Post 16 Education and Skills Infrastructure Review; the Retrofit Skills Report; and the Green Skills Report; and
- Supported and influenced the development of the Local Skills Improvement Plan which captures employer voice on skills.

Outcomes and action framework



1. Strengthen and simplify the employment and skills system

Page 152

The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
<ul style="list-style-type: none"> <li>• Stronger regional systems leadership</li> <li>• A more coherent and responsive employment and skills system</li> <li>• Simpler access to skills, employment support, and progression for all</li> </ul>	<p>Convening partners and working together to plan provision to ensure the best outcomes for people, employers and our economy</p> <p>Ensuring different initiatives communicate and complement one another</p>	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Generate high quality Labour Market Intelligence (LMI) and research so that we all understand emerging employment and skills challenges</li> <li>• Convene forums to develop innovative solutions and plans to address emerging challenges and skills needs</li> <li>• Direct and influence Combined Authority funding decisions to deliver the objectives set out in this plan</li> <li>• Link the employment and skills system to sector-based employers through the Skills Advisory Panel, Local Skills Improvement Plan and Growth Hub (the Combined Authority’s Business Support Service)</li> <li>• Work closely with partners to align activity across the region and minimise duplication</li> </ul>	<p>The introduction of Local Skills Improvement Plans (LSIPs) will provide a level of granular evidence from employers about certain skills issues they face. These may be cross-cutting, sectorial or relate to a particular job function(s)</p> <p>Maintain close contact &amp; information exchange with us over delivery of key services in the region e.g. Restart, National Careers Service, Work &amp; Heath Programme</p> <p>Participate actively in the Skills Advisory Panel or other oversight mechanisms</p>





**Outcomes and action framework**



**1. Strengthen and simplify the employment and skills system**



The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	As above.	Going forward, we will: <ul style="list-style-type: none"> <li>• Launch Skills Connect with an easy to navigate search function and 1:1 coaching support to deliver a simplified skills service</li> <li>• Use our Mayoral Priority Skills fund to meet gaps and opportunities identified and quickly mobilise support</li> <li>• Build stronger connections with employees by working in close partnership with trade unions</li> <li>• Use intelligence generated through Skills Connect to spot gaps in training or new market need, while minimising duplication</li> <li>• Review the composition of the Skills Advisory Panel (SAP), including trade union representation, to ensure it becomes the overarching regional governance mechanism for managing and building the skills ecosystem focussed on delivery</li> <li>• Continue to develop social value approaches related to skills activity which maximise benefits for our residents.</li> <li>• Maintain and improve the Labour Market Intelligence Skills dashboard and build an annual delivery plan to ensure this plan is adapted each year to emerging needs</li> <li>• Bring together funding bodies and providers to develop solutions to ensure people are not disadvantaged by overly rigid criteria for support</li> <li>• Via Skills Connect, improve our communication channels with skills campaigns that raise awareness of sources of support available</li> </ul>	

Outcomes and action framework			
 <b>1. Strengthen and simplify the employment and skills system</b>			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	Leveraging funding and resources	We will continue to: <ul style="list-style-type: none"> <li>• Seek further devolution of skills and employment funding to provide more regional flexibility and autonomy, including funding for FE estate improvement and strategic expansion</li> <li>• Work with other Mayoral Combined Authorities to share best practice, leverage additional funding and resources and influence national employment and skills policies</li> <li>• Work with partners to identify and secure funding opportunities</li> </ul>	Partners are asked to identify sources of additional funding against our Mayoral Priority Skills fund, to leverage increased funding
	Levering employment and skills outcomes through public sector procurement and the Social Value Act	We will continue to: <ul style="list-style-type: none"> <li>• Ensure our buying power of services commissioned improve the economic, social and environmental well-being of the region, in line with Combined Authority measures, including building green social value</li> <li>• Promote social value measuring tools (as successfully trialled as part of the Community Support Fund delivery), monitoring and evaluation. This is linked to digital badging to recognise additional value delivered via projects.</li> </ul>	
		Going forward, we will: <ul style="list-style-type: none"> <li>• Identify good practice approaches in leveraging employment and skills outcomes through public sector procurement and share with public sector partners</li> </ul>	

Outcomes and action framework			
 <b>1. Strengthen and simplify the employment and skills system</b>			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	Addressing wider barriers to education and employment such as transport and childcare	Going forward, we will: <ul style="list-style-type: none"> <li>• Make education more accessible by:                             <ul style="list-style-type: none"> <li>- Influencing the development of transport policy with the provision of labour market/education intelligence</li> <li>- Working with providers to plan the location of provision</li> <li>- Where possible, support travel or other costs to enable individuals to participate in learning</li> </ul> </li> </ul>	

Outcomes and action framework			
Cross cutting themes			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
Improve digital skills for life and work 	Integrating digital skills solutions into the system	We will continue to: <ul style="list-style-type: none"> <li>• Integrate digital skills into a wide range of our employment and skills programmes, guidance and support – identifying progression routes via various projects and programmes</li> </ul>	
		Going forward, we will: <ul style="list-style-type: none"> <li>• Work with education providers and employers to identify local digital-skills gaps and develop focused solutions and simplified progression pathways into key digital roles</li> <li>• Increase the visibility and understanding of digital skills training opportunities through Skills Connect</li> <li>• Continue to facilitate digital progression pathways via the programmes we deliver and projects we procure up to and including level 6</li> </ul>	
People will be able to understand and follow pathways into green jobs 	Developing green skills pathways	We will continue to: <ul style="list-style-type: none"> <li>• Integrate green skills into a wide range of Combined Authority employment and skills programmes, guidance and support and ensure that these are easily navigable via Skills Connect</li> </ul>	

Outcomes and action framework			
Cross cutting themes			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	As above.	<p>Going forward, we will:</p> <ul style="list-style-type: none"> <li>• Continue to focus on embedding low carbon approaches and green skills training into all new skills programmes that we develop as well as focusing on developing specialist green skills (e.g. Retrofit)</li> <li>• Improve focus on green skills in all existing provision e.g. signposting in Future Bright, ringfencing (subject to agreement) a budget within AEB to be exclusively utilised in support of green skills</li> <li>• Work with education providers and employers to develop clear and simplified progression pathways for 'frontline' green roles (e.g. Green Futures Fund, commissioning strategies such as AEB and bootcamps etc))</li> <li>• Work via the Mayor's Good Employment Charter and other business engagement routes to understand the emerging green skills demand from employers and ensure green job functions are incorporated into business activities</li> <li>• Support the green skills demand that is generated via specialist programmes where need emerges</li> </ul>	

## Case Studies

# skills CONNECT

In the West of England, there are more than 250 support programmes and initiatives offering help to people to develop the skills and training they need to progress into and within work. This is far too complicated for anyone to navigate, meaning that those who could gain the most from the training available are missing out.

Page 158

We aim to simplify this to make it easier for people to find and access the support they need. So we are creating Skills Connect which will simplify the skills and training landscape by drawing together available support into one place making it easier for individuals to find provision that suits their needs and aspirations. Skills Connect will comprise a central website which will be fully searchable and user intuitive; and for those still needing a little extra help, a network of expert advisors and coaches will be available through the Local Authorities to provide tailored one to one support to help people move on and into work.



Current green initiatives include our Green Futures Fund, Community Support Fund, Skills Bootcamps, Innovative Local Energy Scheme, Digital Skills project, and Workforce for the Future. These are all helping drive up understanding of and demand for low carbon approaches.



## 2. Enable all young people to achieve their potential

### Why is this important to us?

The region's young people are its future. We need to equip all our young people with the tools they will need throughout their working lives, to progress within education and ultimately benefit from the decent job opportunities that are available in our region as well as the jobs that will exist in the future.

As one of the most productive UK regions outside of London, we have exciting opportunities in a wide range of sectors including engineering, technology, creative and professional services, alongside major employment sectors like care, education, and hospitality. Key to this is good quality careers education information advice and guidance (CEIAG), which involves both parents/carers and employers, as well as ensuring young people have the skills needed to access these opportunities. Equally, we must bring greater support to those who struggle to engage with learning or work. We know that those with disabilities or a difficult start in life are far less likely to participate in learning and work and have fewer positive outcomes than others – this needs to be addressed so that all our young people know how to access the support they need. Skills Connect will bring this information together under one umbrella for the first time.

We also recognise that our labour market is changing rapidly and the jobs we see today, may not be the jobs of tomorrow – so we need to equip our young people with the ability to adapt and respond to a rapidly changing jobs market.

Specific challenges within this objective area include:

- The disruption to young people's education caused by the pandemic;
- Lower than average educational attainment, particularly for disadvantaged children;
- Increasing difficulties in recruiting and retaining teachers;
- The need to continue to support young people to transition positively between pre and post 16 education
- Higher than average numbers of young people NEET (Not in Education, Employment or Training) in parts of the area and for particular groups;
- Lower than average progression to Higher Education in parts of the region and for particular groups;
- Variable graduate retention across the region;



- A decrease in the number of young people starting and/or completing apprenticeships in the last three years;
- Variable delivery of Careers Education Information Advice and Guidance (CEIAG) between areas and schools;
- Increasing mental health issues amongst young people; and
- Tackling specific barriers faced by disadvantaged young people.

## Where are we now?

Since our first plan was developed, we have fully established the Careers Hub which is now working with all secondary schools and colleges across the region. This is significantly improving performance against Gatsby benchmarks (which indicate schools and Colleges' commitment to CEIAG). We have this year begun work to analyse destination data post-16 to examine trends to further inform our work. Looking to the future, the roll out of the Future Skills Questionnaire by the Careers Hub should provide an opportunity to monitor the impact of CEIAG on young people at a more granular level. This all helps us to target our support and learn from what works.

More broadly, the roll-out of the Mayor's Good Employer Charter is providing a cohort of employers who are engaged with education and training. This provides an important opportunity to engage employers with careers outreach activity and support with shaping new provision.

There have also been several wider partner initiatives delivered which support future skills needs including Green Futures Fund, Workforce for the Future, the Future Technology Centre, collaborative co-design and delivery of bootcamps, the WoE Institute of Technology, to name a few.




Outcomes and action framework




2. Enable all young people to achieve their potential

The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
<ul style="list-style-type: none"> <li>• More young people achieve positive and sustained destinations</li> <li>• More young people facing the greatest barriers and challenges achieving a positive and sustained destination</li> <li>• More young people participating in apprenticeships and technical education opportunities and pathways</li> <li>• More young people progressing to education or training at level 4 or higher (such as degrees, higher apprenticeships and higher national diplomas)</li> </ul>	<p>Ensuring all young people receive high quality Careers Education Information Advice and Guidance (CEIAG)</p>	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Provide schools and colleges with the training, resources and knowledge needed to deliver quality CEIAG (e.g. through Careers Hub).</li> <li>• Provide tools to audit and evaluate school and college CEIAG programmes to drive improved quality and student outcomes as well as inform future resourcing and strategy.</li> <li>• Connect employers, providers and education to deliver meaningful outreach activity in schools and colleges (e.g. Enterprise Adviser Network)</li> <li>• Provide Schools and Colleges with high quality Labour Market Information on jobs and apprenticeships to inform their CEIAG programmes.</li> <li>• Aim to source additional funding to target students who need additional or tailored CEIAG to achieve their potential.</li> <li>• Work in partnership with providers and schools/colleges to promote technical education and apprenticeship pathways alongside higher education options.</li> <li>• Connect Schools and Colleges together in communities of practice including through Peer and Expert led reviews.</li> </ul>	<p>Councils can support employer engagement activity and align with their own post-16 and reduction of NEET &amp; education strategies and delivery.</p> <p>FE/HE Providers can work collaboratively to deliver outreach activity to promote the range of pathways available.</p> <p>Councils – alignment and collaboration with education and skills strategies and projects to achieve shared objectives.</p>

**Outcomes and action framework**

 **2. Enable all young people to achieve their potential**

<b>The long-term outcomes we want to achieve</b>	<b>What we (collectively) need to focus on to achieve the longer-term outcomes</b>	<b>What the Combined Authority will do</b>	<b>How our partners could help</b>
<ul style="list-style-type: none"> <li>• More young people securing decent jobs in our region (especially those facing the greatest barriers and challenges)</li> <li>• More young people taking up learning opportunities aligned with regional skills needs</li> </ul>	<p>As above.</p>	<p>Going forward, we will:</p> <ul style="list-style-type: none"> <li>• Seek resources to deliver Careers Hub style support for independent training providers</li> <li>• Explore opportunities to work with younger age students through primary school CEIAG provision.</li> <li>• Aim to secure more sustainable funding to scale and continue initial pilots where impact has been achieved.</li> <li>• Use evaluation tools (Future Skills Questionnaire) to better target resource and support</li> <li>• Develop specialist skills and knowledge within the workforce to support young people most at risk</li> <li>• Ensure information on, jobs, training and apprenticeship opportunities is available through Skills Connect.</li> <li>• Identify opportunities to address skills gaps and labour shortages within the careers advisor workforce.</li> </ul>	

Outcomes and action framework			
 <b>2. Enable all young people to achieve their potential</b>			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	Working closely with our Councils to ensure support and alternative learning routes are available for young people at risk of becoming NEET, currently NEET and/or facing additional barriers to progression (including SEND)	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Support young people most at risk through transitions (e.g. through maximising opportunities to access additional funding from the CEC and other sources)</li> <li>• Remove barriers for disadvantaged young people in partnership with employers and the community, taking best practice from Community Support Fund and Effective Transitions Fund and ensuring future funding and resource meets young people’s need (e.g. through the Mayoral Priority Skills Fund and other sources)</li> </ul> <p>Going forward, we will:</p> <ul style="list-style-type: none"> <li>• Utilise learning from Reboot West evaluation and the South Gloucestershire Hub Incubation Project to develop approaches to supporting other marginalised groups</li> <li>• Co-design with partners a region wide programme to support young people most at risk of becoming NEET with transition support and employer engagement activity.</li> <li>• Identify funding opportunities to support NEET young people into employment and/or training in collaboration with LA partners.</li> </ul>	Councils can collaborate with reduction of NEET projects, SEND teams, the We Work for Everyone project and employer networks


**Outcomes and action framework**





**2. Enable all young people to achieve their potential**

The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	Developing the diverse talent pipeline and talent pools needed to meet skills gaps and future jobs by supporting employers to engage with education, specifically around: <ul style="list-style-type: none"> <li>● Experiences of the workplace and internship opportunities</li> <li>● technical and vocational pathways</li> <li>● engagement with diverse groups of young people through inclusive and accessible opportunities</li> </ul>	We will continue to: <ul style="list-style-type: none"> <li>● Engage with emerging LSIP and employers to position careers education in the context of the local labour market</li> <li>● Amplify technical and vocational routes (e.g. through the Amplifying Technical Education CEC Funding)</li> <li>● Help employers to connect with education providers (e.g. through Careers Hub and CEIAG providers)</li> <li>● Help employers to deliver high quality outreach work, including through employer standards (e.g. through the Careers Hub)</li> <li>● Help employers to deliver outreach activity to young people who face additional barriers to the workplace (including those with SEND) and are at risk of NEET.</li> </ul> Going forward, we will: <ul style="list-style-type: none"> <li>● Create a regional apprenticeship service as part of Skills Connect to provide practical support for and drive-up awareness of apprenticeships amongst both learners and employers particularly within under-represented sectors/groups.</li> <li>● Identify further funding opportunities to promote technical and vocational pathways specifically to those who face additional barriers.</li> <li>● Identify further funding opportunities to deliver additional support for employers to engage with young people who are at risk of NEET or face additional barriers to the workplace.</li> <li>● Further develop and scale the Green Futures Fund</li> </ul>	ASK (Apprenticeship Support & Knowledge) – Collaboration with ASK delivery in schools and colleges.  LA's collaboration through projects such as Bristol WORKS and economic development teams.  LSIP delivery team and wider skills team at Business West

**Outcomes and action framework**

 **2. Enable all young people to achieve their potential**

The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	Widening participation in Higher Education	We will continue to: <ul style="list-style-type: none"> <li>• Work in collaboration with UniConnect programmes and University WP teams to promote the widening participation agenda.</li> <li>• Support schools to offer opportunities for students to engage with HE provision in line with Gatsby Benchmark 7.</li> </ul>	UniConnect programmes and HE Widening Participation teams are best placed to collaborate.
		Going forward, we will: <ul style="list-style-type: none"> <li>• Work together with HE providers in the area to align access and participation plans and develop collaborative activity, with a particular geographic focus on areas with low HE participation</li> </ul>	
	Improving educational attainment, particularly amongst disadvantaged children and where learning was lost due to the pandemic	Going forward, we will: <ul style="list-style-type: none"> <li>• Co-design activities which challenge and support our schools to improve outcomes and raise aspirations amongst young people'</li> <li>• Work together with the UniConnect programmes to identify</li> </ul>	LA Education Teams, UniConnect Projects, Education providers all could work with us to identify how we can best collaborate.

Outcomes and action framework			
Cross cutting themes			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
<p>More young people understand the digital skills needed for the workplace and inspired to enter digital careers</p> 	<p>Embedding digital skills into the curriculum and school CEIAG programmes.</p>	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Connect young people with real-life, diverse digital role models to widen participation and aspiration for STEM careers and understand the digital skills needs required by all sectors</li> <li>• Work in partnership with employers to promote digital skills and pathways into digital careers (e.g. through Cornerstone Employer Network)</li> </ul>	
<p>More young people inspired and motivated to enter Green jobs and careers</p> 	<p>Embedding green skills into the curriculum and CEIAG</p>	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Deliver the Green Futures Funding (using the learning from the pilot) which includes:                             <ul style="list-style-type: none"> <li>- Identifying how we can use our funding to align school and college activity to the green skills agenda</li> <li>- Providing LMI to ensure students/parents/carers are aware of opportunities in green jobs &amp; relevant pathways</li> <li>- Engaging people currently working in the green economy to engage with schools e.g Enterprise Adviser Network and strategic cornerstone employers</li> </ul> </li> </ul>	

## Case Studies

The Green Futures scheme has supported students in the region to learn more about opportunities to enter 'green' careers and understand the skills needed for the region to achieve Net Zero. Students have taken part in experiences of the workplace, employer led activities, careers fairs, and teachers have learnt how to link their curriculum to the green skills agenda. By linking our young people to advice and opportunity, we are driving up awareness of green careers across the region.

The Enterprise Adviser Network is a network of over 80 employer volunteers supporting schools to improve their engagement with local businesses. Nick Lee is a Lawyer working with The City Academy School, Nick says – "I spoke at a Year 8 assembly recently to share my journey into law from a single parent background living on a council estate to become the youngest and first non-white Partner in a top 100 law firm. You could hear a pin drop. The teachers said that they had never known the students to listen so intently. I work on the basis that if I can inspire just 10 children to achieve their dreams, they may go on to inspire 10 more each, and so on. Building a brighter future takes a collective approach"



### 3. Support unemployed and inactive people into work

#### Why is this important to us?

As of September 2022, there were 47,900 people not working in the region who would like to be in work. Many of these individuals face complex barriers to work which can include low skills, health issues (including mental health), lack of confidence, transport, language, childcare or other caring responsibilities, as well as social issues such as housing, drug and alcohol misuse and other complex needs. Helping people overcome these barriers to work – getting into or progressing in work – will help combat rising costs of living whilst at the same time strengthening our economy by addressing skills shortages.

Since the pandemic, economic inactivity has risen in parts of the region, linked to health problems and early retirement, although we are also seeing that people are considering de-retiring to respond to the cost-of-living crisis. Whilst unemployment is currently low, economic uncertainty and recessionary pressures may cause it to rise again – our plan must therefore be flexible enough to respond to rapidly changing circumstances.

Data also shows that people in some demographic groups and communities face greater barriers to work (e.g. disabled people, people with health conditions, older workers, BAME, migrants and refugees, people living in deprived areas). Many factors influence these inequalities, but employers have an important

role to play in developing more inclusive recruitment practices and workplaces. By working to address these inequalities, we can build fairer communities and a stronger economy.

Employers are seeking increasingly higher skills levels, so our plan focuses on both entry level but also higher levels skills, as well as enabling those in lower paid jobs to progress up to higher levels (see objective 4). Employers all need their staff to have Maths, English and Digital skills and those with higher level qualifications will need to re-train to access jobs in areas where there are skills shortages and opportunities (e.g. green skills, emerging digital roles etc).

#### Where are we now?

Significant progress has been made in this area by the Combined Authority and its partners. Through the Adult Education Budget, we have been able to support over 10,615 unemployed people with the skills they need to find work. We have also launched the Mayor's Good Employment Charter which supports employers to adopt different recruitment practices and diversify their workforce. We have brought increased focus to ESOL for those who need to improve their English skills and have supported people through the Covid pandemic through our Community Support Fund. Skills Bootcamps now in their first year of delivery (FY 22/23) Combined Authority are another way for us to





train unemployed people for specific employer demand.


Our partners have also been very active in this area, with our Unitary Authorities working closely with DWP to deliver local support services and our strong voluntary and community sector is actively involved in addressing social barriers to work. We must also ensure that those delivering support to the unemployed and economically inactive in our region understand our local employment and skills landscape and engage strongly with the Combined Authority to foster closer alignment of support. Nationally contracted services currently include Restart for longer term unemployed, Work & Health Programme, and National Careers Service.


We have opportunity to build on this using UK Shared Prosperity Funds, Multiply and other funding to actively promote engagement and progression.




Outcomes and action framework			
 <b>3. Support unemployed and inactive people into work</b>			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
<ul style="list-style-type: none"> <li>• More unemployed and inactive people supported into work</li> <li>• More people facing complex barriers supported to re-engage in education and employment pathways</li> <li>• More unemployed/ inactive people having career development skills and engaged with lifelong learning</li> <li>• More inclusive and equitable employers</li> </ul>	Providing adults with careers information, advice and guidance	Going forward, we will: <ul style="list-style-type: none"> <li>• Increase availability of personalised advice and guidance to people who want to work through Skills Connect including support to manage major redundancies</li> <li>• Improve AEB provision of free advice and guidance to all learners by providers and encourage providers to offer wider 'wrap around' support they need to progress into and within employment</li> <li>• Ensure all adult funding applications incorporate CEIAG as an assessed element and followed up as part of the end-of-project evaluation</li> </ul>	National Careers Service should link closely with Skills Connect when providing CEIAG to clients and refer into this service. Ensure learning is shared through project evaluation
	Using holistic approaches to help people overcome complex barriers to work (including confidence)	We will continue to: <ul style="list-style-type: none"> <li>• Support community led, person centred projects which help overcome barriers to work, including specialist provision</li> </ul>	West of England Voluntary, Community and Social Enterprise sector
	Linking unemployed people to real job opportunities	We will continue to: <ul style="list-style-type: none"> <li>• Encourage our providers to take up our flexibility to deliver provision in the workplace and provide fundable work experience to learners</li> <li>• Help individuals to connect with decent job opportunities (e.g. through Jobs Connect, Skills Bootcamps and Sector Based Work Academies funded by AEB)</li> </ul>	SEETEC and the CA to continue strong liaison to ensure cross referral of support Strengthen local and strategic links with Job Centre Plus Inform the CA of upcoming jobs and careers fairs to promote via Skills Connect

Outcomes and action framework			
 <b>3. Support unemployed and inactive people into work</b>			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	Equipping people with the knowledge, skills and confidence needed to secure employment, retrain and adapt to the changing labour market	We will continue to: <ul style="list-style-type: none"> <li>• Provide employability support to unemployed and economically inactive residents (e.g. through our adult education)</li> <li>• Provide short courses and training aligned to the needs of the economy</li> <li>• Promote increased uptake of National Skills Fund Level 3 programme (Free Courses for Jobs) which offers free learning for eligible learners to undertake the courses which equip individuals to secure high-quality jobs.</li> </ul>	Business West to understand and interpret employer skills needs via the LSIP and ensure this voice is reflected in CEIAG provision and Skills Connect
		Going forward, we will: <ul style="list-style-type: none"> <li>• Deliver job role specific training via Skills Bootcamps</li> </ul>	
	Improving Maths and English (including ESOL) skills to help people access and sustain work	We will continue to: <ul style="list-style-type: none"> <li>• Provide support to residents to improve their Maths and English skills (e.g. through adult education and Multiply activities)</li> <li>• Providing ESOL support to people that need it (e.g. through adult education)</li> </ul>	
		Going forward, we will: <ul style="list-style-type: none"> <li>• Prepare a regional ESOL plan to specifically address delivery of ESOL in the region, to identify issues and ensure that delivery fully meets learner need, and industry specific need</li> <li>• Review how ESOL is funded by AEB to ensure that funding enables providers to support all needs</li> </ul>	

Outcomes and action framework			
 <b>3. Support unemployed and inactive people into work</b>			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	Supporting employers to develop inclusive and equitable working practices to provide opportunities for all	We will continue to: <ul style="list-style-type: none"> <li>• Promote the Mayor's Good Employment Charter</li> <li>• Provide SMEs with in-depth support to analyse and develop the skills of their employees and develop plans to upskill and retain staff</li> </ul>	
		Going forward, we will: <ul style="list-style-type: none"> <li>• Promote the Disability Confident Employer Scheme</li> <li>• Monitor employers' commitment through annual quality review visits</li> </ul>	

Outcomes and action framework			
Cross cutting themes			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
More unemployed/ inactive people gaining the digital skills they need for life and work  	Equipping people with digital skills for work	We will continue to: <ul style="list-style-type: none"> <li>• Provide residents with digital skills for life and work (e.g. through Adult Education and the Digital Skills Investment Programme and other funding e.g. Mayoral Priority Skills Fund)</li> </ul>	
		Going forward, we will: <ul style="list-style-type: none"> <li>• Simplify access to digital skills provision across the region and help people and businesses understand which courses are most suitable through the Skills Connect online directory and personalised support</li> <li>• Provide personalised wraparound support to help target groups under-represented in digital roles and/or disproportionately affected by lockdown measures to access training and support progression to further digital training or digital roles</li> <li>• Help residents in financial difficulty to access services, equipment and data (e.g. West of England Databank)</li> <li>• Use innovative ways to recognise new digital skills and confidence gained through the above interventions – building on the Community Support Fund pilot e.g. Digital Badging</li> <li>• Provide funding for employers to upskill employees to bespoke organisational need through Skills Bootcamps</li> </ul>	

Outcomes and action framework			
Cross cutting themes			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
More unemployed/ inactive people inspired and motivated to enter 'green' jobs and careers More unemployed/ inactive people gaining front line green skills 	Equipping people to enter frontline green jobs	We will continue to: <ul style="list-style-type: none"> <li>• Deliver bespoke flexible green training programme linked to the need of employers (currently through Skills Bootcamps)</li> </ul>	
		Going forward, we will: <ul style="list-style-type: none"> <li>• Simplify access to green skills/low carbon training provision across the region and help people and businesses understand which courses are most suitable through the Skills Connect online directory and personalised support</li> </ul>	

## Case Studies

A Skills Bootcamp learner recently undertook the Welding Bootcamp at Bath College and said – “I really enjoyed the welding course – [they] made the subject easy to learn. They were supportive and able to deliver and communicate well with us as students with zero experience in welding, I must admit the bootcamp went above and beyond my expectations – both personally and professionally.

Page 174  
During our course, the Head of Dept managed to arrange meetings and interviews with companies, factories, and workshops owners looking for welders or people with welding knowledge and I interviewed and found a job before I finished my course. What a great opportunity for anyone looking to start a new career.”



## 4. Support people to progress in work

### Why is this important to us?

In March 2021, there were between 102,600 and 153,900 jobs paying less than the Real Living Wage. As the Real Living Wage is based on the income that people need to live, this means that many working people in our area are experiencing in-work poverty. This in turn has implications for child poverty which limits the ability of our young people to achieve their potential. Furthermore, as we prepare this plan in 2023, high levels of inflation and the cost-of-living crisis mean that even more working people are likely to be drawn into poverty.

As one of the country's most successful, growing economies with a relatively high employment level, there are significant opportunities for progression within the labour market, but many people do not know how to access these opportunities or have the skills and confidence to do so. This is particularly true for emerging opportunities, such as green jobs, where pathways are only now emerging.

Skills and training are vitally important to helping people to progress. People with lower skills are more likely to be in poorly paid jobs and studies show that in the future, demand for unskilled work is likely to fall. Similarly, people without Maths, English and Digital skills are at a disadvantage in the workforce. However, many factors such as mental health,

low confidence, learning difficulties and other factors such as caring responsibilities often prevent people from engaging with in-work progression activities.

Labour market inequalities also mean that some groups are more likely to be in low paid/insecure employment (e.g. women, disabled people, BAME). By working to address these inequalities, we can build fairer communities and a stronger economy and minimise the gap between our low and high earners.


Ensuring that residents have access to the training they need to secure good jobs in the region is crucial to enhancing the quality of life of residents and underpins the success of businesses across the West of England. Employers have an important role to play in addressing these challenges, but national trends indicate that employers are less likely to train their staff than previously. This trend may be further affected by economic uncertainty.

### Where are we now?


Much progress has been made since the first plan was published. Devolution of the Adult Education Budget means that the Combined Authority can now prioritise residents in low paid work or jobs that are at risk of redundancy. Alongside this, Future Bright is now an established service which has provided


one to one career coaching and support to over 3,500 employed residents since 2018 creating increased income for these participants of over £3.6m with further wellbeing benefits estimated at a social value of nearly £4.8m.


In addition, a raft of new initiatives have enabled us to support increasing numbers of adults to improve their specialist skills, numeracy and digital abilities (Skills Bootcamps, Multiply, Digital Skills Investment Programme) to meet the needs of employers across all sectors. Alongside support to individuals, our business support programme (Workforce for the Future) has supported hundreds of SMEs to help them understand how to find or build the skills they need to thrive and grow. The introduction of the Metro Mayor's Good Employer Charter recognises the important role played by employers and aims to set the standard for working practices in the region and support businesses to invest in their staff and enable more inclusive, equitable and sustainable working practices.



Outcomes and action framework			
 <b>4. Support people to progress in work</b>			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
<ul style="list-style-type: none"> <li>• More people working in decent jobs which offer good rates of pay, flexibility and opportunities for progression</li> <li>• More people taking up training opportunities aligned with regional skills needs</li> <li>• More people achieving technical and professional skills</li> <li>• More employers developing inclusive, accessible and equitable working practices</li> <li>• More people 25 years and over taking up apprenticeship opportunities</li> </ul>	Addressing personal and structural barriers to progression (such as confidence, soft skills and mental health, networking)	We will continue to: <ul style="list-style-type: none"> <li>• Provide free career coaching, training and support to help individuals to develop the skills and confidence they need to take their next career step and improve their earning potential and career longevity (e.g through Future Bright, AEB and Multiply, DSIP progressions)</li> <li>• Provide grass roots interventions to improve progression through voluntary and community groups</li> </ul>	Skills Connect (LA spoke services) National Careers Service (4 week in-work support) signposting onto other support services at the end of the 4 weeks
		Going forward, we will: <ul style="list-style-type: none"> <li>• Widen our eligibility for Future Bright to enable more people to access the service and ensure better cross referrals and support by our partners</li> <li>• Promote a range of support services available via Skills Connect</li> </ul>	Working people on income related benefit in the DWP Light Touch support group will be given additional support to progress and improve prospects and finances



Outcomes and action framework			
 <b>4. Support people to progress in work</b>			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
See above	Equipping people with the knowledge, skills and experience they need to progress in work Helping people to retrain in response to redundancies/job losses and wider economic opportunities	We will continue to: <ul style="list-style-type: none"> <li>• Provide 'Foundation Skills for Work' (e.g. through Adult Education)</li> <li>• Provide 'Intermediate Skills for Work' (e.g. through Adult Education)</li> <li>• Listen and respond to providers and FE Colleges to ensure funding methodology is adequately flexible to deliver timely interventions where it is most needed</li> </ul>	Skills Connect (LA spoke services). Working people on income related benefit in the DWP Light Touch support group will be given additional support to progress and improve prospects and finances
		Going forward, we will: <ul style="list-style-type: none"> <li>• Improve and simplify our searchable online directory of employment and skills provision, alongside building access to locally tailored and personalised advice and guidance to help people identify the support they need to progress in employment (through Skills Connect)</li> <li>• Work closely with employers and providers including FE colleges to identify new skills funding opportunities</li> <li>• Facilitate partnership opportunities between employers and providers to remedy skills gaps</li> </ul>	
	Improving Maths and English (including ESOL) to help people progress in work	We will continue to: <ul style="list-style-type: none"> <li>• Provide support to residents to improve their Maths and English skills (e.g. through Adult Education and activities funded by Multiply)</li> <li>• Provide ESOL support to people that need it (e.g. through Adult Education)</li> </ul>	Skills Connect (LA spoke services) National Careers Service (4 week in-work support) signposting onto other support services at the end of the 4 weeks
		Going forward, we will: <ul style="list-style-type: none"> <li>• Provide high rates of funding to providers to reach those furthest away through the Multiply initiative</li> </ul>	

Outcomes and action framework			
 <b>4. Support people to progress in work</b>			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
See above	Supporting employers to develop inclusive, accessible and equitable working practices with training and opportunities for progression	We will continue to: <ul style="list-style-type: none"> <li>• Provide a full triage service through the West of England Growth Hub where accredited business support advisors provide businesses with access to information, advice and guidance enabling fair and sustainable business growth. Promote the Mayor’s Good Employment Charter which supports with wider recruitment and diversity practice, and supports employers to understand the benefits of diversity in the workplace</li> <li>• Build support into our programmes to help employers navigate the skills ecosystem and understand better how to use recruitment and training to widen and strengthen their workforce planning.</li> <li>• Provide SMEs with in-depth support to analyse and develop the skills of their employees and develop plans to upskill and retain staff and bring in new talent (e.g. through Workforce for the Future)</li> </ul>	
		Going forward, we will: <ul style="list-style-type: none"> <li>• Promote the Disability Confident Employer Scheme</li> </ul>	

Outcomes and action framework			
 <b>4. Support people to progress in work</b>			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
See above	Increasing take-up of apprenticeships at all levels for in work progression	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Provide SMEs with support to understand the apprenticeship system and apprenticeship development plans (e.g. through targeted projects delivered through the Growth Hub, such as Workforce for the Future, and initiative available through other providers in the region (banks, networks, trade associations, R&amp;D institutions, etc. Sharing good practice through mechanisms such as business advisory boards, sector development groups and the Combined Authority convened Business Insights Panel</li> <li>• Promote the successful Share to Support scheme which utilises unspent apprenticeship levy to support training within SMES</li> </ul> <p>Going forward, we will:</p> <ul style="list-style-type: none"> <li>• Create a regional apprenticeship service as part of Skills Connect to maximise apprenticeship opportunities in the region providing practical support and drive-up awareness of apprenticeships amongst both learners and employers</li> <li>• Continue to build on Share to Support to retain levy funds in the region for the benefit of our SMEs and future apprentices</li> </ul>	South West Apprenticeship Ambassador network can support to connect with employers

Outcomes and action framework			
Cross cutting themes			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
<p>More people inspired and motivated to enter digital jobs and careers</p> <p>More people gaining the digital skills they need for life and work</p> 	<p>Helping people to re-train to take advantage of digital progression opportunities</p>	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Provide residents with digital skills for life and work (e.g. through AEB, CSF, Skills Bootcamps and Digital Skills Investment Programme)</li> </ul> <p>Going forward, we will:</p> <ul style="list-style-type: none"> <li>• Simplify access to digital skills provision across the region and help people and businesses understand which courses are most suitable through the Skills Connect online directory and personalised support</li> <li>• Provide personalised wraparound support to help target groups under-represented in digital roles and/or disproportionately affected by lockdown measures access training and support progression to further digital training or digital roles</li> <li>• Celebrate every achievement through digital badging to recognise new digital skills and confidence gained through the above interventions – building on the Community Support Fund pilot</li> </ul>	<p>Skills Connect (LA spoke services).</p> <p>National Careers Service (4 week in-work support) signposting onto other support services at the end of the 4 weeks</p>
<p>More people inspired and motivated to enter 'green' jobs and careers</p> <p>More people gaining the 'front line' green skills needed to support the region's low carbon transition</p> 	<p>Helping people to re-train to take advantage of 'front line' green skills opportunities and support the low carbon transition</p>	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Deliver bespoke flexible green training linked to the need of employers (currently through Skills Bootcamps) and promote delivery of linked entry level green skills via AEB</li> </ul> <p>Going forward, we will:</p> <ul style="list-style-type: none"> <li>• Promote green skills training opportunities via Skills Connect</li> <li>• Work with employers and training providers to co-design training solutions to meet immediate frontline green skills needed in the region e.g. energy systems, renewable energy installations, heat pumps, retrofit and hydrogen)</li> <li>• Continue to incorporate green skills into a range of skills programmes and projects</li> <li>• Consider ring fencing AEB funding in future years to ensure focus on green skills by all providers and across all sectors</li> </ul>	

## Case Studies

Taiwo was studying and working part-time as a Customer Service Advisor before joining Future Bright. She aspired to work in a management position after finishing her studies and was able to achieve her goal with support from her personal career coach, Rebecca. She said

“Future Bright is a really good opportunity and if you commit, the results will show over time. The goals that you set; you can achieve. Personally, Future Bright was a blessing to me. I have had a promotion and I even have a salary increase coming”.



## 5. Address employer needs and skills gaps

### Why is this important to us?

Some employers are struggling to recruit people to fill vacancies, and this is preventing them from growing. This issue spans many parts of the economy and includes sectors vital to the wider functioning of the economy and our society such as transport, health and social care, as well as our important knowledge-based clusters.

We want our employers to thrive across the region and, as highlighted in the LSIP pilot evaluation report, access to a highly skilled workforce is an important factor in improving productivity and growth. However, national trends suggest that employers are not engaging in workforce development and training as much as they did previously and there is a concern that this may worsen due to the cost-of-living crisis. Numbers of people taking up apprenticeships are also falling, which is concerning as apprenticeships provide a key vocational route for many learners and employers.

A key part of the recruitment challenge is the lack of diversity in certain job sectors, with various groups under-represented including women, men in some sectors, ethnic minorities and disabled people. Not only does this perpetuate inequalities, but businesses are not able to draw on the diverse talent they need to

grow. Companies with executive teams in the top quartile for gender diversity are 25% more likely to outperform their competitors and this rises to 36% for ethnic diversity. We also aspire to helping widen socio-economic diversity in the workplace.

Throughout this plan we have referenced engaging local talent and taking a place based approach – by ensuring all our residents have access to clear pathways and training to be able to access these opportunities we can address inequalities, tackle skills shortages, and improve productivity as well as to promote recruitment in areas with pools of talent. This is a particularly pressing issue where employers are reporting extreme difficulty in finding sufficient numbers of (suitably skilled) staff.

We know that our economy is changing, and skills needs are changing rapidly. For instance, to meet net zero targets by 2030, an estimated 23,000 new jobs will be created. Similarly, the UK Industrial Strategy Council predicts that, unless action is taken, in 2030 the most widespread under-skilling will be in basic digital skills. Equipping our residents with the skills needed for tomorrow will future proof our economy.

In common with the rest of the country, our region has some sectors of high volume employment where there are staff, as well as

skills, shortages, such as health and social care, retail and hospitality, construction, logistics and distribution which we must address. However, we also have specialist sectors which provide routes to growth and inward investment for our region, and where there are a range of existing and emerging skills needs, including aerospace and advanced engineering, financial, professional and business service, creative and cultural industries, digital technologies (quantum, AI... etc), and life sciences.

## Where are we now?

Together we have made enormous progress in this area since the first plan was developed. Our partners, with the support of the Combined Authority, have progressed several initiatives to improve the supply of technical, digital and engineering skills in particular, including projects such as the West of England Institute of Technology, Institute of Coding, iStart and DETI. The region also benefits from four universities as well as FE colleges supplying graduate level skills into the region.

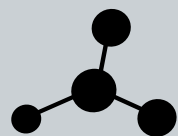
To support the work of partners, the Combined Authority has developed several initiatives to support the development of workforce skills. These include:

- Workforce for the Future – which provides free tailored, in-depth support to help ensure employers have access to the skills, training and support they need to thrive;
- Share to Support – which transfers unused apprenticeship levy from larger to smaller employers. To date over £2m has been retained in the region and 200 apprentices recruited;
- The Mayor's Good Employment Charter – which works with businesses to understand the importance of workforce development to support business growth;
- Thrive at work – which supports business leaders with the mental health and wellbeing of their workforce;
- Leadership and Management development – access to peer learning, fully funded training courses and business mentoring to improve leadership and management of businesses; and
- Business Advisory Boards – access to non-executive director style support from a group of experienced business leaders.

We have also successfully drawn down funding in 2022-23 for regional Skills Bootcamps which directly meet employer skills gaps and learned best practice in how to build genuinely employer led programmes. We will continue to draw down these funds into 2023-24. We will continue to use this and any source of funding to meet our employers' skills needs and ensure business productivity.

In addition, as part of the West of England Growth Hub triage service, businesses undergo a full review of opportunities to both address challenges, to plan for growth, and to increase productivity. Developing talent, in-work progression, and skills development is a major part of the Growth hub offer.

Outcomes and action framework



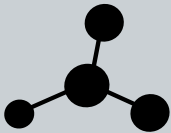
5. Address employer needs and skills shortages

Page 184

The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
<ul style="list-style-type: none"> <li>• More employers having the skills and talent they need to thrive</li> <li>• More employers training their staff, supporting retention and creating opportunities for progression</li> <li>• More employers engaging in the codesign and co-delivery of education and training provision</li> <li>• More employers creating apprenticeship opportunities</li> <li>• More small businesses and a greater variety of businesses adopting apprenticeships</li> <li>• A more inclusive regional workforce</li> </ul>	<p>Helping businesses to understand their current and future skills needs and find the support they need</p>	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Provide businesses with support to understand their skills needs, promote the benefits of workforce development and navigate our region's skills system (e.g. through Workforce for the Future and our Growth Hub)</li> <li>• Provide employers with support to engage with future diverse talent through schools and colleges (e.g. through the Careers Hub)</li> <li>• Work with the region's inward investment service – Invest Bristol and Bath – to ensure businesses moving to the area access local people and skills</li> </ul>	<p>Though regional business support and inward investment services (Growth Hub and Invest Bristol and Bath)</p>
	<p>Ensuring that skills provision aligns with employer need, now and in the future, including through major new regeneration and inward investment</p>	<p>Going forward, we will:</p> <ul style="list-style-type: none"> <li>• Provide a searchable online directory of employment and skills provision with personalised advice and guidance to help people and businesses identify the support they need through Skills Connect</li> </ul>	
	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Understand future skills gaps and developing with partners long term plans to align provision including for major regional developments and inward investment like Bristol Temple Quarter, including new Enterprise Campus</li> </ul>	<p>Business West to lead LSIP delivery and feed in the employer views of skills needs to help shape response</p>	
	<p>Going forward, we will:</p> <ul style="list-style-type: none"> <li>• Support the development of the Local skills Improvement Plan and ensure recommendations are acted on by providers</li> <li>• Share relevant labour market information with schools and colleges and support them to ensure curriculum delivery aligns to current and future demand from employers (e.g. through Careers Hub)</li> </ul>	<p>Colleges and training providers will use LSIP and other CA LMI to respond to skills</p>	

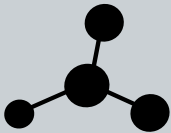


Outcomes and action framework

 **5. Address employer needs and skills shortages**

The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
<ul style="list-style-type: none"> <li>As above</li> </ul>	Promoting greater workforce diversity and inclusion to benefit productivity and address skills shortages	We will continue to: <ul style="list-style-type: none"> <li>Support businesses to proactively employ and nurture diverse talent more actively, confidently and successfully</li> <li>Build outreach activity in schools to attract a more diverse future talent and widen young people's view of potential careers</li> <li>Promote the Good Employer Charter</li> </ul> Going forward, we will: <ul style="list-style-type: none"> <li>Continue to support existing work with employers and specialist training providers to offer employment and training opportunities to people with disabilities/SEND and other under-represented groups</li> <li>Promote via Skills Connect, accessible pathways in the system which reflect the needs of diverse learners</li> </ul>	Bristol WORKS is actively supporting employers to create opportunities for work experience for young people WE Work for Everyone led by BCC is delivered across the region to promote opportunity to those with disability/SEND
	Supporting the growth of apprenticeships and other technical pathways to fill technical skills gaps	We will continue to: <ul style="list-style-type: none"> <li>Promote the Share to Support scheme to transfer levy to SMEs</li> <li>Connect employers and Apprenticeship and Technical education training providers with schools to promote their opportunities and access future talent.</li> </ul>	Strengthen and build relationships with our 4 universities regarding skills and higher level provision to meet emerging employer demand and build whole pathways of provision

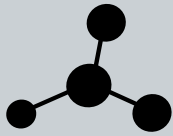
Outcomes and action framework

 **5. Address employer needs and skills shortages**

The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.		Going forward, we will: <ul style="list-style-type: none"> <li>• Create a regional apprenticeship service as part of skills Connect to provide practical support for and drive-up awareness of apprenticeships/traineeships amongst both learners and employers (including degree level)</li> <li>• Work with the Institute for Apprenticeships and Technical Education to ensure that apprenticeship standards reflect labour market need and local conditions</li> <li>• Fed into and influence national policy discussions on apprenticeships and technical education routes</li> <li>• Seek to extend and expand the Share to Support scheme, based on huge success to date</li> </ul>	
	Supporting employers to develop high quality working practices	We will continue to: <ul style="list-style-type: none"> <li>• Promote the Mayor's Good Employment Charter</li> <li>• Promote the CEC Employer Standards and provide training to improve the quality of employer outreach in education</li> <li>• Promote the Share to Support scheme to transfer levy to SMEs</li> </ul> Going forward, we will: <ul style="list-style-type: none"> <li>• Promote the DWP Disability Confidence Charter</li> </ul>	

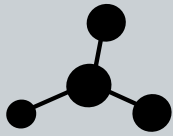
**Outcomes and action framework**

**5. Address employer needs and skills shortages**





The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	Encouraging entrepreneurship and self-employment	We will continue to: <ul style="list-style-type: none"> <li>• Provide coaching to those who are self-employed and meet Future Bright eligibility</li> <li>• Signpost those wanting to start a business to the Growth Hub Universal Business Support service delivered in partnership with the West of England local councils</li> <li>• Provide access to a range of entrepreneur and business start-up support available in the region through the Growth Hub accessible either through one-to-one triage with an Enterprise Executive or through the Growth Hub web portal.</li> </ul>	
		Going forward, we will: <ul style="list-style-type: none"> <li>• In collaboration with the West of England Universities provide a new entrepreneurial support programme 'Start' designed to develop individuals from having a tech-based business idea to running their own start-up company. Including 28 hours intensive training, workshops, and mentoring; the chance to earn a free place in a university incubation programmes; and access to shared networks and investment opportunities.</li> </ul>	
	Developing leadership and management skills	We will continue to: <ul style="list-style-type: none"> <li>• Promote information and access to leadership and management coaching and mentoring support through Skills Connect</li> <li>• Provide leadership and management skills through peer-to-peer learning, one to one mentoring and access to training and development courses via the Growth Hub</li> </ul>	

**Outcomes and action framework**



**5. Address employer needs and skills shortages**

The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	As above.	Going forward, we will: <ul style="list-style-type: none"> <li>• Continue to work closely with employers and sector representatives through the SAP and other channels to identify areas of need and address management skills</li> </ul>	

Outcomes and action framework			
Cross cutting themes			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
<p>More businesses with the skills needed for digital transformation</p> 	<p>Ensuring our region's businesses have the skills and capabilities needed for digital transformation</p>	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Deliver bespoke flexible digital training programmes linked to the needs of employers (e.g. through Bootcamps)</li> <li>• Support manufacturing businesses to grow with digital technologies (e.g. through Made Smarter)</li> <li>• Engage relevant employers with Schools and Colleges to promote digital skills needed in the workforce and engage diverse future talent. Work with schools and colleges to align their curriculum to the skills needed for digital transformation.</li> </ul>	<p>Computing Hub, STEM Ambassador Network – both could help with curriculum alignment in education.</p>
<p>More people working in front line green jobs (e.g. retrofit roles)</p> 	<p>Ensuring our region's businesses have the skills and capabilities needed to deliver the low carbon transition</p>	<p>We will continue to:</p> <ul style="list-style-type: none"> <li>• Increase business' engagement and understanding of the climate and ecological emergency, including the skills required to meet net-zero ambitions (e.g. through the Growth Hub and Low Carbon Business Support events, resources and surveys)<sup>1</sup></li> <li>• Deliver bespoke flexible green training programmes linked to the needs of employers (e.g. through Skills Bootcamps)</li> <li>• Stimulate demand for Green skills in supply chains (e.g. through Regional Low Carbon Delivery programmes)</li> <li>• Connect relevant employers with schools and colleges to engage with diverse future talent through the Green Futures Fund</li> </ul>	

Outcomes and action framework			
Cross cutting themes			
The long-term outcomes we want to achieve	What we (collectively) need to focus on to achieve the longer-term outcomes	What the Combined Authority will do	How our partners could help
As above.	As above.	Going forward, we will: <ul style="list-style-type: none"> <li>• Put a focus on front line green skills such as retrofit skills to meet immediate and emerging need</li> <li>• Launch the West of England 'Retrofit Accelerator' initiative as part of the CESAP. Supporting the retrofit of over 350 small and micro businesses</li> <li>• Through CESAP develop a peer-to-peer support programme to promote innovation and environmental transition.</li> <li>• Ensure Green skills needs are regularly reviewed and responded to, reflecting fast-moving markets, innovations and local/national priorities.</li> </ul>	








# Case Studies

Case study to be supplied










# SUMMARY OF COMBINED AUTHORITY STRATEGIC INITIATIVES








The tables below summarise the Combined Authority's current and next strategic initiatives

Our Current Strategic Initiatives	 01	 02	 03	 04	 05	 Digital	 Green
<b>Careers Hub</b> – Providing schools/colleges with the training, tools, resources and knowledge to deliver CEaIG, supporting careers leaders, supporting young people most at risk, working in partnership with employers. Amplifying technical and vocational routes	✓	✓			✓	✓	✓
<b>Green Futures Fund</b> – supporting schools and colleges to deliver the green skills agenda	✓	✓					✓
Community Support Fund – transition this fund to build on best practice gained in supporting community led, person centred projects to help people overcome barriers to work and improve progression and support legacy work			✓	✓			
<b>Devolved funding of Adult Education Budget</b> – setting the direction of AEB funds so that they are used to provide: <ul style="list-style-type: none"> <li>• Community learning to promote outreach and progression to learning and work</li> <li>• Skills to meet current and emerging skills needs for priority residents</li> <li>• Maths, English, ESOL and digital skills</li> <li>• Careers coaching</li> <li>• Foundation &amp; intermediate skills for work</li> </ul>			✓	✓	✓	✓	
<b>Workforce for the Future</b> – providing: <ul style="list-style-type: none"> <li>• SMEs with in-depth support to analyse and develop the skills of their employees</li> <li>• Short courses and training aligned to the needs of the economy</li> <li>• Share to Support which utilises unspent apprenticeship levy to support training within SMEs</li> <li>• Supporting businesses to proactively employ disabled people more actively, confidently and successfully</li> </ul>			✓	✓	✓	✓	✓

Page 192



Our Current Strategic Initiatives	 01	 02	 03	 04	 05	 Digital	 Green
<p><b>Skills Bootcamps</b> – providing:</p> <ul style="list-style-type: none"> <li>• Short courses and training aligned to the needs of the economy</li> <li>• Bespoke, flexible green training programmes</li> <li>• Bespoke, flexible digital training programmes</li> <li>• Bespoke, flexible construction training programmes</li> </ul>			✓	✓	✓	✓	✓
<p><b>Multiply</b> – Supporting residents with low numeracy skills and who experience barriers to addressing these skills</p>			✓	✓			
<p><b>Good Employment Charter</b> – Promoting the West of England Good Employer Charter which sets the standard for working practices in the region and supports businesses of an size or sector to improve investment in their staff</p>	✓	✓	✓	✓	✓		
<p><b>Digital Skills Investment Programme</b> – A £2m programme to support access to digital skills training, increasing access to and take-up of adult education opportunities and bespoke training courses to fill digital skills gaps</p>			✓	✓	✓	✓	
<p><b>Future Bright</b> – Providing free career coaching, training and support to help individuals to develop the skills and confidence they need to take their next career step and improve their earning potential</p>				✓	✓		

Our next strategic initiatives	 01	 02	 03	 04	 05	 Digital	 Green
<p><b>Skills Connect</b> – Implement ‘skills connect’ to include:</p> <ul style="list-style-type: none"> <li>• A searchable online directory of employment and skills provision for people, businesses and providers</li> <li>• Personalised advice and guidance to people furthest from the labour market and assist them with access to the wider ‘wrap around’ support they need to progress into and within employment</li> <li>• Support for individuals and businesses to understand which digital courses are for them</li> <li>• Support for individuals and businesses to understand which green courses are for them</li> <li>• A regional apprenticeship service to provide practical support for and drive-up awareness of apprenticeships amongst both learners and employers</li> <li>• Labour market intelligence to allow the Combined Authority and partners full visibility of existing provision as they develop new services</li> </ul>	✓	✓	✓	✓	✓	✓	✓
<p><b>Mayoral Priority Skills Fund</b> – Provide quick, flexible response to skills needs where there is demand from employers and gaps in provision</p>	✓		✓	✓	✓	✓	✓
<p><b>Skills Bootcamps</b> – Deliver job specific training via Skills Bootcamps Wave 4</p>			✓	✓	✓	✓	✓
<p><b>Future Bright</b> – develop a business case to secure funding beyond its current end date of Feb 2024</p>				✓	✓	✓	✓
<p><b>Green/Future Skills Co-design</b> – seek funding to support training providers to work with employers to co-design training solutions to meet immediate front line green skills needed in the region e.g., energy systems, renewable energy installations, heat pumps, retrofit and hydrogen along with other future skills needs</p>				✓	✓	✓	✓
<p><b>Promote the Disability Confident charter</b></p>		✓	✓	✓	✓		
<p><b>Transition Support</b> – Co-design with partners a region wide programme to support young people most at risk of becoming NEET with transition support</p>		✓					
<p><b>Apprenticeship service</b> – map and develop as part of Skills Connect a platform to promote apprenticeship awareness, knowledge and take up and to monitor success over time</p>	✓	✓	✓	✓	✓	✓	✓

# HOW THE PLAN WILL BE MONITORED AND MANAGED

**We recognise that targeting support (in terms of individual, occupations, sectors etc.) over the life of the plan is difficult, in a rapidly changing economy.**

We need to be agile and responsive to challenges as they emerge as well as addressing long-standing issues. We therefore plan to develop an annual targeted delivery plan, which will form part of the Combined Authority’s annual business plan, which will outline what we will focus on in the coming year, drive investment and enable us to channel available skills funds in a targeted way in each year. The annual delivery plan will be informed by:

- direction from the Mayor and Councils and align with the Combined Authority business plan;
- labour market information and research;
- feedback from Skills Connect delivery;
- evidence and input from key delivery partners (including LSIP); and
- evaluation and success of initiatives delivered over the year.

This will enable us to keep our delivery agile and responsive to emerging need and changing economic conditions.

We are committed to monitoring our progress and measuring success. This will be done at multiple levels and will use the following tools:

Tool	What	Reviewed and updated
<b>Annual delivery plan</b>	An agile plan aligned to the CA business plan setting out clear objectives and delivery tailored to address current need	Annually
<b>Labour market information dashboard</b>	A publicly available dashboard giving up to date information on the labour market, jobs and skills, enabling us to constantly review delivery and tailor it to local or regional need	Quarterly
<b>Monitoring dashboard</b>	An internal tool for use by the Combined Authority and its Local Authority partners to review delivery and progress over the year including: <ul style="list-style-type: none"> <li>• activities undertaken</li> <li>• outputs achieved against target</li> <li>• outcomes on track and achieved</li> </ul>	Monthly






## ANNEX A: MEASURES OF SUCCESS






The table below sets a basket of indicators which will help us evaluate progress against the longer-term outcomes set out in this plan. These will complement our existing project and programme management methodologies employed to monitor and report on the success of our funding. During the lifetime of the Plan we will place a specific emphasis on measuring the impact of our green skills work.






The indicators chosen meet the following criteria:

- Are publicly available and easily accessible;
- Are updated at least annually;
- Are from a reputable source (e.g. ONS, DfE etc.);
- Allow us to measure the impact and success of this plan over time

Page 196

Indicator	Latest Figure	Baseline	Change since baseline	National Figure	Source of data	 01	 02	 03	 04	 05
<b>Number of unique users of Skills Connect website</b>	X	X	n/a	n/a	Skills Connect	✓				
<b>Average number of Gatsby benchmarks achieved in schools and colleges</b>	5.56 (21/22)	2.46 (2019)	Up 3.1	4.9 (21/22)	Careers and Enterprise Company WoE Careers Hub	✓	✓			
<b>% of students achieving sustained education, apprenticeship or employment destination at '16-18</b>	79.3% (20/21)	82.1% (17/18)	Down 2.8%	79.1% (20/21)	DfE Education Statistics Destination of students leaving 16-18 study	✓	✓			

Indicator	Latest Figure	Baseline	Change since baseline	National Figure	Source of data	 01	 02	 03	 04	 05
% of disadvantaged students sustained education, apprenticeship or employment destination at '16-18	69.1% (20/21)	72.2% (17/18)	Down 3.1%	70.2% (20/21)	DfE Education Statistics Destination of students leaving 16-18 study	✓	✓			
% of students at KS 5 progressing to any HE institution	26.8% (20/21)	24.5% (17/18)	Up 2.3%	35.7% (20/21)	DfE Education Statistics Destination of students leaving 16-18 study	✓	✓			
Apprenticeship starts aged 16-24	3,790 (21/22) 52.8% of starts	4,660 (17/18) 60.4% of starts	Down 19%	52.6% of starts	DfE Education Statistics	✓	✓			
% of NEETs/activity not known aged 16-17	6% (2022)	6.6% 2017	Down 0.6%	4.7% 2022	DfE Education Statistics	✓	✓			
% of residents aged 16-64 who are unemployed	2.3% (Oct 21-Sept 22)	4% (Jan-Dec19)	Down 1.7%	3.7% (Oct 21-Sept 22)	Annual Population Survey	✓		✓		
% of residents aged 16-64 who are inactive	16.9% (Oct 21-Sept 22)	18.1% (Jan-Dec19)	Down 1.2%	21.6% (Oct 21-Sept 22)	Annual Population Survey	✓		✓		
% of inactive residents (aged 16-16) who want to work	26.5% (Oct 21-Sept 22)	28.5% (Jan-Dec19)	Down 2%	18.4% (Oct 21-Sept 22)	Annual Population Survey	✓		✓		
% of residents (aged 16-64) with level 2 or above skills	83.0% (Jan-Dec 21)	80.7% (Jan-Dec 19)	Up 2.3%	78.1% (Jan-Dec 21)	Annual Population Survey	✓		✓	✓	
% of residents (aged 16-64) with level 3 or above skills	69.2% (Jan-Dec 21)	66.2% (Jan-Dec19)	Up 3%	61.4% (Jan-Dec 21)	Annual Population Survey	✓		✓	✓	
% of residents (aged 16-64) with level 4 or above skills	50.5% (Jan-Dec 21)	45.4% (Jan-Dec19)	Up 5.1%	43.2% (Jan-Dec 21)	Annual Population Survey	✓			✓	✓

Indicator	Latest Figure	Baseline	Change since baseline	National Figure	Source of data	 01	 02	 03	 04	 05
<b>% of people earning less than the Real Living Wage (as defined by the Living Wage Foundation)</b>	15% (2021)	19% (2018)	Down 4%	17.1%	Living Wage Foundation/Annual Survey of Hours and Earnings	✓			✓	
<b>No. of apprenticeship starts</b>	7180 (2021/22)	7720 (17/18)	Down 540		DfE, Education Statistics	✓	✓	✓	✓	✓
<b>% of people aged 16-64 who received job related training in the last 13 weeks</b>	24.8% (Jan-Dec 21)	25.1%	Down 0.3%	18.6%	Annual Population Survey	✓				✓
<b>No of businesses signed up to the Good Employer Charter</b>	115 Active Supporters, representing 7,845 employees (March 2023)	N/A	N/A	N/A		✓				✓
<b>No of employers that have signed up to DWP Disability Confident Charter</b>	321 (March 2023)	N/A	N/A	N/A		✓				✓

- i Horizon Scanning: Post-16 Education and Skills Infrastructure
- ii The International Labour Organization (ILO) defines decent work as "productive work for women and men in conditions of freedom, equity, security and human dignity". In general, work is considered as decent when: it pays a fair income. it guarantees a secure form of employment and safe working conditions.
- iii Building the Future Economy. Plan for action for UK business innovation. Innovate UK
- iv <https://futuredotnow.uk/wp-content/uploads/2022/05/Hidden-middle-report.pdf>



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

**DATE: 16 JUNE 2023**

**REPORT TITLE: COMBINED AUTHORITY AND MAYORAL BUDGET OUTTURN 2022/23**

**DIRECTOR: STEPHEN FITZGERALD, INTERIM DIRECTOR OF INVESTMENT AND CORPORATE SERVICES AND SECTION 73 OFFICER**

**AUTHOR: SELONGE RUSSELL, HEAD OF FINANCE AND DEPUTY SECTION 73 OFFICER**

## **Purpose of Report**

- 1 This report represents the revenue and capital outturn for the West of England Combined Authority Committee for the financial year 2022/23 based on data from the period April 2022 to March 2023 for both the West of England Combined Authority and Mayoral budgets. The final outturn position will be subject to audit verification of the annual accounts.

## **RECOMMENDATIONS:**

The West of England Combined Authority Committee:

Notes the outturn position for the West of England Combined Authority Revenue Budget; The outturn position for the Mayoral Revenue budget; and The Capital Outturn as set out in Appendix 1.

## **Voting Arrangements:**

None required – Recommendations are for noting purposes.

## Background / Issues for Consideration

- 2 In accordance with the regular reporting timetable for updating the committee with budget monitoring information and in accordance with financial regulations to report on the outturn, this report sets out the year-end financial position for both revenue and capital budgets. Members of the committee are asked to review and comment on the financial year-end position set out in this report and be aware that external audit review and certification will need to be completed before these figures can be classed as final.

## West of England Combined Authority Revenue Outturn

- 3.1 The 2022/23 West of England Combined Authority Revenue Budget was originally set in January 2022 with income and expenditure of £64.913m, together producing a net nil balanced budget. A summary of the original budget by objective and subjective classification is given below:

**Figure 1: Approved West of England Combined Authority Revenue Budget 2022/23**

<u>Subjective Classification</u>	<i>(£,000's)</i>	<u>Objective Classification</u>	<i>(£,000's)</i>
Employee Costs	9,646	Business & Skills	74
Premises Costs	489	Environment	0
Transport	17	Infrastructure	790
Supplies & Services	7,976	Corporate Services	(742)
Third Party Project Payments	48,987	Strategy & Innovation	468
Central Support Costs	(2,647)	Chief Executive	1,010
Recharges	212	General Fund Revenue Financing	(1,600)
Timesheet Recharges	232	<b>Net Expenditure</b>	<b>-</b>
<b>Total Expenditure</b>	<b>64,913</b>		
Fees and Charges	(340)		
Grants and Contributions	(62,803)		
Interest	(1,603)		
Other	(167)		
<b>Total Income</b>	<b>(64,913)</b>		
<b>Net Expenditure</b>	<b>-</b>		

- 3.2 The West of England Combined Authority has been successful in obtaining and utilising additional funding to deliver services to the local community – rising from the originally budgeted £64.9m to an outturn of £90m during the year – a 39% increase.



Expenditure has also increased commensurately as that additional funding has been allocated and spent.

- 3.3 An outturn underspend of £1,014k for the West of England Combined Authority revenue budget is being reported. This represents a 1% variance against the total expenditure. £475k of that surplus is proposed to be allocated to the Treasury Management Reserve with the balance of £539k increasing the level of General Reserves.
- 3.4 An analysis of the outturn position which collectively represent the above £1,014 net underspend are shown in the table below:

**Figure 2: Outturn by Directorate and as a Percentage of Gross Spend**

	Approved Budget (£,000's)	Outturn (£,000's)	Variance to Approved Budget (£,000's)	(%)	Net Outturn (£,000's)	Variance to Budget (£,000's)
Business and Skills	27,406	26,727	(679)	(2%)	106	32
Environment	247	863	616	249%	89	89
Infrastructure	30,657	35,375	4,718	15%	584	(212)
Corporate Services	15,023	23,621	8,598	57%	(3,548)	(1,212)
Strategy & Innovation	4,022	1,639	(2,383)	(59%)	655	198
Chief Executive	1,889	1,817	(72)	(4%)	1,100	91
<b>Gross Expenditure</b>	<b>79,244</b>	<b>90,042</b>	<b>10,798</b>	<b>14%</b>	<b>(1,014)</b>	<b>(1,014)</b>
Business and Skills	(27,332)	(26,621)	711	(3%)		
Environment	(247)	(774)	(527)	213%		
Infrastructure	(29,861)	(34,791)	(4,930)	17%		
Corporate Services	(17,359)	(27,169)	(9,810)	57%		
Strategy & Innovation	(3,565)	(984)	2,581	(72%)		
Chief Executive	(880)	(717)	163	(19%)		
<b>Gross Income</b>	<b>(79,244)</b>	<b>(91,056)</b>	<b>(11,812)</b>	<b>15%</b>		
<b>Net Spend</b>	<b>-</b>	<b>(1,014)</b>	<b>(1,014)</b>	<b>n/a</b>		
<i>Transferred to Treasury Reserve</i>		<i>475</i>				
<i>Transferred to General Reserves</i>		<i>539</i>				

- 3.5 A summary of the underlying key variances by directorate is set out in the following paragraphs.

3.5.1 Business and Skills £32k over (Period 10 £53k over)

The directorate has seen additional grant income allocated and used within the year from that assumed in the original budget – rising from £25.9m to £26.6m (a 4% increase).

The £32k outturn variance within this directorate relates to the Business and Skills Management Team with a modest net overspend of £32k on a total gross spend of £26.7m (0.1%)

3.5.2 Environment £89k over (Period 10 £68k over)

The Environment directorate has a total overspend of £89k on a total gross spend of £863k (10%). The directorate has dealt with significant additional activity in year,

having seen its grant and other income funding increase to £774k from the £148k originally budgeted – a 423% increase.

### 3.5.3 Infrastructure £212k under (Period 10 £71k over)

The originally budgeted funding for this directorate of £26.9m has increased during the year to be able to obtain and apply £34.8m on delivering services and investment to the local community – a 29% increase.

The outturn £212k underspend against budgeted spend is a 1% variance.

### 3.5.4 Corporate Services £1,212k under (Period 10 £806k under)

As is seen in other directorates across the West of England Combined Authority, actual income through grants or other funding streams has been achieved in year significantly in excess of that originally budgeted and both income and expenditure have risen commensurately during the course of the year for this directorate. Against an original budget of £10.5m income, the outturn achieved has been £27.2m – a 159% increase. The £1.2m underspend represents 8% of the gross budgeted spend.

Interest earnings on cash balances have benefitted from increasing rates during the year and contribute £1.9m to the net under-spend position for this directorate – slightly higher than the £1.7m forecast at Period 10.

The Period 10 reported forecast assumed £785k of the surplus on interest earnings would be transferred to an earmarked treasury reserve to meet potential short-term reductions in interest earnings or any liability that may arise from future changes to accounting regulations and treatment of pooled property investments. £475k of that surplus is being transferred to the Treasury Management Reserve with the balance of £539k contributing to General Reserves.

### 3.5.5 Strategy and Innovation £198k over (Period 10 £19k under)

The £198k net over-spend represents 5% of the gross £1.6m budgeted spend within this directorate.

### 3.5.6 Chief Executive £91k over (Period 10 £32k over)

The £91k net over-spend represents an 5% variance against total budgeted spend.

### 3.5.7 ITA Levy £561k over (Period 10 £934k over)

Included in the above figures is the ITA Levy, which has seen a spend of £561k over funding which has been met from the drawdown of earmarked reserves for such eventualities. The table below provides further detail:

**Figure 3: ITA Levy**

	<b>Budget 22/23</b>	<b>Forecast 22/23</b>	<b>Outturn 22/23</b>	<b>Variance to Budget</b>	<b>Variance to</b>
	<i>(£,000's)</i>	<i>(£,000's)</i>	<i>(£,000's)</i>	<i>(£,000's)</i>	<i>(£,000's)</i>
<b>Forecasted Function Cost</b>					
Team and Operational costs	1,308	1,308	1,333	25	25
Contribution from Combined Authority*	(452)	(452)	(452)	-	-
Community Transport grants	1,653	1,711	1,734	81	23
Concessionary Fares	13,018	9,477	9,419	(3,599)	(58)
Real Time Information (RTI)	402	402	402	0	0
Supported Bus Services	3,059	9,325	10,193	7,134	868
Metrobus	73	73	75	2	2
Updating Bus Stop Information	177	175	243	66	68
Travelwest	14	14	14	(0)	(0)
Integrated Ticketing	216	216	193	(23)	(23)
	<b>19,468</b>	<b>22,249</b>	<b>23,153</b>	<b>3,685</b>	<b>904</b>
<b>Additional Funding</b>					
S106 Funding	-	(463)	(514)	(514)	(51)
Bus Service Operator Grant (BSOG)	-	(1,147)	(1,148)	(1,148)	(1)
Bus Recovery Grant (BRG)	-	-	(1,146)	(1,146)	(1,146)
Lost Mileage Claim Back from Operators	-	(237)	(316)	(316)	(79)
<b>Net Function Cost</b>	<b>19,468</b>	<b>20,402</b>	<b>20,029</b>	<b>561</b>	<b>(373)</b>
<b>Movement in Reserves</b>					
Opening balance on reserves	-	(1,963)	(1,963)	(1,963)	-
Drawdown from reserves	-	934	561	561	(373)
<b>Closing Balance on reserves</b>	<b>-</b>	<b>(1,029)</b>	<b>(1,402)</b>	<b>(1,402)</b>	<b>(373)</b>

\*Overheads and Recharges

BSOG Grant & S106 funding are not levy related

22/23 opening reserve balance: £1,963K (£616K Smoothing Reserve+ £1,347K Earmarked Reserves)

Above figures exclude North Somerset Council Contribution

UA Levy Contributions:

<b>Authority</b>	<b>2022/23 Levy £000s</b>	<b>2023/24 Levy £000s</b>	<b>2024/25 Levy £000s</b>	<b>2025/26 Levy £000s</b>
B&NES	5,194	5,194	5,194	5,194
BCC	10,235	10,235	10,235	10,235
SGC	4,014	4,014	4,014	4,014
First	25	25	25	25
<b>Total Levy</b>	<b>19,468</b>	<b>19,468</b>	<b>19,468</b>	<b>19,468</b>

- 3.5.8 The Investment Fund (with projects managed by both the West of England Combined Authority and Unitary Authorities) has delivered an outturn spend of £19.0m in 2022/23 and compares to an original budget of £20.9m as set out in the January 2022 Budget Setting Report. A summary of the original budget and spend is set out in the table below and in more detail in Appendix 2.

**Figure 4: Investment Fund Revenue Spend**

		Managed by Unitaries & 3rd Parties (£,000's)	Managed by Combined Authority (£,000's)	Total (£,000's)
Budget Setting: (Jan 22)	2022/23	4,673	16,235	20,908
	2023/24	1,824	6,986	8,810
	2024/25	132	222	354
		<b>6,629</b>	<b>23,443</b>	<b>30,072</b>
Outturn and Forecast:	2022/23	8,345	10,629	18,974
	2023/24	17,039	12,198	29,237
	2024/25	8,175	3,918	12,093
		<b>33,559</b>	<b>26,745</b>	<b>60,304</b>

Reserves

- 3.6 The outturn position shows a £539k revenue surplus available to be set aside in general reserves to meet future spending commitments or mitigate potential risks, with a further £475k being added to Treasury Management reserves.
- 3.7 Section 4 of the 2023/24 Budget Setting Report noted the level of general reserves brought forward as £2.4m and that this was comparatively low compared to other combined authorities (when adjusted for relative size and activity) as well as against a general rule-of-thumb £5.4m target being 5% of turnover. This was also referenced in the Grant Thornton Value for Money Audit 2021-22 report where it has been recommended that the Combined Authority should focus on building its general reserves balance to its target in a reasonable timeframe.
- 3.8 The Treasury Management Strategy referred to the setting aside of part of any surplus in net interest receipts over and above the originally budgeted income target. Within the above reported net outturn position is included an excess of interest earnings of £1.898m and it is intended to transfer £475k of that into the Treasury Reserve with the remainder (£539k) being added to the Combined Authority's general reserves.
- 3.9 The following table sets out the movement in general and usable earmarked reserves over recent years as well as for 2022/23:

**Figure 5: Movement in the West of England Combined Authority Usable Reserves**

	<i>Balance Mar 20 (£,000's)</i>	<i>Balance Mar 21 (£,000's)</i>	Balance Mar 22 (£,000's)	Transfers In 22/23 (£,000's)	Transfers Out 22/23 (£,000's)	Balance Mar 23 (£,000's)
<b>Total Usable General Reserves</b>	<b>1,638</b>	<b>1,953</b>	<b>2,370</b>	<b>539</b>	<b>-</b>	<b>2,909</b>
Business Rate Reserve	500	777	777	-	-	777
Integrated Transport Auth Reserve	123	843	616	-	-	616
Integrated Transport Bus Reserve	-	-	1,347	-	(561)	786
Mayoral Capacity Funding Reserve	703	507	214	-	(172)	42
Housing Capacity Funding	2,181	1,096	502	-	-	502
Programme Delivery O/Hd Reserve	-	391	822	-	-	822
Treasury Management Reserve	-	400	1,099	475	-	1,574
M10 Reserve	137	166	71	34	-	105
Mayoral Elections Reserve	784	888	120	346	-	466
Adult Education Reserve	79	238	312	1,156	-	1,468
Business Rates s31 Grant Reserve	-	9,561	3,406	-	(3,406)	-
Other Reserves	620	774	355	-	(78)	277
<b>Total Usable Earmarked Reserves</b>	<b>5,127</b>	<b>15,641</b>	<b>9,641</b>	<b>2,011</b>	<b>(4,217)</b>	<b>7,435</b>
<b>TOTAL USABLE RESERVES</b>	<b>6,765</b>	<b>17,594</b>	<b>12,011</b>	<b>2,550</b>	<b>(4,217)</b>	<b>10,344</b>

- 3.10 The level of reserves set out in the table above remains low when compared to other authorities either in terms of general reserves or when combined with earmarked reserves. An analysis of published accounts to the end of March 2022, showed that levels of reserves would broadly need to double to approach comparable levels elsewhere. A summary of that analysis is shown in the table below:

**Figure 6: Comparison of Reserves Levels at end of March 2022**

	<u>General Reserves</u>		<u>General &amp; Earmarked</u>	
	Other CA's	West of England CA	Other CA's	West of England CA
Proportion of Spend on Services	2.4%	1.4%	28.4%	12.6%
Proportion of Net Cost of Services	4.3%	2.2%	66.9%	19.8%
Proportion of Taxation / Grant Funding	3.9%	2.3%	58.7%	21.0%
Proportion of Gross Transactional Value	1.1%	1.0%	12.8%	6.3%

- 3.11 Of the £10.3m proposed to be carried forward it should be noted that just over £2m is set aside for specific activities that could not be re-prioritised to meet other requirements (M10, Mayoral Elections, Adult Education) - reducing the available balances to £8m. The West of England Combined Authority will continue to monitor its risks and balance the need to hold reserves to meet such eventualities against opportunity to fund services.

- 3.12 Of the earmarked reserves being held, an explanation of the most significant is given below:

Business Rate Reserve – held to meet potential risk in NNDR income due to changes in rateable value of properties (appeals), exemptions and collection rates (bad debt provisions)

Integrated Transport Authority Reserve – to hold variances between the costs of concessionary fares, Bus Information Services and Community Transport support pending adjustment of Levy calculations.

Housing Capacity Fund – holding a strategic housing reserve to support the work of the housing delivery unit.

Treasury Management Reserve – held to manage the financial impact of movements in cash balances and/or interest rates and to mitigate against the risk of pooled investment losses being subject to change in future accounting regulations.

Adult Education Reserve – ring-fenced grant funding held for future spend on adult education services.

Programme Delivery O/Hd Reserve - Central overhead savings due to delays in programme delivery.

## Mayoral Revenue Outturn

- 4.1 The 2022/23 Mayoral Budget was approved in January 2022 to be balanced and consisted of a £645k spend offset by £645k of income. Included within the expenditure is a £346k annual contribution to an earmarked reserve set aside to pay for the four-yearly costs of elections.
- 4.2 A net £2k overspend on expenditure items (0.3%) has been offset by drawing down additional Mayoral Capacity Funding reserves to offset this net additional cost. The table below summarises the outturn position for the Mayoral Budget:

**Figure 7: Mayoral Revenue Outturn**

	Approved Budget (£,000's)	Outturn (£,000's)	Variance to Approved Budget (£,000's)	(%age)
Central Support Costs	24	24	-	-
Employee Costs	213	217	4	2%
Reserves	346	332	(14)	(4%)
Supplies & Services	57	57	-	-
Transport	5	3	(2)	(40%)
	<b>645</b>	<b>633</b>	<b>(12)</b>	<b>(2%)</b>
Grants & Contributions	<b>(645)</b>	<b>(633)</b>	12	(2%)
	<b>(645)</b>	<b>(633)</b>	12	(2%)
	-	-	-	n/a

## The West of England Combined Authority Capital Programme Outturn

- 5.1 The capital programme has evolved during 2022/23 as additional funding streams have been identified and project delivery plans refined and implemented.
- 5.2 As can be seen from the table below, the budgeted gross spend for 2022/23 was originally £142m in January 2022 but has been revised downward to £76m by March of this year. The single most significant change in the £66m reduction to budget was the re-profiling of the £83m City Region Sustainable Transport Settlement [CRSTS] scheme which was initially fully allocated in the first year of the grant being made available before it could be properly profiled against a plan for project delivery.

**Figure 8: Evolution of the West of England Combined Authority Capital Budget – Gross Spend**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27+	Total
Gross Spend	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)
January 2022	88,963	142,230	135,591	120,454	216,000	n/a	<b>703,238</b>
January 2023	n/a	96,740	107,873	134,781	243,653	183,428	<b>766,475</b>
March 2023	n/a	76,165	104,269	156,868	231,045	201,250	<b>769,597</b>

- 5.3 The capital outturn has a gross spend of £89.8m - higher than that forecast in the March 2023 as some projects were able to be advanced and delivered earlier than previously forecast and opportunities materialized to spend Transforming Cities Fund (TCF) funding that otherwise ceased to continue at the end of March.
- 5.4 A full listing of all capital spend is set out in Appendix 1, whilst the following table summarises the in-year gross spend and funding sources:

**Figure 9: Summary of 2022/23 Capital Expenditure and Financing**

	2022/23 (£,000's)	2023/24 (£,000's)	2024/25 (£,000's)	2025/26 (£,000's)	2026/27+ (£,000's)	Total (£,000's)
Gross Capital Spend	76,165	107,070	156,868	231,045	201,250	772,398
	Actual 2022/23 Spend (£,000's)	2022/23 Variance (£,000's)				
Actual 2022/23 Spend	89,880	13,715				
Funded By:						
TCF	27,678	9,512				
CRSTS	25,213	213				
IF	15,457	(2,930)				
DLUHC	13,076	13,076				
FTZ	4,067	(3,895)				
Homes England	2,965	(2,785)				
Other Contribs	(921)	(921)				
DCIA	427	427				
Active Travel	290	290				
ERDF	-	(900)				
UKSPF	145	145				
(Internal) Borrowing	1,483	1,483				
	89,880	13,715				

### Other Options Considered

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

### Risk Management/Assessment

- 7 This report forms a core part of the governance and risk management process. The budgets presented in this report take account of known financial risks and their potential impact on the outturn financial position.

### Public Sector Equality Duties

- 8 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

- 8.1 The Act explains that having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics.
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
- Encouraging people from protected groups to participate in public life or in other



activities where their participation is disproportionately low.

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

### **Climate Change Implications**

- 9 Several of the specific West of England Combined Authority workstreams have a strong focus on improving climate change. Where funds are allocated as grants to local businesses and organisations, the criteria used to prioritise funding allocations will incorporate climate improvement.

Advice given by: Roger Hoare, Head of Environment

### **Finance Implications, including economic impact assessment where appropriate:**

- 10.1 The financial implications are contained within the body of the report. The outturn position has been managed within approved budget and the West of England Combined Authority has been able to bolster the Treasury Management Reserve by £475k (in accordance with the policy agreed by the committee at the start of the financial year), and General Reserves by £539k.
- 10.2 General and earmarked reserves available to meet potential risks remain comparatively low and the West of England Combined Authority will continue to manage those risks and further build levels of reserves in the future.

Advice given by: Stephen Fitzgerald - Interim Director of Investment & Corporate Services

### **Legal Implications:**

- 11 This report monitors how the West of England Combined Authority and the Mayoral Fund are performing against the financial targets set in January 2022 through the Budget setting process in accordance with the West of England Combined Authority Order 2017 and the Combined Authorities Financial Order 2017.

Advice given by: Stephen Gerrard, Interim Director of Law and Governance

### **Human Resources Implications:**

- 12 All spend on staffing is within the budget and resources as approved by the West of England Combined Authority committee. Fixed term contracts are applied for staff who are engaged on projects which have time limited funding, (i.e. specific grants).

Advice given by: Alex Holly, Head of People & Assets

## Appendix 1 – Capital Outturn

	Approved Jan-22 (£,000's)	Approved Jan-23 (£,000's)	Approved Mar-23 (£,000's)	Draft Outturn (£,000's)	Var to Mar-23 (£,000's)	2023/24 Budget (£,000's)	Funding
<b>WECA Capital - Investment Fund</b>							
Business Case Development	186				-		
Cribbs Patchway Metrobus Extension		4,000	4,000	4,766	766		TCF
CPNN Cycle Links (post FBC/ Delivery)		28	28	543	515		TCF
On Bus Contactless Payment		62	62		(62)		IF
Wraxall Road	30	145	145	4	(141)		IF
Quantum Technologies Innovation Centre+	8,501	8,501	5,650	5,650	-	2,600	IF
Whitfield Tabernacle Kingswood (Love Our High Streets)		14	14	14	-		IF
South Bristol Industrial Light Workspace	2,228	4,434	3,720	2,815	(905)	1,160	IF
Metrowest phase 1				(921)	(921)		Other Contribs
Metrowest phase 2 (construction & operation)	843	2,883	2,883	3,869	986	5,932	TCF
Thornbury Hospital	35	169	169	56	(113)		IF
Yate A432 Park & Ride		206	206	365	159		TCF
Low Carbon Challenge Fund Extension	900	1,338	38	10	(28)	1,024	IF
Bottle Yard Studios - Hawkfield Business Park	2,003	4,185	3,360	3,933	573	90	IF
Bath Quays Bridge Cycle/Pedestrian Links			286	411	125		TCF
Bath University Walking & Cycle Routes		286	62	44	(18)		TCF
Old City and King Street	20	204	204	516	312		TCF
St George Liveable Neighbourhood	50	272	558	412	(146)		TCF
Strategic Cycle Route Connecting Thornbury with the A38		63	60	60	-		IF
Strategic Cycle Route Connecting Yate with the East Fringe		57	57	54	(3)		TCF
Chew Valley Lake Recreational Trail				21	21		TCF
Bath City Centre High Streets Renewal Project	232	667	667	462	(205)	296	IF
North Keynsham Land Acquisition Fun		448	448		(448)		IF
Bristol Temple Meads Station Eastern Entrance	5,750	4,590			-		
Access for All			200	193	(7)	246	TCF
Somer Valley Enterprise Zone (inc. A37 to A362 Improvements)		816	861	607	(254)	266	IF
Metrobus Consolidation Package (Bus Strategy)		1,828	1,828	1,433	(395)		TCF

	Approved Jan-22 (£,000's)	Approved Jan-23 (£,000's)	Approved Mar-23 (£,000's)	Draft Outturn (£,000's)	Var to Mar-23 (£,000's)	2023/24 Budget (£,000's)	Funding
Bath Riverline Phase 1		1,048	20	74	54	928	IF
Fielding Bridge		50	50	16	(34)		TCF
Silver Street / Fosseway Walking Route		62	62	43	(19)		IF
City Centre to Weston Cycle Route, Bath		62			-		
Concorde Way / Dovercourt Depot		350	350	218	(132)		TCF
Grovesend Road - Gillingstool		80	80	62	(18)		TCF
Filton to MoD		125	125	98	(27)		TCF
Keynsham Road		130	130	83	(47)		TCF
Common Connections		66	66		(66)	182	IF
Portway Park and Ride		942	942	315	(627)		TCF
Somer Valley to Bristol and Bath		500	500	330	(170)		TCF
LOHS Bath Local Centres		25	25		(25)	17	IF
Business Growth and Adaptations Fund		967	967	555	(412)	33	IF
Midsomer Norton High Street Market Square Project		45	45	29	(16)	735	IF
Bristol to Hengrove Metrobus extension Corridor - Bedminster Works at /		60	60	2,370	2,310		TCF
Bristol to Hengrove Metrobus Extension - Outline Business Case		60			-		
Hengrove Park Enabling Infrastructure		1,958	1,958	935	(1,023)	7,592	IF
Step Free Stations		250	250	136	(114)	211	TCF
Bristol Cycle Hangars		289	560	512	(48)		TCF
Milsom Quarter		50	50	44	(6)	586	IF
EV Tap On Tap Off		956	540	550	10	67	TCF
Kingswood High Street		1,430	819	590	(229)	3,701	TCF
Bus Stop Upgrades		84			-		
Bus Stop Upgrades		230			-		
Bus Stop Upgrades		743	576	814	238		TCF
Alveston Hill			175	26	(149)	238	TCF
Thornbury High Street			400	400	-		TCF
Emersons Green Local Transport Enhancements			537	537	-	319	TCF
Strategic Cycle Route Connecting Thornbury with the A38			63		(63)		TCF
A432 Multi-Modal Corridor			225	236	11		TCF

	<i>Approved Jan-22 (£,000's)</i>	<i>Approved Jan-23 (£,000's)</i>	<i>Approved Mar-23 (£,000's)</i>	<i>Draft Outtum (£,000's)</i>	<i>Var to Mar-23 (£,000's)</i>	<i>2023/24 Budget (£,000's)</i>	<i>Funding</i>
A38 Multi-Modal Corridor			400	91	(309)		TCF
Charfield Station			1,000	709	(291)	2,014	TCF
Scholars Way Walking and Cycling Routes			72	119	47		TCF
KCC100 - FEAS RB - Mass Transit - Bristol to Bath Strategic Corridor				557	557		TCF
KCC109 - FEAS EP - EV Charging Infrastructure Capital				86	86		TCF
KCC111 - Stockwood to Cribbs Causeway Sustainable Transport Corridor (A37/A4018)				1,165	1,165		TCF
KCC118 - Thornbury to North Bristol (A38 North)				350	350		TCF
KCC119 - Bath City Centre Sustainable Corridor				154	154		TCF
KCC120 - M32 Sustainable Transport Corridor and Hub				283	283		TCF
KBI106 - DCIA				427	427		DCIA
KCG151 - IF GC - Old Market Gap				283	283		TCF
KCG156 - Maintenance Challenge Fund – SGC – A38 & A432				213	213		CRSTS
KCG157 - Bristol City Centre				373	373		TCF
KCG166 - A4018 Corridor Improvements				445	445		TCF
KFT115 - Portway Train Station				1,982	1,982		TCF
KCG161 - Bristol Bridge & VMS -acceleration of CRSTS minor advanced works - junction improvements to facilitate bus corridors for Bristol City Centre Sustainable Transport Corridor)				304	304		TCF
KCG163 - IF GM - Arena Infrastructure Package				75	75		IF
LGF AZ - SGC Sustainable Transport Package (2018/19 - 20/21) TCF Component				680	680		TCF
KFT118 - EV Car Clubs & LEVI Support				2	2		IF
Regional Low Carbon Delivery Programme					-	2,220	
	20,778	45,758	36,553	42,588	6,035	30,457	
<b><u>WECA Capital - Other</u></b>							
Bath Quays Infrastructure - DLUHC				2,813	2,813		DLUHC

	Approved Jan-22 (£,000's)	Approved Jan-23 (£,000's)	Approved Mar-23 (£,000's)	Draft Outturn (£,000's)	Var to Mar-23 (£,000's)	2023/24 Budget (£,000's)	Funding
Bristol Temple Quarter		7,181	5,750	2,965	(2,785)	14,500	Homes England
City Region Sustainable Transport Settlement (CRSTS)	83,000	4,150			-	16,600	
DfT Active Travel Fund to the capital programme		5,789		290	290	4,051	Active Travel
ERDF	984	900	900		(900)	586	ERDF
FTZ DfT funding to the capital programme	12,468	7,962	7,962	2,862	(5,100)	13,075	FTZ
Regional Transport Model				177	177		TCF
(MaaS) Mobility as a Service				1,205	1,205		FTZ
On Bus Contactless				89	89		IF
Further Education Training - DLUHC				2,988	2,988		DLUHC
Highway Maintenance and Pothole Fund	25,000	25,000	25,000	25,000	-	25,000	CRSTS
IT Equipment & Infrastructure				315	315		Borrowings
Office Furniture				312	312		Borrowings
Office Move & Refurbishment				856	856		Borrowings
Strategic Innovation - DLUHC				7,275	7,275		DLUHC
UK Shared Prosperity Fund (UKSPF) Capital				145	145		UKSPF
	121,452	50,982	39,612	47,292	7,680	73,812	
<b>GRAND TOTAL</b>	<b>142,230</b>	<b>96,740</b>	<b>76,165</b>	<b>89,880</b>	<b>13,715</b>	<b>104,269</b>	

TCF	18,166	27,678	9,512
CRSTS	25,000	25,213	213
IF	18,387	15,457	- 2,930
DLUHC	-	13,076	13,076
FTZ	7,962	4,067	- 3,895
Homes En	5,750	2,965	- 2,785
Other Con	-	921	- 921
DCIA	-	427	427
Active Tra	-	290	290
ERDF	900	-	- 900
UKSPF	-	145	145
Borrowing	-	1,483	1,483
	<b>76,165</b>	<b>89,880</b>	<b>13,715</b>

## Appendix 2 – Investment Fund Outturn

Investment Fund managed by West of England Combined Authority	2022/23 (£,000's)	2023/24 (£,000's)	2024/25 (£,000's)	Total (£,000's)
10 Year Rail Delivery Plan	14	80	40	134
5G Logistics	38	-	-	38
All Age Access Hub Pilot (Skills Connect Pilot)	100	137	-	237
Bristol to Bath Strategic Corridor	(4)	-	-	(4)
Bus Infrastructure Programme	(102)	-	-	(102)
Bus Service Improvement Plan	400	-	-	400
Business Growth and Adaptations Fund	-	16	6	22
Business Innovation Fund (Research and Innovation Challenge Fund)	72	45	-	117
Business Start Up School	-	244	209	454
Careers Hub 21-22	97	-	-	97
Careers Hub and Enterprise Advisor Network	-	312	313	625
Careers Hub and Enterprise Advisor Network	186	-	-	186
Community Pollinator Fund	211	580	649	1,440
Community Recovery (Support) Fund	1,210	59	-	1,269
Cultural Compact Start-Up Investment	51	190	-	241
Cultural Strategy	59	-	-	59
Culture and Creative Economic Fund CR	269	70	60	399
Digital Skills Investment Programme CQ	148	24	-	172
Energy Strategy & Climate Change	56	63	-	119
EV Charging Infrastructure	-	100	-	100
Future Bright Plus	1,019	1,100	-	2,119
Future Transport Zone	8	1,454	-	1,462
future4WEST Strategic Outline Business Case (SOC) Development	657	-	-	657
Green Infrastructure	107	-	-	107
High Street Catalyst	173	-	-	173
Innovation for Renewal and Opportunity	377	4,214	851	5,442
Integrated Smart Ticketing	53	83	-	136
ITA Function	159	150	150	459
LIS Productivity Challenge - Universal Business Support	582	823	195	1,600
Local Energy Advice Support Pilot	106	-	-	106
Local Nature Recovery Strategy Development	-	220	-	220
Local Walking and Cycling Infrastructure (East)	86	-	-	86
Low Carbon Challenge Fund Extension	255	338	-	592
MetroBus Consolidation Package	-	-	5	5
MMC / Housing Innovation / Housing Delivery Strategy	125	125	-	250
North Fringe Masterplan - Urban Living Opportunity	64	-	-	64
Post-16 Education and Skills Delivery Infrastructure Analysis	24	-	-	24
Regional Cycle Hangar	86	-	-	86
Regional Low Carbon Delivery Programme	15	513	591	1,119
Retrofit Accelerator	53	1,002	988	2,043
SDS/LTP Shared Evidence Base	248	803	333	1,385
Skills Connect and Priority Skills Fund - B&NES, BCC & SGC	-	1,717	2,197	3,915
Small Business Resilience Grant Programme	6	-	-	6
South West Bristol Infrastructure Investment Plan	8	-	-	8
Step Free Stations	(1)	-	-	(1)
Strategic Rail Investment	4	50	-	54
Walking and Cycling Scheme Development	-	100	100	200
West of England HGV Driver Training Project	-	72	7	79
West of England Talent Retention Platform	323	70	-	393

Investment Fund managed by West of England Combined Authority	2022/23 (£,000's)	2023/24 (£,000's)	2024/25 (£,000's)	Total (£,000's)
WoE Business Support Programme	-	1,390	1,479	2,869
Workforce for the Future	1,003	894	-	1,897
<b>Subtotal</b>	<b>8,345</b>	<b>17,039</b>	<b>8,175</b>	<b>33,559</b>
<b>Investment Fund managed by UA's</b>				
B&NES Housing & Regeneration Enabling Fund (Masterplanning)	151	-	-	151
Bath Central Riverside	-	233	316	548
Bath City Centre High Streets Renewal Project	65	48	48	161
Bath Creative Quarter	29	113	-	142
Bath River Line-Bristol Bath Railway Path Extension	86	-	-	86
Bottle Yard Studios - Hawkfield Business Park	32	25	-	57
Bristol Avon Flood Strategy – Active Travel & Green Infrastructure G	151	169	-	320
Bristol City Centre & High Street Recovery & Renewal	1,013	1,378	-	2,391
Bristol Harbour Place Shaping Strategy	-	283	-	283
Bristol Temple Meads Masterplan	79	-	-	79
BTQ JDT - Temple Quarter Joint Delivery Team	412	-	-	412
Capricorn Quay - Green Recovery Fund Nature Recovery	-	11	5	16
Centre for Digital Eng, Tech and Inn (DETI)	1,011	-	-	1,011
Charfield Station	-	2,236	-	2,236
City Centre Economic Development and Markets Development	19	79	-	97
Common Connections	166	103	109	378
East Bristol Mini-Holland	79	-	-	79
East Fringe Master Plan	158	39	-	197
Evidence to support Transition from Spatial Development Strategy t	138	330	-	468
FEAS EQ Strategic Masterplanning	92	620	-	712
FEAS U High Streets - BANES Pilot	10	-	-	10
FEAS W High Streets Kingswood	28	-	-	28
Frome Gateway & City Centre	121	71	-	192
Housing & Regeneration Fund	74	488	83	645
Hydrogen Sustainable Transport Economy Accelerator	336	482	495	1,314
i-START (formerly Working Well Institute)	92	-	-	92
ISTART Phase 0	176	1,245	83	1,504
LOHS Bath Local Centres	92	129	18	239
Manvers Street Regeneration	216	-	-	216
Midsomer Norton High Street Market Square Project	43	40	10	93
Milsom Quarter Masterplan	91	1,044	402	1,537
North Fringe Public Infrastructure Package	629	-	-	629
Parkway Station Master Plan	191	-	-	191
Realising Talent (NEET)	50	-	-	50
Reboot West	648	233	36	916
River Frome Reconnected - Green Recovery Fund Nature Recovery	-	37	34	71
SEND Careers Information and Guidance Collaboration Pilot	10	-	-	10
Sevenside Master Plan	134	-	-	134
South Bristol Enterprise Support	829	-	-	829
South Gloucestershire Catalyst High Street Funding	181	56	56	293
South Gloucestershire Council Specialist Support	18	143	151	312
Strategic Master Planning - North Keynsham	-	142	-	142
Temple Quarter Joint Delivery Team	-	1,180	1,682	2,862
Temple Quarter Regeneration Programme	1,589	-	-	1,589
The Coach House BAME Enterprise and Social Enterprise Hub	85	-	-	85
Tree Canopy Project (TCP) - Green Recovery Fund Nature Recovery	-	247	289	536

Investment Fund managed by West of England Combined Authority	2022/23	2023/24	2024/25	Total
	<u>(£,000's)</u>	<u>(£,000's)</u>	<u>(£,000's)</u>	<u>(£,000's)</u>
Waterspace Connected Phase 1	-	195	101	296
We Work for Everyone	1,278	374	-	1,652
Yate Spur Phases 5 & 6	26	427	-	453
<b>Subtotal</b>	<b>10,629</b>	<b>12,198</b>	<b>3,918</b>	<b>26,746</b>
<b>Total Investment Fund</b>	<b>18,975</b>	<b>29,237</b>	<b>12,093</b>	<b>60,304</b>





## ITEM 15

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

**DATE: 16 JUNE 2023**

**REPORT TITLE: TREASURY MANAGEMENT OUTTURN REPORT 2022/23**

**DIRECTOR: STEPHEN FITZGERALD, INTERIM DIRECTOR OF INVESTMENT AND CORPORATE SERVICES (S73 OFFICER)**

**AUTHOR: STEVE FINNEGAN, FINANCIAL ACCOUNTANT**

### **Purpose of Report**

- 1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in the Public Services: Code of Practice requires the Authority to approve a Treasury Management Strategy before the start of each financial year, review performance during the year, and approve an annual report after the end of each financial year. This report provides a review of performance to 31 March 2023.

### **Recommendations**

The West of England Combined Authority Committee is required to:

1. Notes the Treasury Management Outturn Report to 31st March 2023, prepared in accordance with the CIPFA Treasury Code of Practice and the Treasury Management Indicators to 31st March 2023.
2. Approve the allocation of £475k (25% of budget surplus) to the Treasury Management reserve, as set out in paragraph 2.16

### **Voting Arrangements:**

- 1 For noting purposes.
- 2 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 Metro Mayor

## Background / Issues for Consideration

- 2 The CIPFA Code of Practice requires that the West of England Combined Authority Committee considers the treasury management outturn report after the end of each financial year.

## Summary

- 2.1 The average rate of investment return for 2022/23 was 1.46%, which is 0.05% above the 2022 average SONIA (Sterling Overnight Index Average) benchmark rate.
- 2.2 The Authority's Prudential Indicators for 2022/23 were agreed by the Authority at its meeting on 28<sup>th</sup> January 2022 and performance against the key indicators is shown in **Appendix 1**. All indicators are within target levels.

## Summary of Returns

- 2.3 The Authority's investment position as at 31<sup>st</sup> March 2023 is detailed in **Appendix 2**. This shows a change in Investment Balances to £354.84m at 31<sup>st</sup> March 2022 from £401m at 30<sup>th</sup> October 2022, which reflects a net decrease.
- 2.4 The Authority is the Accountable Body for the West of England Revolving Investment Fund, (RIF). The balance as at 31<sup>st</sup> March 2023 was £16.1m and this sum, prior to distribution, is being invested in line with the Authority's Treasury Management Strategy, with the interest earmarked to the RIF.
- 2.5 Gross interest earned on all investments for April 2022 to March 2023 was £3,738k. Interest earned for RIF is ringfenced to those funds, giving rise to an income outturn for the West of England Combined Authority activities of £3,655k v £1.600k budget, a favourable variance of £2.055k.

## Summary of Borrowings

- 2.6 The Authority does not currently have any underlying need to borrow long term to fund capital expenditure. As part of its approach to liquidity management, the Authority may borrow short term loans to cover any unplanned cash flow shortages as they arrive. As at 31<sup>st</sup> March 2023 the Authority held £25m of short-term loans, as summarised in **Appendix 3**.

## Strategic & Tactical Decisions

- 2.7 Both the CIPFA code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. The approach, given these are public funds is minimising risk first with return as the second consideration.
- 2.8 As shown in the charts at **Appendix 2**, the investment portfolio has been diversified across UK Banks and Local Authorities, which totalled £289.9m. The Authority also uses AAA rated Money Market funds (MMF) to maintain very short-term liquidity with £3.9m invested in Money Market Funds as at 31<sup>st</sup> March 2023. Bank Rate has increased from 0.75% at the beginning of the year to 4.25% at the end of March 2023. Short-dated cash rates, which had ranged between 0.7% - 1.5% at the beginning of April, rose by around 3.5% for overnight/7-day maturities and 3.3% for 6–12-month maturities. The return on the Authority's Money Market Funds ranged between 0.9% - 1.1% p.a. in early April and between 3.8% and 3.9% at the end of March.
- 2.9 The Authority has added a further £5m to the pooled fund's portfolio with an investment to the Fundamentum Real Estate Investment Trust. The Authority retains units invested in the CCLA Property Fund of £9.9m, Investec £10m, Kames £10m, Royal London £10m, M & G £3.5m and Columbia Threadneedle £3.5m. The Authority has a total of £52m invested across the funds. These investments seek to enhance yields, provide diversification and are intended to be held for higher returns over a long period of time.
- 2.10 For fixed income bond investors, 2022 was a very difficult year - bonds had their worst year of performance in several decades; long-term government bonds had their worst year ever as central banks delivered larger interest rates hikes than initially expected and promised more to combat inflation. As policy rates rapidly rose from very low levels, bond investors suffered large crystallised or unrealised losses from rising sovereign and corporate bond yields (i.e. falling prices) as well as from widening credit spreads as concern grew over the risk of defaults in a recessionary environment. The return on the All-Gilts index was -16.3% over the 12 months to March 2023. Negative yielding bonds all but disappeared globally. UK and global equities remained volatile against a backdrop of high and sticky inflation, rapid policy rates tightening and an increasing risk of recession. There was a large sell-off in global equities in April, and again in June and September for both UK and global equities. The total return on the FTSE All Share index for the 12 months ending March 2023 was 2.9% and 5.4% for the FTSE 100. The negative correlation between bonds and equities, which had featured for some years, turned positive in 2022 as both bonds and equities sold off simultaneously against an outlook of sticky inflation and high interest rates. Simultaneously, tighter financial conditions, higher bond yields and challenges in some segments of commercial real estate (e.g., offices post-COVID, high street shops and shopping centres) saw commercial property values fall during 2022, with a large fall in the final calendar quarter. These investments are made in the knowledge that capital values will move both up and down on months and quarters, but with the confidence that over a three to five-year period, total returns will exceed interest rates. They provide regular revenue income and in 2021-22 provided an average total return of 3.66%. Considering their performance over the medium-long term, investment in these funds has been maintained.

- 2.11 Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's medium- to long-term investment objectives are regularly reviewed. These investments are made in the knowledge that capital values will move both up and down on months and quarters, but with the confidence that over a three to five-year period, total returns will exceed interest rates. They provide regular revenue income and in 2021-22 provided an average total return of 3.66%. In light of their performance over the medium-long term, investment in these funds has been maintained. The change in the Authority's funds capital values and income earned over the 12-month period is shown in **Appendix 2**.
- 2.12 Environmental, Social and Governance (ESG) and responsible investing has gained further momentum in 2022. Investors in physical and financial assets are increasingly being expected to be on the frontline of combating climate change and committing to sustainability goals. In its recent consultation on the Treasury Management Code of Practice, CIPFA has proposed a new Treasury Management Practice on ESG Risk Management. The Authority will continue to work with its treasury advisors Arlingclose for support and advice through its ESG, and responsible investment service.

### **Future Strategic & Tactical Issues**

- 2.13 The Authority's treasury management advisors have provided an economic and market review for 2022/23 – attached at **Appendix 4**.
- 2.14 Following the increase in Bank rates during 2022-23, the Authority will expect to receive higher income (4% - 4.5% from its cash and short-dated investments, including money market funds in 2023/24).
- 2.15 The DLUHC published a consultation on the IFRS 9 pooled investment fund statutory override for English authorities for fair value gains and losses on pooled investment funds which was due to expire with effect from 2023/24. The options under evaluation were to allow the override to lapse, to extend it, or to make it permanent. The override will be extended for two years and therefore remain in place for the 2023/24 and 2024/25 financial years. Under the Regulations, gains and losses resulting from unrealised fair value movements relating to treasury pooled investment funds, that otherwise must be recognised in profit or loss under IFRS 9, are not charges to the revenue account, and must be taken into an unusable reserve account.
- 2.16 Where investment has exceeded budget, the Authority is recommending a £475k (25% of the budget surplus from revenue savings) to be allocated to the earmarked treasury management reserve which will help manage the risk of future volatility and fair value movements. This reserve was £1.1m on 31<sup>st</sup> March 2022.

### **Other Options Considered**

- 3 None.

### **Risk Management/Assessment**

- 4 The Authority's lending & borrowing list is regularly reviewed, and credit ratings are

monitored throughout the year. All lending/borrowing transactions are within approved limits, with approved institutions. Investment and Borrowing advice is provided by our Treasury Management consultants Arlingclose.

The CIPFA Treasury Management in the Public Services: Code of Practice requires the Authority nominate a committee to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies. The West of England Combined Authority Audit Committee carries out this role.

## **Public Sector Equality Duties**

5 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

5.1 The Act explains that having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics.
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

5.2 The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.

## **Climate Change Implications**

6 The climate implications are contained within the body of the report - reference section 2.12.

Advice given by: Roger Hoare, Head of Environment

## **Finance Implications, including economic impact assessment where appropriate:**

7 A breakdown of the revenue budget that was set for interest income and the year-end outturn position is included in **Appendix 5**. The budget for 2022-23 investment income was £1.6m and following the Authority's successful treasury strategy and investment decisions, have achieved an outturn position of £3.65m which is a positive variance of £2.05m. This surplus can be utilised in the support of the Authority's priorities on delivering for the region.

Advice given by: Stephen Fitzgerald, Interim Director of Investment & Corporate

## Services

### **Legal Implications:**

- 8 The Prudential Code and CIPFA's Code of Practice on Treasury Management requires regular monitoring and reporting of Treasury Management activities.

Advice given by: Stephen Gerrard, Interim Director of Law and Governance

### **Appendices & Background papers:**

**Appendix 1** – Performance Against Prudential Indicators

**Appendix 2** – The Authority's Investment Position at 31 March 2023

**Appendix 3** – The Authority's External Borrowing Position at 31 March 2023

**Appendix 4** – Arlingclose's Economic & Market Review for 2022/23

**Appendix 5** – Interest & Capital Financing Budget Monitoring 2022/23

**Appendix 6** – Summary Guide to Credit Ratings

**Background Papers: Treasury Management Strategy Statement & Investment Strategy 2022/23 – As reported to West of England Combined Authority Committee on 28<sup>th</sup> January 2022.**

## Performance against Treasury Management Indicators (as approved in the Treasury Management Strategy Statement)

The Authority measures and manages its exposure to treasury management risks using the following indicators.

### 1. Security

The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment.

Credit risk indicator	Target	Actual
Minimum portfolio average credit rating	A-	A+

### 2. Liquidity

The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount it can borrow each quarter without giving prior notice.

Liquidity risk indicator	Target	Actual
Total sum borrowed in past 3 months without prior notice	£30m	£25m

### 3. Interest Rate Exposure

This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Limit	Actual
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£1m	£1m

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

### 4. Principal sums invested for periods longer than a year:

The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2022/23 Target	2022/23 Actual	2023/24 Target	2023/24 Actual	2024/25 Target	2024/25 Actual	+3 Years Target	+3 Years Actual
Limit on principal invested beyond 364 days as % of total cash balance	50%	21%	30%	18%	20%	17%	20%	13%

## APPENDIX 2

### The Authority's Investment position as at 31<sup>st</sup> March 2023

Table: 1 Investments by Type

	31-Mar-23 Actual Portfolio £m	31-Mar-23 Average Rate %
<b>Treasury investments by type:</b>		
Banks & building societies (unsecured)	16.9	1.56
Covered bonds & repo (secured)	0	0
Government (incl. local authorities)	272.0	0.79
Registered Providers	10.0	1.25
Money Market Funds	3.9	3.86
Social Housing Real Estate Investment Trust	5.00	2.56
Other pooled funds:		
CCLA Property Fund	10.0	3.70
Investec	10.0	3.69
Kames	10.0	5.05
Threadneedle	3.5	3.20
M & G	3.5	4.92
Royal London Enhanced Cash Plus Fund	10.0	1.65
<b>Total treasury investments</b>	<b>354.8</b>	<b>1.46</b>



Table: 2 Term of investments

	<b>Balance at 31<sup>st</sup> March 2023 £000s</b>
Notice (instant access funds)	<b>10,700</b>
Up to 1 month	<b>44,000</b>
1 month to 3 months	<b>109,187</b>
4 to 6 months	<b>60,000</b>
6 to 12 months	<b>60,000</b>
More than 12 months	<b>19,000</b>
Pooled Funds *	<b>51,957</b>
<b>Total</b>	<b>354,844</b>

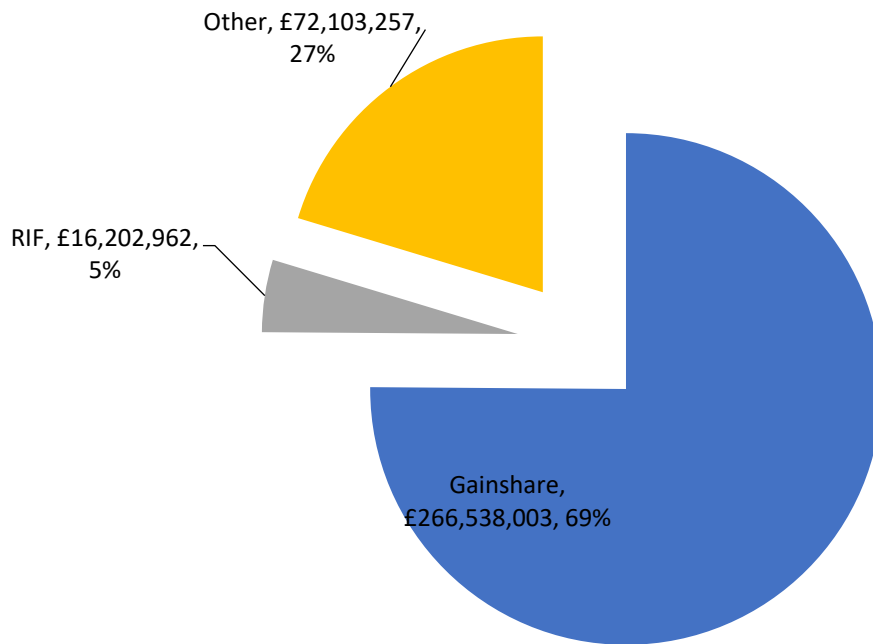
The Authority had a total average net positive balance of £340m during the period April 2022 to March 2023

\* Notice period 4 days except property fund which is 90 days

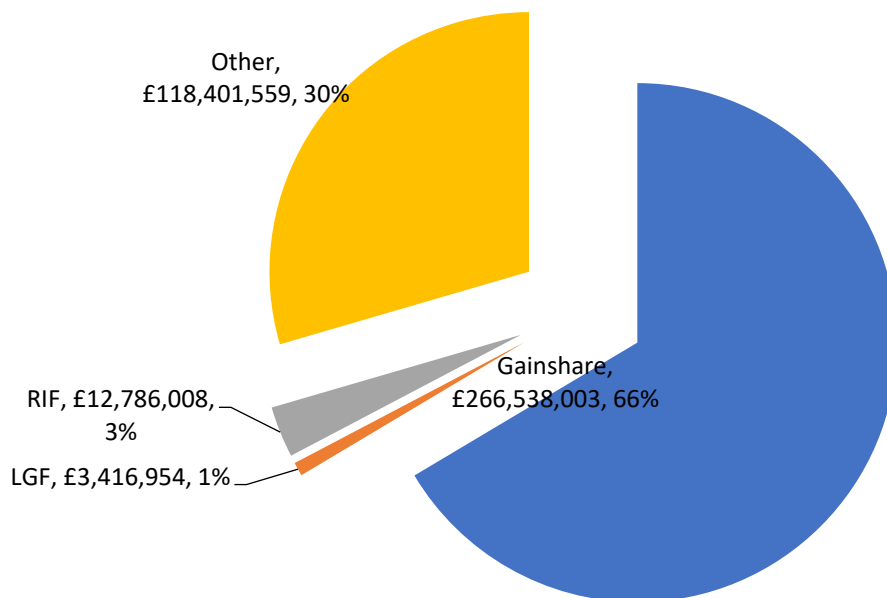
Table 3: Pooled Funds

Fund Name	Asset Class	Purchase Value £000s	Fair Value as at 31/3/23 £000s	Capital Growth/(Loss) £000s	Income Return One Year	Income Return Since Purchase
CCLA Property Fund	Property	9,956	9,043	-913	3.70%	20.81%
Ninety One Diversified Income Fund (Investec)	Multi Asset	10,000	9,039	-961	3.69%	12.30%
Aegon Diversified Monthly Income Fund (Kames)	Multi Asset	10,000	8,505	-1,495	5.05%	13.25%
Threadneedle Strategic Bond Fund	Bond	3,500	2,974	-526	3.20%	5.32%
M&G UK Income Distribution Fund	Equity - UK	3,500	3,509	9	4.92%	10.48%
Royal London Short Term Enhanced Cash Fund	Cash Plus	10,000	9,854	-146	1.65%	1.09%
Fundamentum Social Housing REIT	Property	5,000	4,700	-300	2.56%	2.56%
		51,956	47,624	-4,332	3.97%	12.65%

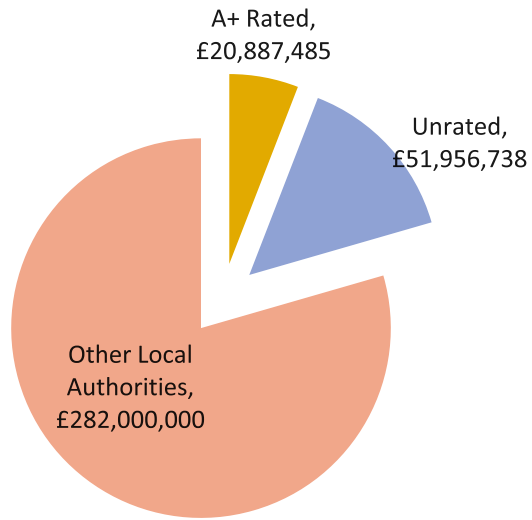
**Chart 1 : CA Investments by Funding Source (£354.84m)  
at 31st March 2023**



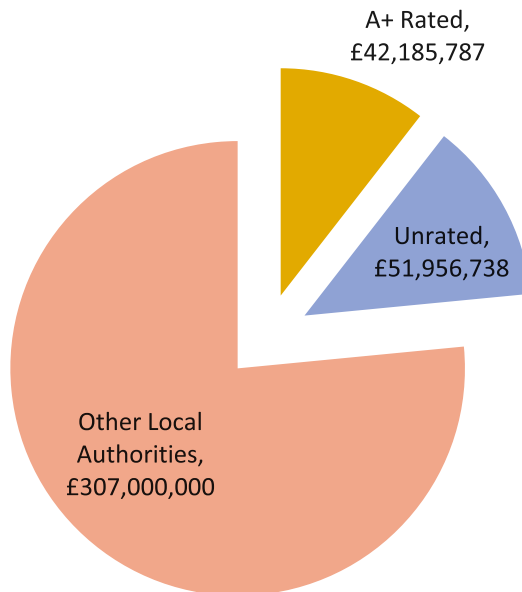
**Chart 2 : CA Investments by Funding Source (£401.14m)  
at 31st October 2022**



**Chart 3: CA Investments per lowest equivalent Long Term credit rating (£354.84m) at 31st March 2023**

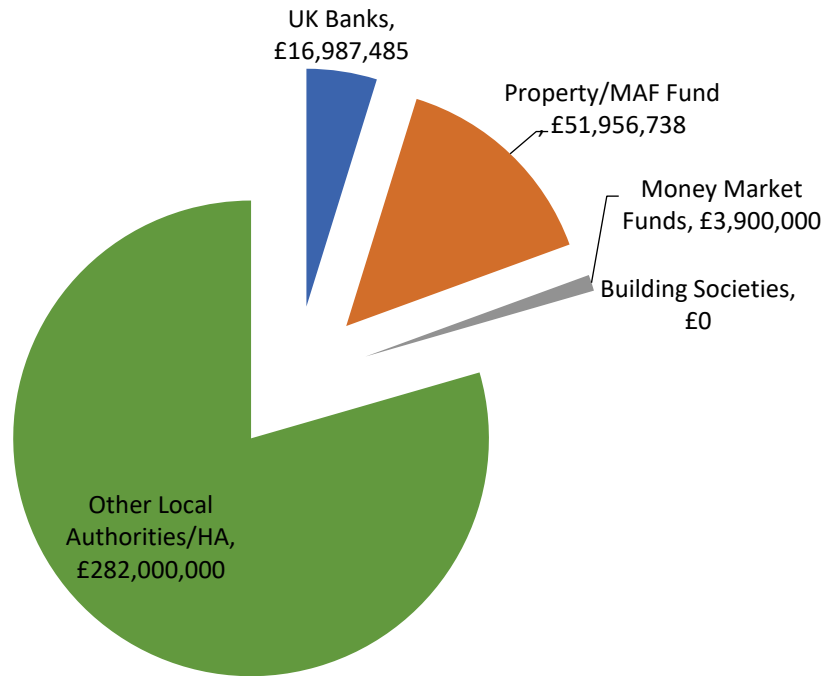


**Chart 4: CA Investments per lowest equivalent Long Term credit rating (£401.14m) at 31st October 2022**

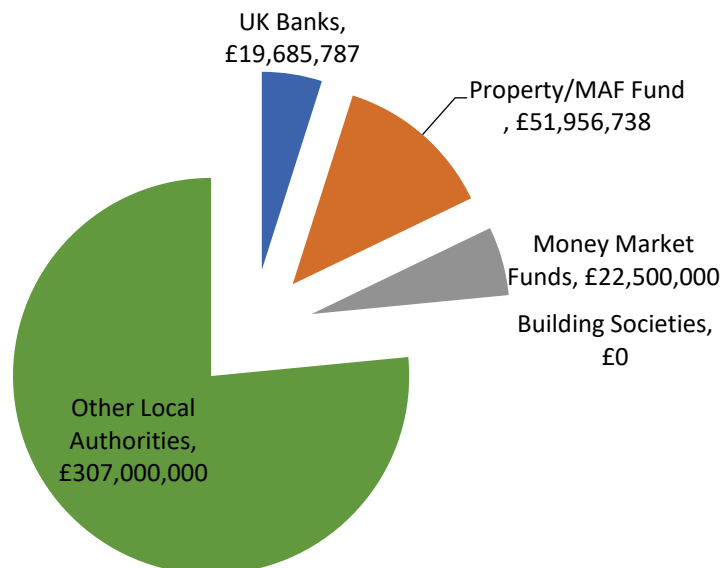


Unrated investments are the Pooled Funds

**Chart 5: CA Investments by Type (£354.84m) as at 31st March 2023**



**Chart 6: CA Investments by Type (401.14m) as at 31st October 2022**



## APPENDIX 3

### Authorities External Borrowing at 31<sup>st</sup> March 2023

	<b>Balance at 31st March 2023 £000s</b>
Public Works Loan Board	<b>0</b>
Banks (LOBO)	<b>0</b>
Banks (Fixed Term)	<b>0</b>
Local Authorities (Long Term)	<b>0</b>
Local Authorities (Short Term)	<b>25,000</b>
<b>Total</b>	<b>25,000</b>

As part of its approach to liquidity management, the Authority may borrow short term loans to cover any unplanned cash flow shortages as they arrive

### Economic and Market Review for 2022/23

**Economic background:** The war in Ukraine continued to keep global inflation above central bank targets and the UK economic outlook remained relatively weak with the chance of a mild recession. The economic backdrop during the January to March period continued to be characterised by high energy and commodity prices, high inflation, and the associated impact on household budgets and spending.

Central Bank rhetoric and actions remained consistent with combatting inflation. The Bank of England, US Federal Reserve, and European Central Bank all increased interest rates over the period, even in the face of potential economic slowdowns in those regions.

Starting the financial year at 5.5%, the annual CPI measure of UK inflation rose strongly to hit 10.1% in July and then 11.1% in October. Inflation remained high in subsequent months but appeared to be past the peak, before unexpectedly rising again in February. Annual headline CPI registered 10.4% in February, up from 10.1% in January, with the largest upward contributions coming from food and housing. RPI followed a similar pattern during the year, hitting 14.2% in October. In February RPI measured 13.8%, up from 13.4% in the previous month.

Following the decision by the UK government under Rishi Sunak and Jeremy Hunt to reverse some of the support to household energy bills announced under Liz Truss, further support in the form of a cap on what energy suppliers could charge household was announced in the March Budget to run from April until end June 2023. Before the announcement, typical household bills had been due to rise to £3,000 a year from April.

The labour market remained tight albeit with some ongoing evidence of potential loosening at the end of the period. The unemployment rate 3mth/year eased from 3.8% April-June to 3.6% in the following quarter, before picking up again to 3.7% between October-December. The most recent information for the period December-February showed an unemployment rate of 3.7%.

The inactivity rate was 21.3% in the December-February quarter, slightly down from the 21.4% in the first quarter of the financial year. Nominal earnings were robust throughout the year, with earnings growth in December-February at as 5.7% for both total pay (including bonuses) and 6.5% for regular pay. Once adjusted for inflation, however, both measures were negative for that period and have been so throughout most of the year.

Despite household budgets remaining under pressure, consumer confidence rose to -36 in March, following readings of -38 and -45 in the previous two months, and much improved compared to the record-low of -49 in September. Quarterly GDP was soft through the year, registering a 0.1% gain in the April-June period, before contracting by (an upwardly revised) -0.1% in the subsequent quarter. For the October-December period was revised upwards to 0.1% (from 0.0%), illustrating a resilient but weak economic picture. The annual growth rate in Q4 was 0.6%.

The Bank of England increased the official Bank Rate to 4.25% during the financial year. From 0.75% in March 2022, the Monetary Policy Committee (MPC) pushed through rises at every subsequent meeting over the period, with recent hikes of 50bps in December and February and then 25bps in March, taking Bank Rate to 4.25%. March's rise was voted by a majority of 7-2, with two MPC members preferring to maintain Bank Rate at 4.0%. The Committee noted that inflationary pressures remain elevated with growth stronger than was expected in the February Monetary Policy Report. The February vote was also 7-2 in favour of a hike, and again with two members preferring to keep Bank Rate on hold.

After reaching 9.1% in June, annual US inflation slowed for eight consecutive months to 6% in February. The Federal Reserve continued raising interest rates over the period with consecutive increases at each Federal Open Market Committee meetings, taking policy rates to a range of 4.75%- 5.00% at the March meeting.

From the record-high of 10.6% in October, Eurozone CPI inflation fell steadily to 6.9% in March 2023. Energy prices fell, but upward pressure came from food, alcohol, and tobacco. The European Central Bank continued increasing interest rates over the period, pushing rates up by 0.50% in March, taking the deposit facility rate to 3.0% and the main refinancing rate to 3.5%.

**Financial Markets:** Uncertainty continued to be a key driver of financial market sentiment and bond yields remained relatively volatile due to concerns over elevated inflation and higher interest rates, as well as the likelihood of the UK entering a recession and for how long the Bank of England would continue to tighten monetary policy. Towards the end of the period, fears around the health of the banking system following the collapse of Silicon Valley Bank in the US and purchase of Credit Suisse by UBS caused further volatility.

Over the period the 5-year UK benchmark gilt yield rose from 1.41% to peak at 4.70% in September before ending the financial year at 3.36%. Over the same timeframe the 10-year gilt yield rose from 1.61% to peak at 4.51% before falling back to 3.49%, while the 20-year yield rose from 1.82% to 4.96% and then declined to 3.82%. The Sterling Overnight Rate (SONIA) averaged 2.24% over the period.

**Credit Review:** Early in the period, Moody's affirmed the long-term rating of Guildford BC but revised the outlook to negative. The agency also downgraded Warrington BC and Transport for London.

In July Fitch revised the outlook on Standard Chartered and Bank of Nova Scotia from negative to stable and in the same month Moody's revised the outlook on Bayerische Landesbank to positive. In September S&P revised the outlook on the Greater London Authority to stable from negative and Fitch revised the outlook on HSBC to stable from negative.

The following month Fitch revised the outlook on the UK sovereign to negative from stable. Moody's made the same revision to the UK sovereign, following swiftly after with a similar move for a number of local authorities and UK banks including Barclays Bank, National Westminster Bank (and related entities) and Santander.

During the last few months of the reporting period there were only a handful of credit changes by the rating agencies, then in March the collapse of Silicon Valley Bank (SVB) in the US quickly spilled over into worries of a wider banking crisis as Credit Suisse encountered further problems and was bought by UBS.

Credit Default Prices had been rising since the start of the period on the back of the invasion of Ukraine, and in the UK rose further in September/October at the time of the then-government's mini budget. After this, CDS prices had been falling, but the fallout from SVB caused a spike on the back of the heightened uncertainty. However, they had moderated somewhat by the end of the period as fears of contagion subsided, but many are still above their pre-March levels reflecting that some uncertainty remains.

On the back of this, Arlingclose reduced its recommended maximum duration limit for unsecured deposits for all UK and Non-UK banks/institutions on its counterparty list to 35 days as a precautionary measure. No changes were made to the names on the list.

As market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.

Local authorities remain under financial pressure, but Arlingclose continues to take a positive view of the sector, considering its credit strength to be high. Section 114 notices have been issued by only a handful of authorities with specific issues. While Arlingclose's advice for local authorities on its counterparty list remains unchanged, a degree caution is merited with certain authorities.



## Interest &amp; Capital Financing Costs – Outturn Position for 2022/23

April 2022 to March 2023	Year End Position			Adv/Fav
	Budgeted Income £'000	Outturn Income £'000	Outturn over or under spend £'000	
<b>Interest &amp; Capital Financing</b>				
- Debit Costs (Borrowing)	0	(154)	(154)	Adv
- Interest on Balances				
West of England Combined Authority	1,600	3,655	2,055	Fav
Revolving Infrastructure Fund (RIF)	0	83	83	Fav
<b>Total - Interest &amp; Capital Financing</b>	<b>1,600</b>	<b>3,892</b>	<b>2,292</b>	<b>Fav</b>

**Summary Guide to Credit Ratings**

<b>Rating</b>	<b>Details</b>
AAA	Highest credit quality – lowest expectation of default, which is unlikely to be adversely affected by foreseeable events.
AA	Very high credit quality - expectation of very low default risk, which is not likely to be significantly vulnerable to foreseeable events.
A	High credit quality - expectations of low default risk which may be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
BBB	Good credit quality - expectations of default risk are currently low but adverse business or economic conditions are more likely to impair this capacity.
BB	Speculative - indicates an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time.
B	Highly speculative - indicates that material default risk is present, but a limited margin of safety remains. Capacity for continued payment is vulnerable to deterioration in the business and economic environment.
CCC	Substantial credit risk - default is a real possibility.
CC	Very high levels of credit risk - default of some kind appears probable.
C	Exceptionally high levels of credit risk - default is imminent or inevitable.
RD	Restricted default - indicates an issuer that has experienced payment default on a bond, loan or other material financial obligation but which has not entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, and which has not otherwise ceased operating.
D	Default - indicate san issuer that has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, or which has otherwise ceased business.



## ITEM 16

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

**DATE: 16 JUNE 2023**

**REPORT TITLE: UPDATE TO WEST OF ENGLAND COMBINED  
AUTHORITY PURCHASE ORDER AND CONTRACT APPROVAL  
LIMITS**

**DIRECTOR: STEPHEN FITZGERALD, INTERIM DIRECTOR OF  
INVESTMENTS AND CORPORATE SERVICES; DAVID GIBSON  
STRATEGIC DIRECTOR OF INFRASTRUCTURE**

**AUTHOR: NUALA WATERS**

### **Purpose of Report**

1. To request the Committee approves an update to the current West of England Combined Authority approval limits for purchase orders and contracts. The current limits are hindering our processing time for contract and purchase order approvals and negatively impacting internal processes for the procurement of goods and services.
2. This request only applies to spend that has been approved by Committee or a delegated forum. To note this paper does not include any requests for additional delegations or powers, it only applies to purchase order and contract approvals. The current approval limits are stated in the West of England Combined Authority Constitution, and therefore the requested amendments need to be approved by Committee

### **Recommendation**

1. To update the West of England Combined Authority's Constitution with the revised approval limits as set out in Table A.
2. It is also recommended that this is subject to the implementation of the Corporate Commercial Procurement Panel and a Corporate Commercial Procurement Board as listed in the Section 3.2 of this report. If there are items that relate to novel, contentious or repercussive, or pose a potential high-risk, additional approvals and control measures will apply to these items. It is the

responsibility of the Head of Service, Finance Business Partners, Senior Responsible Officers and Commercial Procurement team to provide assurance and review to all spend items.

**Table A: Current approval limits listed in the Constitution and recommended scheme**

Level	Current			Recommended		
	Contract Approval	Contract Exemptions	Purchase Order Approval	Contract Signing /Approval	Contract Exemptions	Purchase Order Approval
Programme Mgr in consultation with Commercial Approval Panel				< £50k		< £50k
Head of Service in consultation with Commercial Approval Panel	To EU thresholds	£50k	£25k	<£250k		<£250k
Director in consultation with Commercial Approval Panel			£100k	<£5m	<£100k and Head of Commercial/ Procurement	<£5m
CEO in consultation with Commercial Board	Above EU thresholds	£50k+ up to EU threshold CEO and S73 or Monitoring Officer must approve (Above not permitted)	£100k+	>£5m	>£100k CEO and S73 or Monitoring Officer must approve	>£5m

### Reasons for recommendation

- The current limits are hindering our processing time for contract and purchase order approvals and negatively impacting internal processes for the procurement of goods and services. Given the impact of inflation on costs, it is imperative to improve our processes to secure the best value for money.
- Additionally, the current approval limits for purchase orders and contracts does not reflect the increased portfolio of works that the West of England Combined Authority is required to process. Therefore, an update to the Constitution is sought to address this issue.

### Voting arrangements

- This decision requires unanimous agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Metro Mayor.

## **Background / Issues for Consideration**

### **3. Issues that the current approval levels of purchase orders and contracts**

The West of England Combined Authority Constitution currently has two separate approval limits for contract and procurement spend, as listed below in Table A.

Approximately 5,497 purchase orders and contracts have been processed by the West of England Combined Authority since April 2020. This is expected to increase, as the size and scale of the projects in the West of England Combined Authority delivers grows in size and complexity. Over 194 purchase orders have required authorisation by the Head of Paid Service. The Head of Paid Service is required to sign off any purchase order or contract that is worth £100k and above. This can take up to three weeks.

It is no longer efficient to maintain the current authorisation levels for spend and contracts. Given the impact of inflation on costs, it is imperative to improve our processes to secure the best value for money.

Additionally, the current approval limits for purchase orders and contracts does not reflect the increased portfolio of works that the West of England Combined Authority is required to process. Therefore, an update to the Constitution is sought to address this issue. The amendments we are seeking impact the following sections in the constitution:

- Section 6 – Budgetary Management and Control – Authoriser Limits page B18, B19
- Contract Standing Orders - Appendix 12 Approval limits – page B108

This request does not apply to the authorisation levels in place for grant or operational payments, for which no amendment to the Constitution is sought.

#### **3.1. Current arrangements**

The current approval limits are listed below. As stated above this paper is requesting an update to these limits to improve the administration of purchase orders and contracts for spend which has already been approved by Committee. The West of England Combined Authority will continue to submit funding requests and business cases to the Committee for approvals as per the Assurance Framework.

## **Table B. Current approval level limits for purchase order and contract**

### approvals listed in the Constitution

<b>Current internal approval levels for spend within authorised budgets</b>			
<b>Level</b>	<b>Contract Signing / Approval</b>	<b>Contract Exemptions</b>	<b>Purchase Order approval</b>
Programme Mgr			
Head of Service	To EU thresholds (currently £138,760)	>£50k	>£25k
Director			>£100k
CEO	Above EU thresholds	£50k+ up to EU threshold CEO and S73 or Monitoring Officer must approve	£100k+

### 3.2. Proposal to improve our internal approval levels of purchase orders and contracts:

A review of comparable organisations was conducted to understand how similar organisations conduct their processes. An example of that is listed in Table B below from the West Midlands Combined Authority. A more detailed comparison against other organisations is listed in Appendix A. To note the proposed new limits in Table A mirror those of the West Midlands Combined Authority and are comparable to the limits in place for the Unitary Authorities in the West of England region.

**Table B: West Midlands Combined Authority approval limits**

<b>Level</b>	<b>Contract Signing Approval</b>	<b>Purchase Order Approval</b>
Managers	Not exceeding £50,000	Not exceeding £25,000
Senior Manager	Not exceeding £100,000	Not exceeding £50,000
Heads of Service, Programme Directors	Not exceeding £1million	Not exceeding £250,000
Managing Director Tfw and Responsible Financial Officer	Not exceeding £5million	Not exceeding £1million

(S151) and Metro Programme Director		
Head of Paid Service and Chief Operating Officer and S151 Officer.  Metro Programme Managing Director  Tfwm and S151 Officer and Metro Programme Director	Not exceeding £5million	Not exceeding £5million

It is proposed to update the approval limits of contracts and purchase orders as listed in Table A.

**3.3. Additional key control points for internal approvals of purchase orders and contracts are recommended:**

To ensure that there is adequate and appropriate governance and controls with regards to the approval of purchase orders and contracts, it is proposed to update the West of England Combined Authorities processes with the following additional controls and training:

- Provide refresher training of all staff on their accountabilities to adhere to the controls required to ensure value for money spend is enforced, including the standard of no contract no purchase order no pay.
- Formal establishment of a corporate level Commercial Procurement Board which will oversee any purchases over £500k and a Commercial Procurement Approval Panel which will oversee any purchase under £500k. The function of both the Board / Panel is to ensure that the necessary review and challenge is in place with regards to all external expenditure decisions at key points throughout the commercial lifecycle and will provide transparency and assurance to the West of England Combined Authority Audit Committee on our internal purchasing decisions on an agreed frequency.
- This Board and Panel will ensure the appropriate level of sign off is given to spend items by Legal, Procurement, Commercial and Finance officers. It will also ensure that all decisions to commit expenditure are made compliantly i.e. in line with internal procedures and external legislation for any procurement items. It will also ensure that any items that contain non-standard risk or legal clauses, will continue to require approvals from the West of England Combined Authorities S73, Monitoring Officer, Director,



or the Head of Paid Service, as appropriate.

- This process does not preclude the Metro Mayor from calling in items that are of political interest and sensitivity. A forward plan for contract approvals will be kept and shared to enable this.

## **Consultation**

4. This report was discussed with Unitary Authority S151, S73 and Infrastructure Directors to ensure levels of spend proposed are comparable to practices in other organisations. It was also reviewed by the internal West of England Combined Authorities Corporate Governance Board.

## **Other Options Considered**

5. A number of options were considered:
  - 5.1. Do nothing - this is not considered sustainable and will almost certainly lead to project delivery delays and ineffective use of senior resource and senior meeting capacity.
  - 5.2. Recommended option - The recommendation set out in this paper to delegate Purchase Order and Contract Approvals up to the values listed in Table A above.
  - 5.3. Do less – to increase the approval limits to a lower amount than that listed in Table A. A comparison between the approval limits listed in Table A, with that of other Local Authorities, the limits proposed in this paper are deemed to be the more appropriate. The West of England Combined Authority is primarily a project organisation, the limits proposed in this paper reflect the typical purchases and contracts required for capital delivery programmes.
  - 5.4. Do more – to increase the tolerances and business Case approvals in addition to the purchase order and contract approval limits. This option is not being pursued at this time.

## **Risk Management/Assessment**

6. There is a risk that if the volume of financial transactions increase and the processing time for payments does not improve the West of England Combined Authority will not meet its contractual obligations to our suppliers.
  - 6.1. There is a risk that if insufficient controls are in place that errors in payments and approvals could be made. To mitigate this risk the paper is proposing additional control measures to ensure that this risk is mitigated.

## **Public Sector Equality Duties**

7. Not applicable.

## **Climate Change Implications**

8. The West of England Combined Authority's Climate Emergency Action Plan has been considered in the production of this report. Points of particular relevance have been added to this report and reviewed by the Head of Environment. The updated approval limits will support the more efficient delivery of Environmental projects in the region and is therefore supported.

Report and advice reviewed and signed off by: Roger Hoare, Head of Environment

**Finance Implications, including economic impact assessment where appropriate:**

9. The approval limits have remained unchanged since the inception of the West of England Combined Authority. Since then, we have had a substantial increase in the grants obtained and income received on a constant basis year on year. This has subsequently led to an increase in the volume and value of transactions, with many routine financial and contractual transactions being escalated to senior staff members. This change would allow a greater proportion of standard financial approvals to be signed off by staff more closely involved in the operational activities. We do not see any impact in risk as a result of these proposed changes. This change was discussed and agreed at the Internal Governance Board meeting in April 2023.

Advice given by: Stephen Fitzgerald, Interim Director of Investment and Corporate Services.

**Legal Implications:**

This is a constitution change and therefore needs a unanimous decision of the West of England Combined Authority Committee.

Report and advice reviewed and signed off by: Tom Clark, Head of Law and Governance.

**Human Resources Implications:**

- 10 Refresher training for all staff on their accountabilities will be rolled out. This will reinforce the due diligence and value for money ethos expected for all staff. These accountabilities reflect those outlined in the West of England Combined Authority Code of Conduct.

Report and advice reviewed and signed off by: Alex Holly, Head of People and Assets

**Land/property Implications**

11 None specifically arising from this report.

Report and advice reviewed and signed off by: Stephen Fitzgerald, Interim Director of Investment and Corporate Services.

**Appendices:**

Appendix A – Comparison table for purchase order and approval limits

**West of England Combined Authority Contact:**

Report Author	Contact Details
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**APPENDIX A**

	Current West of England Combined Authority			Recommended West of England Combined Authority			WMCA West Midlands Combined Authority		Bristol City Council	Bath & North-East Somerset
Level	Contract	Exemptions	PO	Contract	Exemptions	PO	PO	Contract	PO/Contract	PO/Contract
Self-approved by requesting officer or Manager							Not exceeding £25,000	Not exceeding £50,000	Up to £500	Up to £5000
Programme Mgr in consultation with Commercial Approval Panel				< £50k		< £50k	Not exceeding £50,000	Not exceeding £100,000	In excess of £500 but not more than £25k	£5001-£50,000
Head of Service in consultation with Commercial Approval Panel	To EU thresholds	£50k	£25k	<£250k		<£250k	Not exceeding £250,000	Not exceeding £1million	In excess of £25k but not more than £100k	£50001-£100,000
Director in consultation with Commercial Approval Panel			£100k	<£5m	<£100k and Head of Commercial/ Procurement	<£5m	Not exceeding £1million	Not exceeding £5million	In excess of £100k but not more than £250k	£100,001-threshold
CEO in consultation with Commercial Board	Above EU thresholds	£50k+ up to EU threshold	£100k+	>£5m	>£100k+	>£5m	Not exceeding £5million	Not exceeding £5million	In excess of £250k but less than £50k	Above threshold & emergency purchases



## ITEM 17

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

**DATE:** 16 JUNE 2023

**REPORT TITLE:** 2023/24 COMMITTEE FORWARD PLAN

**DIRECTOR:** DIRECTOR OF LAW AND GOVERNANCE

**AUTHOR:** MARK WAKEFIELD HEAD OF CHIEF EXECUTIVE'S  
OFFICE

### Purpose of Report

- 1 To set out the indicative items of business for the West of England Combined Authority committee currently identified for the 2023/24 municipal year. (Appendix 1)
- 2 To endorse the publication of the Forward Plan during the year, extending the time horizon as appropriate and as new items are identified.

### Recommendation

1. Committee endorse the regular updating and publication of the Forward Plan on the West of England Combined Authority website.

### Reasons for recommendation

- To ensure accessibility and visibility of the Forward Plan to members of the public beyond the legal minimum requirement.

### 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 Metro Mayor

## **Background / Issues for Consideration**

- 3 The West of England Combined Authority currently meets the minimum legal requirement to publish a Forward Plan of key decisions to be made at least 28 days in advance of the decision-making meeting. In addition, the full, formal agenda is published 5 clear working days before the meeting.
- 3.1 The West of England Combined Authority is committed to openness and participation in decision making and accordingly proposes to publish a Forward Plan to include as much information as possible about decisions expected during the 2023/24 municipal year.
- 3.2 As part of the West of England Combined Authority's transformation programme and supported by the Grant Thornton report we have identified the need to develop and share a forward plan of decisions to support planning, resourcing and engagement between all constituent parts of the combined authority partnership.
- 3.3 Due to the complexity and long-term nature of many programmes, the items and dates are subject to change. Additional items will be identified and scheduled as the transformation programme develops.
- 3.4 It is recommended that the Forward Plan is updated and published at regular intervals, extending the time horizon as appropriate.

## **Consultation**

- 4 Members of the West of England Combined Authority, officers and Unitary Authority officers have requested and support greater visibility of the forward plan.
- 4.1 The publication of the Forward Plan will, in itself, facilitate greater engagement with the business of the West of England Combined Authority.

## **Other Options Considered**

- 5 Continuing to meet the minimum legal requirement for publication 28 days in advance will not meet the requirement of the Grant Thornton recommendations.

## **Risk Management/Assessment**

- 6 This proposal addresses one of the elements of the Grant Thornton report, helping to improve planning, resourcing and engagement between all constituent parts of the West of England Combined Authority partnership.

## **Public Sector Equality Duties**

- 7 Earlier visibility of the indicative business of the West of England Combined Authority will make it easier for all members of the public to engage with the meetings.

## **Climate Change Implications**

- 8 There are no climate change implications resulting from this report. Individual items of business contained in the Forward Plan will be presented to committee with their own climate change assessment (where relevant) at the appropriate time.

Report and advice reviewed and signed off by: Roger Hoare, Head of Environment

**Finance Implications, including economic impact assessment where appropriate:**

- 9 There are no direct financial implications resulting from this report. Individual items of business contained in the Forward Plan will be presented to committee with their own financial assessment at the appropriate time.

Report and advice reviewed and signed off by: Stephen Fitzgerald, Interim Director of Investment and Corporate Services.

**Legal Implications:**

- 10 The proposal does not affect the West of England Combined Authority's commitment to the minimum legal requirements for publishing key decisions 28 days in advance. Listed items may move back in the calendar.

Report and advice reviewed and signed off by: Stephen Gerrard, Interim Director of law and Governance.

**Human Resources Implications:**

- 11 There are no HR implications resulting from this report. Individual items of business contained in the Forward Plan will be presented to committee with their own HR implications at the appropriate time.

Report and advice reviewed and signed off by: Alex Holly, Head of People & Assets

**Land/property Implications**

- 12 There are no Land/Property implications resulting from this report. Individual items of business contained in the Forward Plan will be presented to committee with their own Land/Property implications at the appropriate time.

**Appendices:**

Appendix 1 – Indicative Forward Plan 2023/24 for publication

**West of England Combined Authority Contact:**

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## West of England Combined Authority Committee and West of England Joint Committee – Draft Forward Plan

**2023/24**

Publication date of this update: 08 June 2023

The draft Forward Plan seeks to anticipate (as far as possible) the decisions to be made by the West of England Combined Authority Committee and West of England Joint Committee during the 2023/24 municipal year.

The Forward Plan is updated regularly and can be viewed on the West of England Combined Authority website.

The Forward Plan aims to go beyond the minimum legal requirement for notice of key decisions to be published at least 28 days in advance of the decision-taking meeting. For all meetings, a formal agenda will be published at a minimum of 5 clear working days before the meeting.

This update covers the meetings of the West of England Combined Authority Committee and Joint Committee scheduled to be held on the following dates during the 2023-24 municipal year:

- \* 16 June 2023 – Detailed agenda published for this meeting.
- \* 06 October 2023
- \* 26 January 2024
- \* 15 March 2024

### **Indicative agenda items scheduled for remainder of 2023/24**

#### **06 October 2023 meeting**

##### **West of England Combined Authority Committee**

1. Combined Authority & Mayoral Budget Forecast
2. Audit Committee Annual Report
3. Senior/Statutory Officer Appointments
4. Health & Safety Update
5. Transformation Programme
6. Climate and Ecological Strategy and Action Plan Update
7. CRSTS Re-Baselining

8. Strategic Rail Pipeline
9. Electric Vehicle Strategy
10. Somer Valley Links Outline Business Case and Delegations
11. Adult Education Budget 24/25
12. Skills Bootcamps Delegations
13. Bristol Temple Quarter update
14. BSIP update

**West of England Joint Committee**

1. IBB Review
2. LEP Future and Business Board further development

**26 January 2024 meeting**

**West of England Combined Authority Committee**

1. Combined Authority & Mayoral Budget Setting
2. Capital Strategy Including Treasury Management Update
3. Transformation Programme
4. M32 Strategic Corridor Outline Business Case\*
5. Bristol/Bath Strategic Corridor Outline Business Case
6. Joint Local Transport Plan Consultation

\*date under consideration at June committee meeting

**West of England Joint Committee**

3. LEP Budget Setting

**15 March 2024 meeting**

**West of England Combined Authority Committee**

1. Combined Authority & Mayoral Budget Forecast
2. Health & Safety Update
3. Transformation Programme
4. Climate and Ecological Strategy and Action Plan Update and 2024 Revision

5. Bath Riverside Outline Business Case
6. Step Free Stations Full Business Case

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