

Minutes of the West of England Combined Authority Committee 1 & 15 February 2019

Members present:

Mayor Tim Bowles, West of England Combined Authority
Cllr Craig Cheney, on behalf of Mayor Marvin Rees, Bristol City Council
Cllr Paul Myers, on behalf of Cllr Tim Warren, Leader, Bath & North East Somerset Council
Cllr Toby Savage, Leader, South Gloucestershire Council

The meeting was opened at 10.30 am on 1 February 2019.

In light of the severe weather conditions, the meeting was then adjourned, to reconvene at a time to be agreed on 15 February 2019, or, if necessary at an alternative time and date.

The meeting reconvened at 2.00 pm on 15 February 2019 and transacted the business set out below.

<p>1</p>	<p>EVACUATION PROCEDURE</p> <p>The Chair thanked Bristol City Council for hosting the meeting, welcomed attendees to the meeting and introduced his colleagues:</p> <ul style="list-style-type: none"> • Councillor Craig Cheney, attending on behalf of Mayor Marvin Rees, Bristol City Council • Councillor Paul Myers, attending on behalf of Cllr Tim Warren, Leader, Bath and North East Somerset Council. • Councillor Toby Savage, Leader, South Gloucestershire Council. <p>The evacuation procedure for the venue was then announced by the Chair.</p> <p>The Chair then informed everybody present that the meeting was being recorded and that the recording would be available to view after the meeting on the Combined Authority website. Any individuals present who did not wish to be filmed were asked to indicate this.</p>
<p>2</p>	<p>APOLOGIES FOR ABSENCE</p> <p>It was noted that apologies had been received from Mayor Marvin Rees, Cllr Tim Warren, Professor Steve West, the Chair of the Local Enterprise Partnership, and Cllr Stephen Clarke, Chair of the Combined Authority Overview and Scrutiny Committee.</p>
<p>3</p>	<p>DECLARATIONS OF INTEREST UNDER THE LOCALISM ACT 2011</p> <p>No declarations of interest were declared.</p>
<p>4</p>	<p>MINUTES OF PREVIOUS MEETING</p> <p>The committee RESOLVED:</p> <p>That the minutes of the meeting of the committee held on 18 January 2019 be confirmed as a correct record and signed by the Chair.</p>
<p>5</p>	<p>CHAIR'S ANNOUNCEMENTS</p> <p>The Chair shared the following news about the Combined Authority's recent activities:</p> <ul style="list-style-type: none"> • The Housing Minister, Kit Malthouse MP had visited the region recently and been taken to see sites where homes were being built or planned, including Bath Riverside, the Bristol Temple Meads to Keynsham corridor (part of the region's bid into the Government's Housing Infrastructure Fund), Harry Stoke and Elderberry Walk. A very useful round table discussion had provided an opportunity to talk to him further about the region's growing reputation for innovative, inclusive, green and sustainable housing developments. • The first major trial of the 5G Smart Tourism project proved to be a great success at the Roman Baths in December - with visitors trying out futuristic technology which immersed them in the site's rich history. This was a tremendous boost as further trials moved ahead to develop 5G technology and the opportunities this would bring for the ambitions to become a smart region. • It had also been great to see that more and more people were taking the step to kick-start their career through the Future Bright initiative – giving them personal career

	<p>coaching, training and support. This was a great opportunity for residents in Bath and North East Somerset, Bristol and South Gloucestershire, aged 19 and over and who receive in-work benefits or tax credits.</p>
6	<p>COMMENTS FROM THE CHAIR OF THE LOCAL ENTERPRISE PARTNERSHIP BOARD.</p> <p>It was noted that the Chair of the Local Enterprise Partnership Board, Professor Steve West had given his apologies for the meeting. No comments had been submitted for this meeting.</p>
7	<p>COMMENTS FROM THE CHAIR OF THE WECA OVERVIEW & SCRUTINY COMMITTEE</p> <p>It was noted that the Chair of the Overview and Scrutiny Committee, Cllr Stephen Clarke had given his apologies for the meeting. He had though submitted comments on behalf of the committee in relation to agenda item 14 – Capital Strategy including Treasury Management and Investment Strategies. These comments had been circulated and were available to view on the Combined Authority web site.</p>
8	<p>ITEMS FROM THE PUBLIC (PETITIONS; STATEMENTS; QUESTIONS)</p> <p>One set of questions had been submitted in advance of this meeting, as follows:</p> <ul style="list-style-type: none"> • Questions from David Redgewell – subject: transport matters <p>5 statements had been received in advance of the meeting, as follows:</p> <ol style="list-style-type: none"> 1. David Redgewell - subject: Public funding for bus services 2. David Redgewell - subject: Light rail / bus issues 3. Alan Morris - subject: Funding for walking and cycling improvements 4. Cllr Martin Fodor, Bristol City Council - subject: Procurement strategy (social value) 5. Max Langer - subject: Bus franchising for the West of England. <p>At the invitation of the Chair, and in accordance with the constitution, those in attendance were given the opportunity to present their statements. It was noted that the full text of the statements, and questions/replies had been circulated to committee members in advance of the meeting and would be available to view on the Combined Authority’s website following the meeting.</p>
9	<p>PETITIONS FROM ANY MEMBER OF THE WEST OF ENGLAND COMBINED AUTHORITY</p> <p>No petitions had been notified for this meeting.</p>
10	<p>WECA & MAYORAL BUDGET OUTTURN APRIL - DECEMBER 2018</p> <p>The committee considered the Combined Authority and Mayoral Budget outturn report (agenda item 10) covering the period April - December 2018.</p> <p>The Chair highlighted the following points:</p> <ul style="list-style-type: none"> • Appendix 1 set out the Mayoral Fund’s forecast outturn revenue position for the 2018/19 financial year, which, overall, was £163k lower than the original budget, largely due to slight slippage on grant funded feasibility projects which would now roll forward into the next financial year. • Appendix 2 set out the Combined Authority’s estimated outturn revenue position for the 2018/19 financial year. This showed the current forecast was for the net outturn to

match the original budget at year end.

- Appendix 3 outlined the current capital budget forecast for the 2018/19 financial year.

The report recommendations were then moved by the Chair and seconded by Cllr Savage.

The Chair then moved to the voting on the recommendations (which was carried out in line with the constitution).

The committee **RESOLVED**:

1. That the Mayoral Fund and WECA revenue and capital budget outturn forecasts as set out in Appendices 1, 2 and 3 be noted.

2. That a delegation be given to the WECA S151 Officer in order to make all necessary adjustments to Mayoral and WECA Budgets.

11 **MAYORAL BUDGET SETTING REPORT 2019/20**

The committee considered a report (agenda item 11) setting out the Mayoral budget for 2019/20.

The Chair highlighted that as required by the Combined Authorities (Finance) Order 2017, the Mayoral budget proposals had been notified to the Combined Authority Committee at their 18 January meeting. The budget proposals were subsequently published with the 1 February agenda papers, with recommendations for approval. Under the Order, the Combined Authority members “may make a report to the Mayor on the draft budget”, effectively setting out any suggested revisions; “the Mayor’s draft budget shall be deemed to be approved by the combined authority” unless such a report is made to the Mayor before 8 February.

Had the 1 February meeting not been adjourned, the Mayoral budget would have been formally determined on that date; as a matter of technicality, under the wording of the Order, the Mayor’s budget was effectively deemed to be approved on 8 February as no alternative proposals had been notified in advance of that date; therefore, for the purposes of today’s reconvened meeting, the committee’s role in practice was just to note and formally ratify the budget as per the report.

The report recommendations were then moved by the Chair, as amended above, and seconded by Cllr Cheney.

In response to a question from Cllr Myers, it was confirmed, in relation to highways and transport capital grants that in 2019/20 it was again proposed that no changes would be made to the distribution of this funding to the constituent councils (as set out originally in the Roads Funding announcement by the Department for Transport in January 2017).

In response to a further question from Cllr Myers, it was noted that moving forwards, there was a potential risk (as identified in the report) relating to the medium to long-term sustainability of funding; Highways and Transport grants would need to be funded by Government subsequent to the current Business Rate retention pilot coming to an end.

The Chair then moved to the voting on the recommendations (which was carried out in line with the constitution).

The committee **RESOLVED**:

1. To formally note and ratify the Mayoral budget for 2019/20 together with the funding contribution from the WECA budget of £1.828m as set out in Appendix 1 – Table 1.
2. To formally note and ratify the specific Highways and Transport Capital Grant allocations totalling £17.572m to the constituent councils for 2019/20 as set out in Appendix 1 – Table 2.

12 COMBINED AUTHORITY BUDGET 2019/20

The committee considered a report (agenda item 12) setting out the proposed Combined Authority budget for 2019/20.

The Chair highlighted the following points:

- The Combined Authority budget related to all the functions of the Combined Authority except those relating specifically to the Mayor which were the subject of the previous report.
- Combined Authority funding came from 5 main sources:
 - Investment funding from the Government as part of the Devolution Deal.
 - A levy on the constituent councils for the costs of transport functions that transferred to the Combined Authority.
 - A 5% share of business rates under the 100% Business Rates Retention Pilot.
 - Government funding for various capacity and projects, including the Adult Education Budget; Housing Capacity Fund; Mayoral Capacity fund; Future Bright
 - Interest on balances.
- The full detail of the budget was set out at Appendix 1 and included provision for the governance, management and administration of the Combined Authority's functions and responsibilities.

The report recommendations were then moved by the Chair and seconded by Cllr Savage.

Cllr Savage welcomed the proposals to allocate funding to progress feasibility work for the two bypass schemes respectively at Coalpit Heath/Westerleigh and Frampton Cotterrell/Winterbourne. He highlighted the general importance of also taking forward walking and cycling infrastructure improvements alongside road improvements.

Cllr Savage also welcomed the proposed allocation of £300k to progress feasibility work for Charfield Station. The aim should be to make this an exemplar project, also ensuring, in terms of commissioning, that maximum value for money was secured in moving discussions forward with Network Rail.

The Chair then moved to the voting on the recommendations (which was carried out in line with the constitution).

The committee **RESOLVED** to approve the following recommendations:

1. The following new drawdowns against the WECA Investment Fund:
 - (a) £500k to develop a co-ordinated Transport Strategy and Policy resource;
 - (b) £500k to continue to develop the Housing Infrastructure Fund bid;
 - (c) £200k to progress mass-transit strategic development;
 - (d) £200k to progress feasibility work for two bypass schemes (Coalpit Heath/Westerleigh bypass; and Frampton Cotterrell/Winterbourne bypass)
 - (e) £300k to progress feasibility work for Charfield Station;
 - (f) £100k to increase the current development funding for the A420 to Bath Highway Improvements Scheme.

The approval of (d) to (f) for inclusion within the budget, was subject to the consideration and approval of the detailed schemes within the Investment Fund report at agenda item 13 on the agenda.

2. A Transport Levy to the constituent councils of £14.7m as detailed in Appendix 1 – Table 3

3. The following virements within the WECA budget:

- (a) £200k, from surplus treasury management income, to fund pre-feasibility work aimed at attracting further inward investment;
- (b) £50k from the Treasury Management contract (with BANES) and £30k from the financial support contract to Corporate Services staffing;
- (c) A transfer of £100k into the WECA General Fund Reserve from surplus treasury management income

4. The detailed WECA budget for 2019/20 as per Appendix 1

13

INVESTMENT FUND

The committee considered the latest Investment Fund report (agenda item 13).

The Chair highlighted that the report included reference to the following:

- A proposed delegation to the Combined Authority Chief Executive (in consultation with partner authority Chief Executives) to approve the revised West of England Assurance Framework.
- The report also presented the Outline Business Case for the A4174/Wraxall Road Roundabout Improvement and Signalisation scheme and proposed the award of a further £1.488m of funding to develop a Full Business Case.
- It proposed a £100,000 increase to the current development funding award to further progress the development of the A420 to Bath Highway Improvements scheme; also, the allocation of £300,000 for Charfield Station and £200,000 for the Coalpit Heath/Westerleigh bypass and Frampton Cotterell/Winterbourne bypass.
- A delegation was also proposed to enable the Investment Fund to be used to match fund submissions within the previously awarded £10m to support high streets.

The Chair also advised that following discussion with all the authorities, there was a proposed amendment to recommendation 5 of the report; the amendment added the following wording to this recommendation:

“In addition, consider the commissioning route which provides the greatest value for money in moving forward discussions with Network Rail.”

The report recommendations, as amended above, were then moved by the Chair and seconded by Cllr Myers.

Cllr Myers welcomed the further work which would be taken forward/enabled through the approval of this report, particularly the further development of the “Love our High Streets” initiative which would have a positive impact across the region, and highways infrastructure improvements being taken forward at a range of locations that would impact positively in improving people’s lives.

Cllr Savage welcomed the additional wording in relation to recommendation 5 and thanked colleagues for supporting the additional clarification and assurance that this provided. He also welcomed the infrastructure developments that were being taken forward, drawing attention in particular to the much needed improvements at the A4174/Wraxall Road roundabout.

The Chair then moved to the voting on the recommendations (which was carried out in line with the constitution).

The committee **RESOLVED**:

1. To delegate approval of the revised West of England Assurance Framework to the WECA Chief Executive in consultation with the West of England Chief Executives.
2. To approve the scheme changes set out in Appendix 3.
3. To approve the Outline Business Case for the A4174/Wraxall Road Roundabout Improvement and Signalisation scheme and award a further £1.488m of funding to develop a Full Business Case.
4. To approve a £100,000 increase to the current development funding award to further progress the development of the A420 to Bath Highway Improvements scheme.
5. To approve the allocation of £300,000 for Charfield Station and £200,000 for the Coalpit Heath/Westerleigh Bypass and Frampton Cotterell/ Winterbourne Bypass, with a delegation for the approval of the Feasibility and Development Funding Applications to the WECA Chief Executive in consultation with the West of England Chief Executives. In addition, consider the commissioning route which provides the greatest value for money in moving forward discussions with Network Rail.
6. To delegate the allocation of funding to match fund bids to the Future High Streets Fund within the £10m Investment Fund allocation to the WECA Chief Executive in consultation with the West of England Chief Executives.
7. Where there is a case for urgency, to delegate the application of the agreed Land Acquisition Fund criteria to candidate proposals and the award of funding through a business case to the WECA Chief Executive in consultation with the West of England Chief Executives.

14

CAPITAL STRATEGY INCLUDING TREASURY MANAGEMENT AND INVESTMENT STRATEGIES

The committee considered a report (agenda item 14) presenting the proposed capital strategy for the Combined Authority.

The Chair highlighted that the report included:

- The detailed capital budget for 2019/20, and an indicative budget to 2022/23.
- Recommendations for a prioritisation process to develop an indicative 20 year financial allocation for capital investment.
- The Treasury Management Strategy for 2019/20.
- An Investment Strategy for 2019/20.

The report recommendations were then moved by the Chair and seconded by Cllr Cheney.

The Chair then moved to the voting on the recommendations (which was carried out in line with the constitution).

The committee **RESOLVED**:

To approve:

	<ol style="list-style-type: none"> 1. The Capital Budget as shown in Appendices 1 and 2. 2. The proposed method of prioritising capital investment over the next 20 years. 3. The Treasury Management Strategy for 2019/20 detailed in Appendix 3. 4. The Investment Strategy for 2019/20 as shown in Appendix 4.
<p>15</p>	<p>MASS TRANSIT STUDY - FUTURE WORK</p> <p>The committee considered a report (agenda item 15) on the next steps to be taken on Mass Transit study work.</p> <p>The Chair highlighted the following points:</p> <ul style="list-style-type: none"> • The report set out a proposed approach for the further development of the Mass Transit study work and Bath Transport Study work. • The report recommended that work should begin on the scope of a Strategic Outline Business Case, and that a delegation be given to enable this to progress. • A decision was sought on the allocation of £200k to establish early project support, develop the project governance and manage the initial phase of the project. <p>The report recommendations were then moved by the Chair and seconded by Cllr Cheney.</p> <p>Cllr Cheney stressed that in taking forward this work, every opportunity should be taken to develop and as necessary link proposals that would improve air quality across the region.</p> <p>The Chair then moved to the voting on the recommendations (which was carried out in line with the constitution).</p> <p>The committee RESOLVED:</p> <ol style="list-style-type: none"> 1. To endorse the approach for the development of the Mass Transit and Bath Transport Study work. 2. To delegate the development and agreement of the Strategic Outline Business Case preparation scope to the WECA Director of Infrastructure in consultation with the relevant Directors of the constituent authorities. 3. To allocate a sum of £200k from the WECA investment fund, subject to the completion and approval of a Feasibility and Development Funding Application.
<p>16</p>	<p>HOUSING INFRASTRUCTURE FUND (HIF) BID FOR BRISTOL TEMPLE MEADS TO KEYNSHAM STRATEGIC GROWTH CORRIDOR A4/A37</p> <p>The committee considered a report (agenda item 16) setting out an update on the Housing Infrastructure Bid (HIF) bid for the Bristol Temple Meads to Keynsham Strategic Growth Corridor.</p> <p>The Chair highlighted that the report also set out the need to invest a further £500k to enable continued work on the schemes once the bid had been submitted, to meet the delivery programme.</p> <p>The report recommendations were then moved by the Chair and seconded by Cllr Myers.</p>

The Chair then moved to the voting on the recommendations (which was carried out in line with the constitution).

The committee **RESOLVED**:

1. That it be acknowledged that the submission of this HIF bid will be undertaken in consultation with the Mayors/Leaders and Chief Executives of WECA, Bristol and B&NES and will be on the basis of:

- A bid that includes all schemes for a flagship JSP intervention from Bristol Temple Meads to Keynsham along the A4/A37 corridor.
- Recognising the need to show visibly recycled funding that is generated from HIF funded schemes back into the HIF programme as a mandatory requirement of the bid criteria.
- A risk share approach across the HIF programme.

2. That approval be given to a further £500k to work at risk, post bid submission to progress all schemes to ensure the authority meets the 2023 HIF completion deadline, subject to full review of spend on the existing allocation and a detailed breakdown of programme critical activities that need to continue beyond that allocation.

17

APPROVAL OF A COMBINED AUTHORITY PROCUREMENT STRATEGY AND THE PRINCIPLES FOR A PROFESSIONAL SERVICES FRAMEWORK PROCUREMENT TO SUPPORT THE CAPITAL DELIVERY PROGRAMME

The committee considered a report (agenda item 17) which proposed a procurement strategy for the Combined Authority.

The Chair highlighted the following points:

- The detail of the proposed procurement strategy was set out at Appendix A.
- The strategy set out the objectives, approach and governance of procurement within the organisation. The guidance and processes set out would be critical in ensuring that the authority achieved value for money in achieving organisational objectives.
- The report also sought support for a proposal to establish a Professional Services Framework, designed to ensure that an appropriate breadth of skilled support could be put in place to support delivery of the Combined Authority's capital investment programme.

The report recommendations were then moved by the Chair and seconded by Cllr Myers.

With reference to the public statement submitted by Cllr Fodor, Cllr Cheney drew attention to the Social Value policy refresh approved by Bristol's Cabinet in January 2019 and suggested that appropriate account of social value considerations be taken into account in taking forward the next steps in relation to this procurement strategy; Bristol would be happy to offer support / guidance in relation to this.

The Chair then moved to the voting on the recommendations (which was carried out in line with the constitution).

The committee **RESOLVED**:

1. That approval be given to the WECA Procurement Strategy (Appendix A).

2. That approval be given to the principle of establishing a Professional Services Framework and to delegate authority to the Director of Infrastructure to commence the Supplier Questionnaire / Supplier Selection process. The outcome of / recommendations from the tender process will be brought to the committee for approval in May 2019.

18

QUARTERLY PROGRESS REPORT ON WECA BUSINESS PLAN 2018/19

The committee considered an information report (agenda item 18) presenting an update on the delivery of the 2018/19 Combined Authority Business Plan.

The Chair highlighted the following points:

- The Business Plan supported the delivery of the Operating Framework as agreed by the Combined Authority Committee and Joint Committee on 18 April 2018.
- The Business Plan set out the key deliverables for 2018/19 in relation to skills, business support and infrastructure, as well as enabling corporate activities.
- Regular reporting on progress in delivering the Business Plan formed a key element of the Combined Authority's overall performance management and reporting framework.
- The report also provided a summary of key achievements and set out details of any significant exceptions to delivery, together with information about mitigating activities.

The committee **RESOLVED**:

- That the update on delivery of the 2018/19 Business Plan be noted.

19

WECA BUSINESS PLAN 2019-20

The committee considered a report (agenda item 19) seeking approval of the Combined Authority's Business Plan for 2019/20.

The Chair highlighted the following points:

- The Business Plan continued to support delivery of the Combined Authority's Operating Framework and set out key deliverables for skills, business support and infrastructure, as well as enabling corporate activities.
- It was recognised that the 2019/20 Business Plan would need to be informed by the Local Industrial Strategy. The target date for the completion of the Local Industrial Strategy was Summer 2019; the Business Plan would be reviewed and updated as appropriate on completion of the strategy.
- Important work was progressing on an equality and diversity framework.
- As part of the overall performance management and reporting framework, quarterly progress updates on the Business Plan would continue to be brought to this committee and to the Joint Committee.

The report recommendation was then moved by the Chair and seconded by Cllr Savage.

The Chair then moved to the voting on the recommendation (which was carried out in line with the constitution).

The committee **RESOLVED**:

- That the Business Plan for 2019/20 be approved.

20	INFORMATION ITEM - DECISIONS TAKEN AT THIS MEETING In closing the meeting, the Chair advised that details of the decisions taken at this meeting and the draft minutes of the meeting would be published as soon as possible on the Combined Authority website. The meeting finished at 2.55 pm
	Signed: Date: