

West of England Combined Authority (WECA)

Introduction

Overview

During 2020/21, the West of England Combined Authority (WECA) responded to the unprecedented challenge of Covid-19 for businesses, residents and public services across the region. WECA and the Local Enterprise Partnership, (LEP), have been working to support businesses and residents through this crisis period and seeking to ensure that the support and infrastructure is in place to prepare for recovery.

This report is retrospective and provides an overview of performance during the 2020/21 financial year.

As the pandemic hit, we swiftly adapted our work to help the West of England recover focusing on three key areas:

- **Transport** – making sure public transport was in place to support key workers and others who need to travel; supporting transport companies to expand services safely.
- **Business Support** - helping businesses of all sizes get the support they need as well as capturing their concerns and ensuring their voices are heard by government.
- **Skills and Employment** - bringing local partners together to protect jobs and incomes and ensuring the right support is in place for people affected.

We set up a new West of England Taskforce, a partnership between the West of England Combined Authority, the Local Enterprise Partnership, business, universities and the region's councils. The taskforce put together a Regional Recovery Plan which includes measures to help businesses adapt to the new economic landscape and improve resilience, as well as support for residents to develop new skills, training and employment opportunities. This builds on support offered to businesses throughout the pandemic via the Growth Hub and successful schemes such as Future Bright helping residents to gain new skills and find employment.

The West of England Combined Authority (WECA) Committee, committed £9.395m for recovery activity during the year across business support, skills and employment initiatives. This takes the total investment in our region's businesses and skills to over £100m over the next four years.

Our Regional Recovery Plan prioritises a green recovery, using changes in behaviour brought about by Covid-19 to accelerate the transition to net zero carbon.

Climate Emergency Action Plan

We published our Climate Emergency Action Plan in September 2020 – setting an ambitious goal for tackling climate change, committing to net zero carbon by 2030. To achieve this our Climate Emergency Action Plan is being integrated into all that we do.

This vision is shared by our council partners and is a key part of our Covid-19 Regional Recovery Plan. This integrated approach provides us with an opportunity to reboot our economy in a way that also benefits the environment.

Work is already underway, as we continue to deliver carbon reduction programmes and initiatives. For example, through the Local Energy Scheme, Low Carbon Challenge Fund and South West Energy Hub we are increasing regional renewable energy, supporting residents and businesses to be more energy efficient and creating new green jobs.

However, we must go further to deliver our goal and have identified five high level challenge areas where we need to act:

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- **Low Carbon Transport System**
Work to decarbonise the transport system, increase cycling, walking and the use of public transport
- **Low Carbon Business**
Help businesses and local people benefit from growth in the green economy; maximising government investment in the region & supporting our businesses to build back better
- **Renewable Energy**
Work to decarbonise our energy system and increase local renewable energy
- **Low Carbon Buildings and Places**
Increase the energy performance of buildings and develop low carbon standards in new developments
- **The Green Environment**
Protect and enhance the environment through a proactive approach to green infrastructure

WECA is already making progress on these ambitions and our Regional Recovery Plan prioritises a green recovery, using changes in behaviour brought about by Covid-19 to accelerate the transition to net zero carbon.

Infrastructure:

Covid-19 had a huge impact on the way we travel. As the regional transport authority, WECA has worked with bus and rail operators to ensure that the transport network continued to operate safely with social distancing measures in place. We also worked with businesses to share government travel advice and help them access sustainable travel support.

We want to capture the positive changes to travel habits during the pandemic and significantly increase walking and cycling to help reduce congestion and improve air quality. We committed £13m to measures to help more people to cycle and walk in the region and launched a regional campaign to encourage residents walk or cycle. The West of England Combined Authority continues to invest millions in bus and train travel, and walking and cycling routes, to tackle congestion and improve air quality.

Other key activities during 2020/21 included:

- Supporting public transport operators through Covid-19
- Investing £13m in walking and cycling
 - Leading e-scooter trials, as one of the Government's first Future Transport Zones
- £30m of national and local funding committed to Future Mobility Zone proposals. This includes an e-scooter trial that started in October 2020- one of the first projects that will offer a new way to travel around our region.
- Publishing the region's first 10-year rail plan
- Consulting on and agreeing a regional Bus Strategy and Cycling and Walking Plan
- Our Transport Delivery Plan sets out the currently funded transport projects (2021 – 2026) that are progressing to delivery over the next 5 years in the West of England region.
- We have consulted on a new station at Ashley Down - part of improving the Severn Beach line to provide direct more frequent services to Bath and Westbury, Plans are in place to re-open the Portishead line and provide more frequent services to Yate and Gloucester.
- Delivered Joy in the Journey - A behaviour change campaign to encourage walking and cycling in the region.

Through the Local Growth and Economic Development Funds, we're investing in our Enterprise Zones to create jobs and support opportunities for businesses to start, grow and collaborate. This has included £55m at Temple Quarter, £32 million at Bath Quays, £64m at Avonmouth and £12m at Somer Valley

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Business support

We led work to help kick-start the region's economy - helping businesses build their financial resilience, innovate and adopt best practice, and boost their productivity.

We expanded our West of England Growth Hub which helps SMEs find the right support, acting as a 'shop window' for business support services and initiatives in the West of England, such as Green Business Grants. We've expanded the Growth Hub service to help more businesses access the funding, loans and support they need to adapt and survive.

£80m current investment fund (£999m with pipeline schemes) targeted at business and skills. Support will focus on innovation-led changes in business processes and behaviours, and have a strong focus on decarbonised, inclusive and digitally-connected recovery.

We adapted a number of different business support programmes to reflect the changing needs of businesses. This includes Creative Scale Up, Mentoring for Growth and Workforce for the Future.

Launched new initiatives in response to business feedback - eg Trading Better Online; Accountancy Support; Business Growth Grants; Creative Freelancer Grants and Thrive West, to support mental health for employees.

We're working with our partners to provide entrepreneurship & business support to non-EU migrants as well as supporting residents looking to start a business and existing businesses looking to grow.

We put together and promoted a business support guide which sets out all the support available <https://www.westofengland-ca.gov.uk/wp-content/uploads/2021/03/Business-Support-Guide-March-21-Update-1.pdf>

Skills and employment

We expanded our career coaching and support service, Future Bright, to help people whose jobs and income were affected by Covid-19.

We expanded the Careers Hub which helps young people get better careers advice. This now includes engaging young people in low carbon and "green" careers. Helping ensure the West of England has access to the skilled workforce it needs to tackle the climate emergency.

We supported adult education providers to ensure that thousands of people continued to have access to training and re-training opportunities during lockdown.

We reformed our adult education funding rules to enable adults aged 19-24 and 50+ to undertake a first full and second full Level 3 qualification for free (equivalent to A-levels). We're also supporting adults aged 24 and over who don't have A-levels, an advanced technical diploma or equivalent, to take their first full Level 3 qualification for free.

We launched a £2m Digital Skills Investment programme to help give residents and businesses the skills they need.

We launched Workforce for the Future – supporting businesses to identify ongoing skills needs and invest in their workforce.

Through our Employability and Skills portal, we're working with partners to ensure that all our residents have the opportunity to get the skills and training they need to succeed, and to secure the jobs that are being created here.

Further detail about the West of England Combined Authority's programme of work and delivery

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against targets is detailed in the following Narrative Report.

Narrative Report

These financial statements provide the reader with a view of West of England Combined Authority's (WECA) financial performance and its effectiveness in its use of resources during 2020/21. They are a key element in demonstrating how the Authority has delivered economy, efficiency and effectiveness in its use of resources, as well as ensuring that key stakeholders understand the financial position of the Authority.

The Narrative Report provides an outline of the activities for the year, providing both a guide to WECA's financial statements and to its achievements in delivering inclusive economic growth through investing in transport, skills and economic development.

Organisational overview and external environment

The West of England Combined Authority (WECA) is made up of three of the councils in the region – Bath & North East Somerset, Bristol and South Gloucestershire. WECA also supports the Local Enterprise Partnership, which is business-led, and covers the four West of England councils, including North Somerset Council.

Prior to Covid-19 the West of England economy was worth over £33 billion a year, with a population of over 1.1 million people, one of the highest rates of employment in the country (79%), and over 45,000 businesses.

The West of England Combined Authority is working to drive clean economic growth to benefit all residents. We're making decisions about transport, homes, jobs and skills at regional level, decisions previously made in central Government.

Our ambitious councils came together to actively lobby for devolution because they could see the value in this new way of doing things, looking beyond council boundaries, to benefit all of us who live and work in the region.

Since we were established, we have secured over £180 million in extra funding from government to invest in our region; this is in addition to the £1 billion over 30 years agreed in the devolution deal.

Aims, Objectives and Achievements

The West of England Combined Authority aims to be a driving force for clean, inclusive growth. We are delivering this ambition through the following objectives.

Overarching objectives:

Our Regional Recovery plan sets out five key ambitions:

- Rebuilding business, helping new and existing businesses to survive and thrive; to safeguard existing, and create new jobs;
- Getting residents back into jobs that pay above the living wage and offer employment security, through training and work to match skills to opportunities;
- Strengthen inclusion, preventing further widening of inequalities and building an inclusive economy where everyone has the opportunity to achieve their potential;
- A green recovery, using changes in behaviour brought about by the pandemic to accelerate transition to net zero carbon;
- Renewing places, creating greener, healthier, more vibrant places to live and work.

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Measures include:

- Expanding the region's business support offer to help businesses to adapt and survive, including redundancy support, trading online, training and workforce development.
- Driving job creation through investment in new regional innovation projects, to address the climate emergency, health and equality of opportunity.
- Developing a regional Employment and Skills Opportunities Portal to help unemployed residents find new jobs, support and training opportunities.
- Addressing youth unemployment with a regional apprenticeship support service.
- Growing the Low Carbon Challenge Fund through a Green Business Grant programme and Local Energy Schemes.
- An innovative town centre re-structuring programme, building on the increased need for 'local liveability'.
- Development of a Regional Tourism Zone and new Cultural, Creative and Digital Development programme.

The full plan can be found at <https://www.westofengland-ca.gov.uk/wp-content/uploads/2020/11/Recovery-plan-version-2.pdf>

Delivery objectives

Our objectives are centred around three core areas of delivery:

Infrastructure

Our ambition is to enable residents to move seamlessly around the West of England region between work, home and leisure activities, and to provide high quality, affordable homes. We are working towards that ambition in a way that addresses our commitment to achieving zero net carbon by 2030. The right infrastructure is central to that commitment, both physical and digital. Infrastructure is also key to maximising productivity across the region, connecting rural and urban communities, and driving clean and inclusive growth.

Our activities are aligned with five objectives for infrastructure:

1. Better links to connect people and encourage use of sustainable transport;
2. Improved national and international connections;
3. Regional housing growth that promotes a mix of sustainable and affordable homes;
4. Employment spaces that meet the needs of businesses and communities;
5. World-leading digital connections to support innovation and collaboration.

Business Growth

Our focus is on rebuilding a strong regional economy, to enable long-term recovery for the West of England, following the impact of Covid-19. We will help business build their financial resilience, innovate and adopt best practice, and boost their productivity. In line with our Regional Recovery Plan, we will help our businesses to achieve their potential through recovery as well as attracting more businesses to start, grow and thrive in the region.

Our activities are aligned with four objectives for business growth:

1. Help businesses to start-up, grow and flourish, nurturing inclusivity and entrepreneurial spirit;
2. Support businesses to invest in the region and realise export opportunities;
3. Drive an innovative and collaborative economy;
4. Protect and promote our region's culture.

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Skills

By 2036, the West of England will be internationally recognised for its sustainable, inclusive and diverse economy, providing a high quality of life, prosperity and opportunities for all its residents. Our people will be skilled, healthy and able to achieve their potential. Our businesses will play an active role in shaping employment and skills provision across the region and they will be able to find the skills and talent they need to innovate, add greater value and thrive. Our Employment and Skills Plan sets out how we will support residents to achieve their potential, and businesses to find the skills and talent they need to innovate, add greater value and thrive.

Our activities are aligned with five objectives for skills:

1. Integrate our employment, skills and education system to align with employers' needs;
2. Enable all young people to achieve their potential;
3. Address barriers to employment and progression;
4. Empower people to progress in employment and access higher paid opportunities;
5. Ensure employers can recruit and retain the skills and talent they need to thrive.

Operating Framework:

Our operating framework sets out our priorities for clean and inclusive economic growth in the West of England. It incorporates the four themes from the West of England Local Industrial Strategy and forms the basis of WECA's annual business planning cycle, focused on priority areas for delivery:

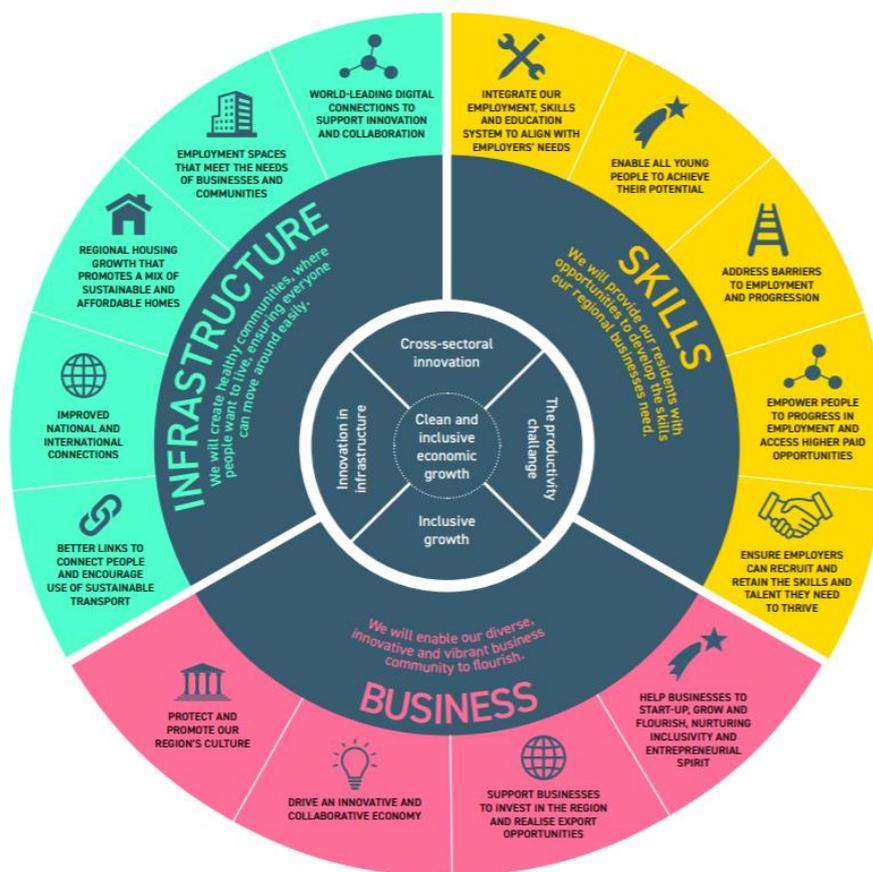
- Infrastructure fit for the future
- World class skills
- Businesses that succeed

Our Climate Emergency Action Plan sets out five strategic principles:

- **Low carbon transport system:** working to decarbonise the transport system, increase cycling, walking and the use of public transport;
- **Low carbon business:** helping business & local people benefit from growth in the green economy; maximising government investment in the region & supporting our businesses to build back better;
- **Renewable energy:** working to decarbonise our energy system & increase local renewable energy;
- **Low carbon buildings and places:** increasing the energy performance of buildings & develop low carbon standards in new developments;
- **The green environment:** protecting & enhancing the environment through a proactive approach to green infrastructure.

Together with our operating framework these principles set out our long-term vision and shape the shorter-term actions required to achieve this that are included in our Business Plan - <https://www.westofengland-ca.gov.uk/wp-content/uploads/2021/02/WECA-Business-Plan-2021-22.pdf>

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Local Industrial Strategy

Developed by leaders and businesses from across the region, working closely with government, the Local Industrial Strategy (LIS) draws on the unique strengths of the people and places across the West of England. The strategy represents a strong partnership between local and national partners and a recognition of the shared ambition and opportunity for the region. It identifies the strengths and challenges of the West of England and plans the foundations upon which the region will thrive, for the benefit of all its residents.

Our Local Industrial Strategy and Climate Emergency Action Plan provide the framework for policy development and to identify priorities for investment in planning, transport, employment and skills. The actions from the Local Industrial Strategy are embedded in WECA's business plan.

Performance

WECA's monitoring & evaluation framework sets out our overall approach to the monitoring and evaluation of activities across WECA and the Local Enterprise Partnership. The approach is structured around three levels as set below:

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- Annual business plan. Delivery of the annual business plan which includes in-year activity to support WECA and the Local Enterprise Partnership. Our business plan for 2020/21 was approved by WECA and Joint Committee on 31st January 2020;
- Project and Programme delivery. This is focused on schemes funded through the WECA Investment Fund, Transforming Cities Fund, West of England One Front Door Programme and other significant grant funding streams. WECA have implemented a comprehensive [Local Growth Assurance Framework](#) which clearly sets out the process, and governance, for accessing and approving funding allocations and awards.

WECA's overall aim of achieving clean and inclusive economic growth will require longer term measurement which takes into account the impact of key schemes that are yet to be delivered. We are working closely with the national suppliers who are leading the Gateway review work across the Combined Authorities on the evaluation of the West of England Investment Fund. The Final Report from the independent evaluation of the Investment Fund was submitted to Government in November, and it is expected that the outcome will be known shortly. In parallel WECA submitted a Complementary Report which sets out the wider context surrounding the use of the Investment Fund.

The Monitoring & Evaluation Framework is reviewed annually and shared with Government. The latest version, approved in March 2021, is available on the WECA website and includes links to detailed project monitoring & evaluation plans. [Monitoring & Evaluation Framework 2021](#)

Financial Performance

The following paragraphs provide a brief overview of the financial position in terms of WECA's management accounting framework rather than the statutory accounting framework, to aid in understanding the statutory financial statements.

Under the Order establishing the Combined Authority, WECA must maintain a separate fund to record the expenditure of the Mayor's Office, including the annual running costs of his immediate support staff, the costs of the Mayoral elections and grant expenditure which is incurred under the Mayor's powers of determination.

- **Mayoral Fund**

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The Mayoral Fund's outturn revenue position for the 2020/21 financial year is as detailed in the table below.

Mayoral Fund April to March 2021			
	2020/21 Budget £'000s	2020/21 Outturn £'000s	Variance £'000s
Staff	206	181	(25)
Premises Services	13	12	(1)
Support Services	15	0	(15)
Supplies & Services	10	10	0
Project Spend	0	0	0
	244	203	(41)
Mayoral Election Costs	396	396	0
Payment to Reserve	0	41	41
<u>Contribution to Highway Grants</u>			
Integrated Highway	5,183	5,183	0
Highway Maintenance Grants	10,254	10,254	0
Highway Incentive Grants	2,135	2,135	0
	17,572	17,572	0
Total Expenditure	18,212	18,212	0
<u>Income</u>			
Business Rates Retention Pilot	17,572	17,572	0
Government Grant	0	0	0
Funding Contribution from WECA	640	640	0
Total Income	18,212	18,212	0
NET TOTAL - Under / (Over) Spent	0	0	0

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WECA Fund Revenue Budget

A net outturn of £1.127m (2019/20: £551k) surplus was achieved in 2020/21 which reflects a higher return from investments on cash balances. This position has been reported consistently throughout the financial year as we maintained relatively high balances and achieved above average returns through diversifying our investment portfolio.

In year spend on specific projects was £2.1m lower than originally budgeted with the main variations being due to delays in spend linked to the Covid pandemic. These include 'We Work for Everyone' (conditionally approved subject to confirmation of external grant), Workforce for the Future, and Future Bright.

The Revenue Transport levy returned an overall end of year surplus on spend of £719k. The main reason for the Levy underspend is due to the receipt and application of Covid grants. Concessionary Fares and Community Transport reduced as some providers, and routes, stopped operating. In addition, North Somerset Council reduced their reimbursement to operators to reflect the historic trend of decline (8%). There was also some underspending in the Integrated Transport Team costs which were lower than planned due to staff vacancies.

A summary of the WECA out-turn position is detailed in the following table:

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WECA Fund April to March 2020/21			
EXPENDITURE	Budget £'000s	Outturn £'000s	Variance £'000s
Staff			
Core Staff	4,896	5,184	288
Integrated Transport Authority Team	892	765	(127)
Project Staff	1,300	1,094	(206)
Total Staff	7,088	7,043	(45)
Supplies & Services			
Premises Services	464	334	(130)
Support Services	44	8	(36)
Supplies & Services	761	817	56
Total Supplies & Services	1,269	1,159	(110)
Project Spend	25,808	23,707	(2,101)
ICT Implementation	297	586	289
Transport Functions			
Community Transport	1,621	1,355	(266)
Concessionary Fares	14,325	14,286	(39)
Bus Real Time Information	453	419	(34)
Supported Bus Services	2,743	8,686	5,943
Metrobus	226	125	(101)
Bus Information	149	145	(4)
Travel West	61	4	(57)
Integrated Ticketing	247	206	(41)
Total Transport Functions	19,825	25,226	5,401
Contribution to Mayoral Fund	640	640	0
Overheads	(451)	(909)	(458)
Departmental Recharges	(1,644)	(1,391)	253
Payment to Reserves	204	2,207	2,003
Total Expenditure	53,036	58,268	5,232
INCOME			
Transport Levy	20,716	20,961	245
Supported Bus Services Government Grant	0	5,749	5,749
Business Rates Retention Pilot	1,200	792	(408)
Government Grants	17,055	17,553	498
Investment Fund Grant	13,045	10,018	(3,027)
Interest on Balances	1,020	2,238	1,218
Transfer from Reserves	0	2,084	2,084
Total Income	53,036	59,395	6,359
NET TOTAL – Under / (Over) Spent	0	1,127	1,127

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Financial Reserves

Upon formation, there were no general or earmarked reserves or balances allocated to WECA from the constituent councils. Therefore, in April 2018, WECA Committee agreed to establish appropriate risk assessed levels of reserves.

The level of Business Rates growth has slowed down in the region, even prior to the Covid situation. WECA's share of the business rates retention pilot is 5% budgeted at £1.2m for 2021/22 which is unlikely to be achieved. £408k was drawn down from the Business Rates Reserve in 2020/21 to meet with the estimated in-year shortfall; With £500k transferred from the 2020/21 WECA revenue surplus to the business rates retention reserves to address future expected shortfalls.

The future revenue position for WECA remains volatile whilst core operating costs are funded through temporary sources such as Mayoral Capacity Fund and Business Rates Retention pilot share. The remaining balance of **£627k** (from the overall **£1.127m** end of year surplus) will transfer into the WECA General Reserve bringing the balance of this reserve up to £1.765m. Whereas we have worked hard to increase the General reserve over recent years, this level is still relatively low representing only **3%** of the £56.7m WECA revenue budget for 2021/22. We will continue to keep the holding of reserves under constant review.

WECA Fund April to March 2020/21

Capital

In July 2019, the Committee approved a £350m investment programme to March 2023 spanning the Investment Fund and Transforming Cities Fund. This sits within the framework of the Capital Strategy report, approved in February 2019, which set out the planned approach for establishing a thematic 20-year programme aligned with regional priority outcomes and objectives as detailed within the published WECA Operating Framework.

The funding available through the Investment Fund and Transforming Cities Fund over the period to 2022/23 includes a level of structured over programming. For each allocation and award, an allowance needs to be accounted for in terms of the subsequent costs for final delivery of the full scheme, referred to as the 'tail' which is based upon the current opinion of the most likely level of spend that will be incurred over the next four years.

A high-level summary of the approved programme, as at January 2021, is detailed in the following table:

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	Funding Awards and Allocations £000s	
	Dec 2020	Jan 2021
<i>Transport Infrastructure</i>		
Approved Awards and Allocations	67,485	71,482
Associated 'tail' required to deliver all projects up to March 2023	47,445	43,448
Total Investment in Transport Infrastructure	114,930	114,930
<i>Housing, High Streets and Green Infrastructure</i>		
Approved Awards and Allocations	87,513	92,773
Associated 'tail' required to deliver all projects up to March 2023	26,494	26,494
Total Investment in Housing Infrastructure	114,007	119,267
<i>Business and Skills</i>		
Approved Awards and Allocations	80,070	80,070
Associated 'tail' required to deliver all projects up to March 2023	18,854	18,854
Total Investment in Business and Skills Infrastructure	98,924	98,924
<i>Opportunities and Challenges / Other</i>		
Funding put aside to respond to opportunities and challenges	14,321	9,061
Approved WECA set up, operating costs and elections up to 2023	7,818	7,818
Total Investment Programme up to March 2023	350,000	350,000
Total Investment Programme post March 2023	31,189	32,841

It is recognised that the Investment Fund programme will need to be kept under review and that some fundamental reallocations may be required in response to Covid-19 as the impacts and actions required to support economic recovery, including gaps in national programmes, continue to emerge.

The Investment Fund proportion of the WECA Investment Programme is flexible in terms of being 50% revenue and 50% capital. This allows swift progress for developing feasibility studies and early business case development prior to the need for capitalisation. In terms of capital spend, the 2020/21 outturn position is spend of £34.3m against a revised budget of £51.6m as detailed in the table below:

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WECA and Mayoral Capital Programme 2020/21

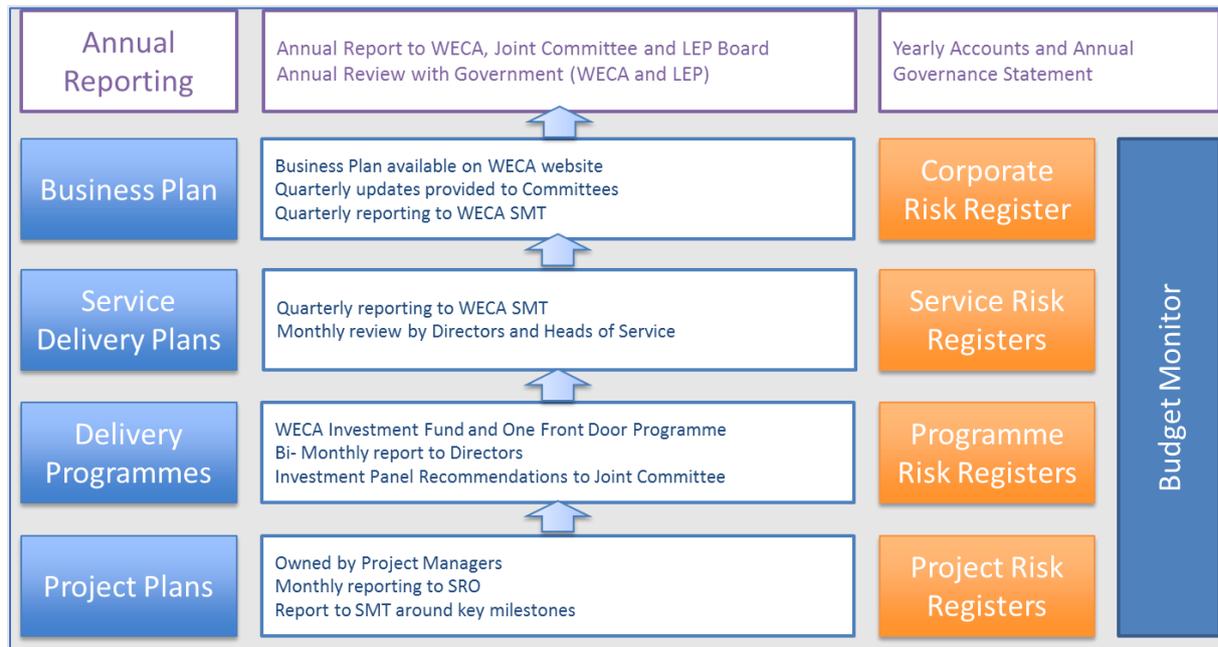
	Revised Budget £'000	Outturn £'000	Variance £'000
WECA Capital			
Transport Scheme Business Case Development	3,790	1,956	1,834
Real Time Information	94	93	1
Cribbs Patchway Metrobus Extension	9,443	1,863	7,580
CPNN Cycle Links	1,656	992	664
On Bus Contactless Payment	6	2	4
Great Stoke Roundabout Improvements	1,956	1,342	614
Wraxall Rd	1,131	1,046	85
Whitfield Tabernacle Kingswood (Love our High St)	80	-	80
South Bristol Industrial Light Workspace	131	-	131
Metrowest phase 2	305	372	-67
Unlocking Lockleaze	3,006	-	3,006
Yate A432 Park & Ride	1,300	-	1,300
	22,898	7,666	15,232
WECA Capital – other			
FTZ DfT funding to the capital programme	905	517	388
DfT Active Travel Fund to the capital programme	1,745	45	1,700
	2,650	562	2,088
Mayoral Capital			
Highways and Transport Grants	17,572	17,572	-
Pothole Action Fund Grant	8,519	8,519	-
	26,091	26,091	-
Grand Total	51,639	34,319	17,320

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Risks and Opportunities

The West of England Combined Authority is committed to deliver its strategic objectives of clean and inclusive economic growth whilst retaining a clear focus on the potential risks and opportunities associated with the activities set out in the annual business plan.

The corporate risk framework ensures that key risks are identified, managed and monitored and that risk management is an integral part of WECA's reporting process as set out in the diagram below.



The Corporate Risk Register is reviewed each month by WECA Management Team (SMT plus Heads of Service) alongside the Directorate Risk Registers. A quarterly update on the Corporate Risk Register is provided to WECA SMT as part of our wider reporting processes and a summary of key risks is provided in our quarterly progress reviews to WECA and Joint Committee.

The risk management framework is reviewed annually by the Audit Committee. The latest version, approved in March 2021, is available on the WECA website [Risk Management Framework](#)

WECA has in place an effective system of internal control designed to identify and manage risks to a reasonable level. A risk based Internal Audit Plan is considered by Senior Officers and approved through the audit committee. Grant Thornton UK LLP are the external auditors for WECA who maintain an independent view on the strength of our financial governance and delivery of value for money.

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Medium Term Financial Outlook

WECA published a Medium-Term Financial Forecast, in January 2021, as part of the 2021/22 Revenue Budget setting. Anticipated spend of revenue budgets have been profiled across the three financial years to 2024/25. Overall grants and committee approvals amount to **£261.9m** for the period, with **£56.7m** relating to 2021/22 as detailed in the following table:

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Core Revenue Funding	3,860	4,222	3,552	3,531	3,540	18,705
Specific Grant Funding	17,246	17,372	16,632	15,528	14,902	81,680
Investment Fund (managed by WECA)	12,154	9,028	5,600	2,582	0	29,364
Transport Levy (and NSC Recharge)	20,990	21,455	21,884	22,322	22,768	109,419
WECA Managed Revenue Budgets	54,250	52,077	47,668	43,963	41,210	239,168
Investment Fund (UA and third parties)	7,906	4,635	5,875	4,302	36	22,754
Total WECA Revenue Budget	62,156	56,712	53,543	48,265	41,246	261,922

Volatility of core revenue funding for WECA remains an issue, with annual income from the Business Rates Retention pilot, (£1.2m), and Mayoral Capacity Fund, (£1m), remaining uncertain beyond the 2021/22 financial year.