

15 October 2021

REPORT SUMMARY SHEET

INVESTMENT FUND

Purpose

To seek approval for feasibility, development and delivery funding, and for change requests for schemes within the current approved programme

Summary

This report includes the following key information

- The report sets out proposals to extend the Investment Fund programme to 2025/26.
- An Outline Business Case for Charfield Station.
- The creation of a Green Recovery Fund that will leverage in £50m to deliver the dual objectives of protecting the environment and reducing carbon, and creating jobs.
- Funding of a further £10m to the Covid-19 Recovery Fund bringing the total to over £20m.

Impact of Covid-19 pandemic

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

- Paragraphs 22-41 of the report sets out the proposed use of the Investment Fund to drive Covid-19 economic recovery including the addition of £50m for further recovery measures and a Green Recovery Fund.
- More generally supporting clean and inclusive economic growth is a key driver for the Investment Fund and all the projects within the programme will make a positive contribution to assisting the economic recovery.

- WECA will continue to review the deliverability, and priority, of its investment programme in response to Covid-19. Further updates will be provided through each committee cycle.

Members of the Combined Authority Committee are asked to:

1. Approve the updated Local Growth Assurance Framework
2. Approve the Outline Business Case for Charfield Station and the award of £2.923m to develop the Full Business Case subject to further confirmation of the provision of the rail service, with provision in the programme retained for the capital tail until 22/23 and the balance to be met through the CRSTS and local contributions where possible.
3. To allocate £2.226m to the Temple Quarter Regeneration Programme and delegate the approval of a Feasibility and Development Funding Application to the West of England Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils.
4. Approve the inclusion of the full cost of £23.65m for the Bristol Temple Meads Eastern Entrance in the Investment Fund programme
5. Allocate an additional £10m to the regional Covid-19 Recovery Fund and delegate the development of the assessment criteria and detail of the proposals to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils.
6. Agree to set up the Green Recovery Fund and leverage £50m through it on priority projects that target the climate emergency and enhance and complement activity being undertaken by constituent Councils including a housing retrofit investment, electric vehicle infrastructure investment and flagship green infrastructure and habitats projects such as Bath Riverline.
7. Award a further £300k to the Low Carbon Challenge Fund project for the housing retrofit programme
8. Approve the change requests for schemes within the current programme as set out in Appendix 2.
9. Amend the approved capital programme for individual project approvals agreed at the June Committee and within this report.

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

DATE: 15 October 2021

REPORT TITLE: INVESTMENT FUND

**AUTHOR: MALCOLM COE, DIRECTOR OF INVESTMENT AND
CORPORATE SERVICES**

Purpose of Report

1. To seek approval for feasibility, development and delivery funding, and for change requests for schemes within the current approved programme.

Impact of Covid-19 pandemic

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

- Paragraphs 20-42 of the report sets out the proposed use of the Investment Fund to drive Covid-19 economic recovery including the addition of £10m for further recovery measures.
- More generally supporting clean and inclusive economic growth is a key driver for the Investment Fund and all the projects within the programme will make a positive contribution to assisting the economic recovery.
- The Combined Authority will continue to review the deliverability, and priority, of its investment programme in response to Covid-19. Further updates will be provided through each committee cycle.

Recommendations:

The Committee is asked to:

1. **Approve the updated Local Growth Assurance Framework**
2. **Approve the Outline Business Case for Charfield Station and the award of £2.923m to develop the Full Business Case subject to further confirmation of the provision of the rail service, with provision in the programme retained for the capital tail until 22/23 and the balance to be met through the CRSTS and local contributions where possible.**
3. **To allocate £2.226m to the Temple Quarter Regeneration Programme and delegate the approval of a Feasibility and Development Funding Application to the West of England Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils.**

4. **Approve the inclusion of the full cost of £23.65m for the Bristol Temple Meads Eastern Entrance in the Investment Fund programme**
5. **Allocate an additional £10m to the regional Covid-19 Recovery Fund and delegate the development of the assessment criteria and detail of the proposals to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils.**
6. **Agree to set up the Green Recovery Fund and leverage £50m through it on priority projects that target the climate emergency and enhance and complement activity being undertaken by constituent Councils including a housing retrofit investment, electric vehicle infrastructure investment and flagship green infrastructure and habitats projects such as Bath Riverline.**
7. **Award £300k from the Green Recovery Fund to extend the Low Carbon Challenge Fund project for the housing retrofit programme**
8. **Approve the change requests for schemes within the current programme as set out in Appendix 2.**
9. **Amend the approved capital programme for individual project approvals agreed at the June Committee and within this report.**

Background

2. There has been significant change for our region over the past two years. The economic impact of Covid has affected people's jobs, access to education, skills and employment, and hit many businesses and sectors hard. Our investments need to be responsive to this changed landscape. At the September committee meeting, members approved the establishment of a Green Recovery Fund. To support the region further, this paper sets out further investment decisions that will support the West of England to recover and grow.
3. In July 2019 the Committee approved a £350m investment programme up to March 2023 spanning the Investment Fund/Transforming Cities Fund. This sits within the frame 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. This £350m included a level of structured overprogramming to reflect changed or delayed delivery. For each allocation and award, an allowance has been 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 this period.
4. Given more than two years has passed since the original programme was developed, we now propose to extend the time horizon for a further three years to March 26, re-establishing a 5 year Combined Authority Investment Programme. This would add £90m to the overall Investment Fund programme, however, as reported to Committee in June, there are already existing commitments against this funding which need to be accounted for in this period. Also, it should be noted that, at least £103m of the spend up to 22/23 will need to be on transport capital projects in line with the Transforming Cities Fund requirements.
5. As part of the City Deal in 2014, the West of England was awarded a 10 year allocation of devolved transport funding with that proportion covering 2015/16 to 2021 included in

the Local Growth Fund. Government have now confirmed the award of £7.4m to the Combined Authority for 21/22, with North Somerset Council separately receiving £1.7m. From 22/23 the remaining City Deal funding will be consolidated into other Government funding sources. This £7.4m is also to be added to the Investment Fund programme.

6. The total funding over the period to March 2026 amounts to £450m including overprogramming of some £40m (10% of funds unspent). The balance available, and uncommitted, as at October 2021, stands at £69.3m which includes the 'headroom' of £30.1m, and spend commitments of £60.8m beyond 22/23 as reported to the June Committee. The headline position across the proposed 5 year rolling investment period is shown in Figure 1.

£m	Spend to 20/21	21/22	22/23	23/24	24/25	25/26	Total
Existing Programme (including allocations and tails*)	59	133	128	61			381
Funding (including overprogramming)	350			40	30	30	450
Headroom (prior to decisions at this Committee)	-	69					69

* Note: profile of allocations and 'tails' are estimates.

Figure 1: Actual and Forecast Spend and Funding

The £450m of Combined Authority funding available up to March 2026 is made up of:

- £30m of Investment Fund per annum x 10 years (16/17 to 25/26) £300m
- Transforming Cities Funding (to be spent by March 2023) £103m
- One year succession to Local Growth Funding for 21/22 £7.4m
- Structured over-programming of delivery against spend £39.6m

7. The Combined Authority has submitted an application for the City Region Sustainable Transport Settlement (CRSTS) which is expected to secure between £540m to £880m of capital funding over the five year period to 2026/27 (see item 12 on this agenda). These funds will follow the processes set out within the [Local Growth Assurance Framework](#) which has been revised and updated accordingly and to reflect recently published refreshed guidance. There will be an interface between these funds and the current Investment Fund programme which will be reported to the Committee in January 2022 following the award of funding.

Recommendation to approve the updated Local Growth Assurance Framework

8. In extending the Combined Authority investment programme for a further three financial years, we have rolled forward the Combined Authority Mayoral Office and election costs equating to £1.95m at current levels as previously approved by Committee. It should be recognised that a number of existing sources of Combined Authority revenue capacity funding, such as the Mayoral Capacity Fund, LEP Capacity Fund, 100% Business Rates Retention Pilot and Housing Capacity Fund are volatile and likely to cease beyond the current financial year which might result in additional operational funding requiring future

consideration. This leaves the balance of headroom available to £67.3m prior to decisions taken at this Committee.

9. 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. An update on the projects seeking funding is set out by theme in the following sections.

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

	Funding Awards and Allocations £000s	
	Jun 2021	Oct 2021
<i>Transport Infrastructure</i>		
Approved Awards and Allocations	79,122	83,299
Associated 'tail' required to deliver all projects up to March 2026	49,742	39,582
Total Investment in Transport Infrastructure	128,846	122,881
<i>Housing, High Streets and Green Infrastructure</i>		
Approved Awards and Allocations	105,690	128,718
Associated 'tail' required to deliver all projects up to March 2026	22,143	995
Total Investment in Housing Infrastructure	127,833	129,713
<i>Business and Skills</i>		
Approved Awards and Allocations	87,540	98,324
Associated 'tail' required to deliver all projects up to March 2026	19,508	19,024
Total Investment in Business and Skills Infrastructure	107,048	117,348
<i>Leverage Match Fund / Other</i>		
Funding put aside to respond to external funding opportunities	9,061	9,061
Approved CA set up, operating costs and elections up to 2026	7,818	9,768
Headroom	30,130	61,230
Total Investment Programme up to March 2026	410,736	450,000

Thematic Update

Transport

Feasibility Studies

Bus Service Improvement Plan/Enhanced Partnership

10. At the Combined Authority Committee in June up to £900k was allocated for development of a joint Bus Service Improvement Plan and Enhanced Partnership. The Committee delegated the approval of the Feasibility and Development Funding Application to the Combined Authority Chief Executive in consultation with the Chief

Executives of the constituent councils. The [Feasibility and Development Funding Application](#) has now been produced with a funding request of £537k, with £263k match funding provided by DfT. It is expected that funding for this activity will be available from the CRSTS, so this application serves solely as underwriting. This application was approved earlier this month in line with the delegation.

Schemes in Development

Charfield Station

11. Following the award of £1.2m of development funding, a Strategic Outline Business Case (SOBC) was submitted by South Gloucestershire Council which was approved by the Combined Authority Committee in December 2020. An Outline Business Case has now been submitted for this scheme which would see the delivery of a new station on the Bristol to Gloucester railway line located in the immediate vicinity of the former Charfield station, which is anticipated to be served by one train per hour in each direction. The overall cost is £22.435m (including funds already awarded to develop the Outline Business Case) an increase of some £350k since the SOBC. The current capital 'tail' for this scheme allowed for in the programme is £15.2m including development funding, with the additional costs to progress the scheme from Outline to Full Business Case being £2.923m. It is proposed that the development and delivery funding which falls in the Transforming Cities Fund period to 22/23, being £9.08m, is retained in the programme, with the expectation that the CRSTS, including match funding, would meet the £13.35m remainder of the cost from 23/24. The Assessment Summary Table is shown in Appendix 4 and the Outline Business Case is published on the Combined Authority [website](#).

Recommendation to approve the Outline Business Case for Charfield Station and the award of £2.923m to develop the Full Business Case subject to further confirmation of the provision of the rail service, with provision in the programme retained for the capital tail until 22/23 and the balance to be met through the CRSTS and local contributions where possible.

Schemes in Delivery

Housing, High Streets and Green Infrastructure

Housing and Regeneration Enabling Fund

12. At the Combined Authority Committee in December 2020, a £2m Housing and Regeneration Enabling Fund (HREF) was established to enable schemes to be developed to a point where they could be considered for the Development Infrastructure Fund, or other funding opportunities. Criteria for the HREF were agreed as part of the draft West of England Housing Delivery Strategy at the Combined Authority Committee in January 2021, and the approval of specific applications was delegated to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils. A [Feasibility and Development Funding Application](#) has been provided for South Gloucestershire Council Capacity funding of £750k which was approved via the granted delegation in July 2021. This will be used to develop Outline Business Cases for the Thornbury Hospital site (expected September 2021), the Grange site (October 2021) and the Whirlpool site in Yate (July 2022). The balance of HREF funding stands at £1.1m.

Temple Quarter Regeneration Programme

13. The Bristol Temple Quarter Regeneration Programme is a significant city centre housing and redevelopment schemes with Bristol Temple Meads station at its core. The programme sets out a vision to redevelop around 130 hectares of brownfield land over 25 years which could deliver up to 10,000 homes and up to 22,000 jobs. Phase 1 of this programme encompasses development of the area around Bristol Temple Meads Station for which a business case has been submitted to Central Government funding. To maintain momentum on a number of key workstreams it is proposed to allocate £2.226, including £345k from the Housing and Regeneration Enabling Fund with the approval of the details delegated to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils.

Recommendation to allocate £2.226m to the Temple Quarter Regeneration Programme and delegate the approval of a Feasibility and Development Funding Application to the West of England Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils.

Schemes in Delivery

Bristol Temple Meads Eastern Entrance

14. As reported to the Committee in June 2021, following a previously granted delegation to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils the Full Business Case for the Temple Meads Eastern Entrance was approved in January 2021. Following approval, detailed design commenced in March to enable the use of the existing blockade this summer to extend the subway. It was hoped that alternative funding for this scheme would become available whilst the Investment Fund cashflowed this work, but in the absence of any decision on other funding, the scheme is now being included in the Investment Fund programme in full, at a cost of £23.65m from the 'tail' of funding previously allocated to this project.

Recommendation to approve the inclusion of the full cost of £23.65m for the Bristol Temple Meads Eastern Entrance in the Investment Fund programme

Thornbury Hospital Site – Land Acquisition Fund

15. The repayable Land Acquisition Fund (LAF) was established as part of the Investment Fund in November 2018 to support the purchase of land that would increase and/or accelerate housing delivery. Two business case have been approved through the LAF to date for Bath Riverside and North Keynsham. A delegation to approve business cases through the LAF was granted to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils in February 2019.
16. Through this delegation, in September a Full Business Case was approved and £3.806m awarded to South Gloucestershire Council for the acquisition of the Thornbury Hospital site. This will support the purchase of the land. A separate funding bid has been made by the Clinical Commissioning Group in partnership with South Gloucestershire Council to the Department of Health and Social Care (DHSC) to enable the delivery of the integrated health and wellbeing medical centre and ExtraCare housing to be brought forward on this land. Start on site is estimated in 2024 with 18 months construction period and repayment of the funds would be in 2024 and 2025. The Assessment Summary Table is shown in Appendix 5 and the Full Business Case is published on the Combined Authority [website](#).

Business and Skills

Regional Recovery fund

17. At the Combined Authority Committee in October 2020, it was agreed to allocate £9.395m to support West of England businesses during the early phase of economic recovery as advised by the Covid-19 Economic Recovery Taskforce. Eight programme elements which would fall within this funding were identified. The approval of business cases for these interventions was delegated to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils. The following have been approved through this delegation since the last report to the Committee in June:

Community Support Fund

18. A Full Business Case for the Community Support Fund was submitted by Combined Authority seeking £1.5m from the Investment Fund. The project will engage with 1,000 individuals and direct them towards, and secure progression onto, employability, skills training and/or education whilst at the same time building capacity and resilience within communities, encouraging longer term sustained impacts. The Assessment Summary Table is shown in Appendix 6 and the Full Business Case is published on the Combined Authority [website](#). This Business Case was approved in July through the granted delegation.

The Coach House BAME Enterprise and Social Enterprise Hub

19. A [Feasibility and Development Funding Application](#) has been submitted by the Black South West Network (BSWN) seeking £96,860 to develop proposals for a BAME Enterprise Hub through the refurbishment of The Coach House, located in the St Pauls area of Bristol. The project vision shows a strong alignment with regional strategies and plans, notably, the West of England Recovery Plan states that higher levels of entrepreneurship amongst Black, Asian and minority ethnic groups and migrant communities, provides opportunity for an inclusive recovery. This application was approved through the granted delegation in July.

Small Business Resilience Grant Programme and the Culture and Creative Economy Recovery Fund

20. As reported to the June Committee, in progressing the Small Business Resilience Grant Programme and the Culture and Creative Economy Recovery Fund programmes, it has become clear that the demand for these far outstrips the funding available. On this basis, the Committee approved the award of a further £1m to these programmes, the split of the funding to be determined by the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils. It was subsequently agreed in July through this delegation that the funding would be awarded in full to the Culture and Creative Economy Recovery Fund.
21. With the previously approved Low Carbon Challenge Fund Extension (£1.94m), Talent Retention Platform (£200k) and Post-16 Education and Skills Estate Analysis (£50k, subject the Change Request), Small Business Resilience Grant Programme (£1m), High Street Renewal Catalyst Fund (£810k), Digital Skills Investment Programme (£2m), Culture and Creative Economy Recovery Fund (£1m plus the further £1m above) this brings the remaining balance available through the Recovery Fund to £795k of which £690k is earmarked for the second phase of the High Street Renewal Catalyst Fund.

Increasing the Regional Recovery Funding

22. At the Committee meeting in June, a further £1m was allocated to increase the recovery funding and to develop and implement further measures to support economic recovery, reflecting the ongoing impact Covid is having on the regional economy. The approval of development funding applications and business cases using this funding was delegated to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils. The West of England Visitor Economy Recovery Project Feasibility and Development Funding Application was approved in September through this delegation with the award of £254k.
23. Covid-19 has had a significant impact on the region. The national economy was estimated to have shrunk by 9.9% in 2020, and while GDP has been growing since February this year, it is still 3 percentage points below the pre-pandemic level.
24. People and businesses have been hard hit by the crisis. While all businesses were hit by the first lockdown, some sectors in our economy have recovered much more slowly. Public-facing industries such as accommodation and food, arts, entertainment & recreation, and personal services were particularly affected, and output in these sectors has remained 35-40% lower than before the pandemic for most of 2021.
25. Since the launch of the Self-Employment Income Support Scheme in May 2020, 120,000 claims for support have been made by West of England residents, with claims totalling £341.8m. Unemployment benefit claims in the region rose from 2.1% in February 2020 to 5.2% in May 2020, while at the same time the number of job vacancies fell.
26. Businesses across the region have received support during the pandemic. To date, there have not been large numbers of business failures, and levels of business liquidations have not risen. However, the ending of tax and debt-enforcement holidays may lead to higher levels of financial distress among businesses than seen so far. Debt levels have risen with many taking out business interruption loans, which risks constraining investment in the future.
27. Investment to date has helped people and businesses across the region tackle the immediate impact covid had on jobs and livelihoods. But the impact of Covid will not be short-lived. To help people and businesses tackle the ongoing impact of the pandemic, a £10m expansion to the regional recovery fund for investment over the next three years is proposed. The £9.4 million initially allocated via the West of England Covid-19 Recovery Fund has been a lifeline for businesses and people living in the region during the pandemic. While we are now past the immediate crisis, the economy will take time to readjust. Some businesses – like in the aerospace industry and shops on the high-street – will have to change the way in which they operate, and people across the region will need to retrain and find new jobs.
28. Based on development work since June, and reflecting discussion with Unitary Authority partners, it is proposed the second phase of the recovery fund will focus on rebuilding a more resilient, fairer economy in the medium-term, moving beyond immediate crisis support. The aim of the second phase would be to minimise the scars of Covid-19 on people's livelihoods and prospects, tackling inequality and poor working conditions, and supporting businesses to grow, adapt, and create new sustainable employment
29. It is proposed that phase two of the West of England Covid-19 Recovery Fund will have three objectives:

- a) To support people back into work by overcoming barriers exacerbated by Covid-19, and to ensure that employers provide good wages and conditions;
- b) To raise employment, revenue growth, and financial stability in businesses; and
- c) To support business and employment in central and local high streets, in ways that can be sustained in the long term.

30. It is proposed that projects funded through the second phase of the West of England Covid-19 Recovery Fund must:

- Address issues at scale, at a regional level where common issues exist, but recognising that some problems are local in nature and need more targeted intervention;
- Contribute to the objectives above and the strategic measures identified. It is recognised that a wide range of potential interventions could achieve these objectives, with differing theories of change, but there must be focus on the end results with a strong economic rationale;
- Show how they work together as part of a coherent recovery programme within the £10m; do not duplicate measures delivered by Phase 1 of the recovery fund or other existing regional or local activity funded by other sources;
- Have proposals developed in Full Business Case format [by December 2021].
- Preferably be completed within three years [by October 2024] to reflect a medium-term response to recovery.

31. As part of the Covid Recovery Fund, the proposed four areas of focus for the expanded recovery fund with indicative allocations are set out below:

Skills Recovery Package (£3m)

For people in the region to benefit from the good quality jobs we want to create as the region recovers, it is necessary they have access to the right support to develop the skills employers need. This is in line with the first objective of the West of England Covid-19 Recovery Fund. A package of skills focussed recovery measures will be developed for delivery over a 2-3-year time period, against the following core activity:

Regional Employment & Skills Portal extension: The Combined Authority has created a static version of an Employment and Skills Portal, mapping all opportunities available in the region, and committed funding to transform this into a powerful interactive online tool which residents can easily access. It is proposed further funding is allocated to significantly scale up this service by creating an ‘all-age’ advice centre, linking up existing programmes like Future Bright and creating additional advisory capacity, regionally and locally, to provide tailored training and employment support to those who need it.

It is recommended that within this package, specific measures are put in place to address barriers to access, for example, by targeting specific groups, communities and sectors where these are concentrated (aligned to the Community Support Fund and our devolved Adult Education Budget) and working with key partners, like Trade Unions and the VCSE sector, to extend the reach of regional and local support through the Portal.

Business to Business Skills Brokerage: to maximise the impact of the good job opportunities we want to create in the region, we need to ensure residents are aware and connected with such opportunities. This is because matching potential workers with businesses can help reduce unemployment and speed up recovery. We will further build on the Talent Retention Platform commissioned in Phase 1 – an online

business to business job brokerage and career development system to help address recruitment issues – building on the approved West of England Visitor Economy Recovery project and expanding across sectors where issues are most acute (like Health and Social Care, for example) and where opportunities arise, for example in green jobs.

Business Recovery Package (£3m)

Business support was at the core of the first phase of the Recovery Fund, with initiatives aimed at helping businesses navigate the immediate crisis. Building on the success of this support to date, it is proposed the next phase will include a number of measures to help businesses rebuild a more resilient, fairer economy in the medium-term, minimising the scars of Covid-19 in the region and providing job opportunities for residents. This package meets all three objectives proposed for the second phase of the West of England Covid-19 Recovery Fund and includes:

Business Growth Grant Phase II: capital grant support for businesses focussed on production and the expansion of current or new business operations and job creation. This second phase will also focus on providing financial support for a sustained green recovery.

Business Start Up School: a partnership of the four West of England Universities, Combined Authority and Unitary Authorities, and business network leads, to deliver a set of 'start-up schools' for businesses/entrepreneurs, with a focus on engaging residents from different communities, ages and backgrounds.

Enterprise Support Programme: building on existing activity like the West of England Growth Hub's Universal Business Support Programme, additional enterprise advisory capacity will be developed and targeted, for example, in rural areas, in underserved sectors, and for business owners/entrepreneurs with protected characteristics, where Covid-19 has exacerbated long standing inequalities.

Good Employment Charter: as businesses recovery and jobs are created, the Charter will enable focus on supporting the creation of good quality, accessible jobs paid at minimum the Real Living Wage, and promoting more inclusive and NetZero business practices.

High-Street Catalyst Fund expansion (£3m)

Our high streets have been hard hit by the pandemic. Businesses have been directly affected by lockdown restrictions and changes in guidance, and while footfall is now recovering, the future of the high street remains uncertain.

In the first phase of the Recovery Fund, £1.5 million was allocated to the High Street Catalyst Fund to develop new ways of supporting high street businesses in response to the pandemic. Each Unitary Authority identified relevant interventions in their area, which were then codesigned with input and support from the Combined Authority. After an initial phase of preparation, these interventions will now run over the next two years. As part of the second phase of the West of England Covid-19 Recovery Fund, it is proposed more funding is awarded to support high-street businesses adapt over the medium-to-longer term, including:

- Improved regional coordination and development of an overarching strategy for high streets in the West of England.
- Responding to changing work practices as a result of Covid-19, development of the concept of co-location hubs in high streets as anchor points of activity

with a focus on addressing digital poverty through increased access to skills and employability support.

- Build on the learning from pilots and feasibility studies being done as part of the Recovery Fund phase 1, to extend successful support activities across the region.

Cultural Compact start-up phase (£1m)

Arts and Culture is another sector that has been hard hit by the pandemic, yet its central role in creating opportunities for individuals – by raising quality of life as well as creating jobs – means there cannot be full recovery in the region without the recovery of our arts and culture sector, a core pillar in our region’s ambition. £2m has already been allocated to provide direct financial support to creative businesses and freelancers, where national support has fallen short.

Building on this, under Phase II of the West of England Covid-19 Recovery Fund, it is proposed to allocate start-up funds to formally launch the Cultural Compact and take the first steps in implementing our region’s Cultural Plan. This strategic programme of work aligns with objectives 2 and 3 of the Recovery Fund. It is expected the support allocated will be used to build capacity to leverage further financial support from other sources including Arts Council England and the Heritage Lottery Fund, for example, to build a more substantial Regional Cultural Investment Fund in the long term.

32. As with the first phase of West of England Covid-19 Recovery Fund, proposals for investment in phase two will be co-produced with Unitary Authorities.
33. Projects within the Fund will be measured for their delivery against set objectives through the number of:
 - People supported into better career outcomes or skills levels; number of jobs with improved wages or conditions;
 - New jobs created; sustained increase in business revenue; increase in business profitability
 - New jobs created; sustained increase in business revenue in existing or new businesses
34. One element of the Innovation for Renewal and Opportunity Business Case approved in January 2021, was an influence fund. This is a flexible £1m funding pot that can be awarded to strategic and mission-focused Research and Development projects that the Combined Authority is either lead partner for – for example in 5G Logistics - or is a smaller grant partner - for example the Future Flight Challenge. Using the Fund will enable the Authority to shape those projects to tackle priority issues and topics most relevant to the West of England which wouldn’t otherwise have been tested or investigated by the projects we support. Use of the Fund should also improve the chances of those projects being successful in winning external grant awards by providing match funding.

Recommendation to allocate an additional £10m to the regional Covid-19 Recovery Fund and delegate the development of the assessment criteria and detail of the proposals to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils.

Green Recovery Fund

35. The Combined Authority has placed action to tackle the climate and ecological emergencies at the heart of everything that we do. However, the evidence is clear, we need to do more to protect our environment and reduce greenhouse gas emissions. Across the region, the combined authority, our partner unitary authorities and businesses will need to consider what more we can do to help reduce the impact of the climate and ecological emergencies. This will require us to be creative and bold, to be innovative and use new technologies, and not be afraid to take the hard decisions or change the way that we do things.
36. In doing this, we want to make sure that our region not only meets its ambitions for 2030 but also benefits from the opportunities presented by the transition to net zero. Research shows that there are a range of jobs at all skills levels that could be created within the region in order to meet our climate ambitions. Realising these ambitions is especially important to ensure a just transition and that the region grows sustainably in a post Covid world.
37. Taking more action and realising the job opportunities will require increased investment. We are proposing to create a Green Recovery Fund with two clear objectives:
 - Protect the environment and reduce carbon
 - Create jobs
38. Therefore, we propose to leverage £50m to create a Green Recovery Fund that will achieve these aims by reducing the region's carbon emissions while supporting a sustainable recovery from the covid-19 pandemic. This will ensure rapid progress in reducing the largest sources of emissions, while supporting the regional economy to develop the skills, businesses and innovations needed for the long-term transition.
39. Funds will be drawn from the investment fund and any other sources that become available from central government or partners match funding. Officers will also seek to enhance the value of the fund by securing match funding or leveraging in additional funds. The objectives of the fund will be to:
 - Reduce the region's carbon emissions from buildings and transport, and enhance our natural habitats;
 - Raise employment in businesses providing solutions to climate transition; and
 - Develop viable and sustainable markets for housing and transport transition, by overcoming obstacles or developing innovative solutions.
 - Support the region's economy to decarbonise

Funding will be targeted at the highest causes of emissions and preserving and enhancing our ecological systems. Full business cases will be developed for each project, in line with the themes of the Climate Emergency Action Plan and in consultation with the Unitary Authorities.

40. Appendix 7 sets out the expected priority areas for investment. This includes

Housing retrofitting - carbon emissions from domestic buildings remains one of the largest sources of carbon entering the atmosphere. 250,000 homes in the region need to be retrofitted if we are to meet our 2030 zero carbon target. To date government programmes have been ineffective, short term and underfunded. We will develop effective interventions that can provide greater certainty to the industry, build skills for

providers, provide clear advice for home owners, complement other interventions and be up and ready when serious investment in retrofitting homes begins to flow.

Electric Vehicle Infrastructure – transport is the other major source of carbon in the region and alongside the creation of a world class public transport system, facilitating the switch to electric vehicles is a major priority. Investment needs to complement and speed up the investment already being done by constituent councils and the private sector

Flagship Green Infrastructure and environmental/habitats projects across all 3 constituent Councils – green infrastructure has many purposes and outcomes that both reduce carbon emissions (by encouraging active travel, by planting trees etc) and mitigate for the effects of climate change (providing habitats, green spaces, flood protection etc). We want to see a range of exemplary projects across all three constituent Councils such as the Bath Riverline project that will generate all of the outcomes above.

Innovation – Our region is famous for innovation and we will launch the Green Business Innovation Fund (GBIF) in November 2021 soon after COP26. This existing project was approved by Committee in 2019 to help stimulate business innovation within amongst companies looking to tackle the climate and ecological emergencies. Over £1m in grant funding will be made available to support business-led research, development and innovation, aligned with our climate emergency ambitions, in order to bring new products, processes and services to the market.

Match funding – As we get closer to various climate emergency target dates there are likely to be funding opportunities emerging from Government for carbon and environmental programmes. The Green Recovery fund will allow us to be prepared for opportunities where rapid match funding is required.

41. In recognition that action needs to be taken urgently, it is proposed that an award of £300k is made to extend the Low Carbon Challenge Fund project, match fund by £200k from the European Regional Development Fund (ERDF). This would enable the delivery of an innovative housing retrofit programme to reduce energy consumption in 25 hard to treat homes delivering an estimated 100 tonnes of additional annual greenhouse gas emission savings.

Recommendation to agree to set up the Green Recovery Fund and leverage £50m through it on priority projects that target the climate emergency and enhance and complement activity being undertaken by constituent Councils including a housing retrofit investment, electric vehicle infrastructure investment and flagship green infrastructure and habitats projects such as Bath Riverline.

Recommendation to award £300k from the Green Recovery Fund to the extend the Low Carbon Challenge Fund project for the housing retrofit programme

Changes to Schemes within the Current Investment Programme

42. The 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. The changes which fall outside of these tolerances, and require a Committee decision, are set out in Appendix 2.

Recommendation: to approve the change requests for schemes within the current programme as set out in Appendix 2.

Capital Monitor

43. The budget forecast for the Combined Authority and Mayoral capital programme is summarised in Appendix 3 which shows the budget profile and outturn expenditure incurred this year.

Recommendation to amend the approved capital programme for individual project approvals agreed at the June Committee and within this report.

Consultation

44. 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

45. All Business Case and 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

46. 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 a risk register. All projects underway will maintain a specific risk register as part of the project management and monitoring arrangements.
47. Financial risks are managed through the process for considering cost increases as set out in the Combined Authority Investment Strategy. The overall Investment Fund and Transforming Cities Fund programme will be regularly reviewed.

Public Sector Equality Duties

48. 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.

49. 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.
50. 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.
51. 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 Combined Authority website.

Finance Implications, including economic impact assessment where appropriate

52. 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.
53. The Combined Authority statutory finance officer will determine the appropriate use and apportionment of funding between the Transforming Cities Fund and Investment Fund within the overall funding available.
54. Supporting economic growth is central to this funding stream, and promoters are required to include an economic case within the FBC for each scheme which sets out how the project will create jobs and GVA growth as well as delivering wider benefits. In line with agreed processes these FBCs are published on the Combined Authority website at the point of decision making.

Advice given by: Malcolm Coe, Director of Investment and Corporate Resources

Legal Implications

55. 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: Shahzia Daya, Monitoring Officer, West of England Combined Authority

Climate Change Implications

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

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

Will the proposal impact positively or negatively on:

- The emission of climate changing gases?
- The region's resilience to the effects of climate change?

- Consumption of non-renewable resources?
- Pollution to land, water or air?

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

57. Each business case coming forward for decision on inclusion in the Investment Fund programme includes consideration of environmental sustainability which sets out how sustainability is being considered in the development of the project as well as during its operational stage. Details of the planned creation of a new Green Recovery Fund are set out in paragraph 35-41 of this report.

Land /Property Implications

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

Advice given by: Malcolm Coe, Director of Investment and Corporate Resources

Human Resources Implications

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

Appendix 1

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

	Jun 2021	Oct 2021
Feasibility Studies		
A420 to Bath Highway Improvements	200	200
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
Access for All – Step Free Access Study	100	100
10 Year Rail Delivery Plan Scheme Development	470	470
Bus Service Improvement Plan and Enhanced Partnership	900	537
Step Free Station Proposals Phase 2	150	150
Business Case Development		
MetroWest Phase 2	11,203	11,203
Charfield Station	1,200	4,134
MetroWest Phase 1	5,860	5,860
Mass Transit	2,185	2,644
Integrated Smart Ticketing	300	300
Local Cycling & Walking Infrastructure	1,100	1,350
Manvers Street Regeneration	250	250
Bus Infrastructure Programme and Park & Ride	3,100	3,100
West of England Station Enhancements Project	552	552
North Fringe Public Infrastructure Package	350	350
Bath Quays Bridge Cycle/Pedestrian links	170	170
Bath University Walking & Cycle routes	80	80
Old City and King Street	100	100
St George Liveable Neighbourhood	150	150
Strategic Cycle Route - Thornbury to A38 via Alveston	125	125
Strategic Cycle Route - Yate to East Fringe (Yate Spur)	125	125
Schemes in Delivery		
Real Time Information System Upgrade	559	559
Cribbs Patchway Cycle Links	3,306	3,306
Cribbs Patchway MetroBus Extension	22,151	22,151
Integrated Transport Authority Functions	1,000	1,000
On-Bus Contactless Bank Card Payment	416	416

Great Stoke Roundabout Improvements	2,309	2,309
Wraxall Road Roundabout Improvements	6,887	6,887
Future Transport Zone*	3,655	3,655
Yate A432 Park and Ride	3,601	4,499
Completed Projects	3,630	3,630
Total of all Awards and Allocations:	79,122	83,299
Associated 'Tail' for Approved Schemes in Development	49,630	39,582
Total	128,752	122,881

Note: * Excludes DfT funding of £24.366m

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

	Jun 21	Oct 21
Feasibility Studies		
B&NES Pilot High Streets Programme	375	375
Bedminster High Street Improvement	275	275
Kingswood High Street Improvements	322	322
Strategic Planning Shared Evidence Base	4,750	4,750
OPE8 Housing Enabling Fund	500	500
Business Case Development		
Bristol to Bath A4 Strategic Corridor (was HIF)	3,020	3,020
Bristol Temple Meads Eastern Entrance	2,500	23,648
Masterplanning: Yate Urban Living Opportunity Area	580	580
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
Milsom Quarter Masterplan	434	434
East Fringe Masterplan (including Junction 18a)	350	350
Sevenside Masterplan	300	300
Parkway Station Masterplan	250	250
Frome Gateway and Bristol City Centre Delivery Plans	800	800
Western Harbour Placeshaping Vision	155	155
Common Connections	999	999
Thornbury High Street	200	200
HREF – South Gloucestershire Council Capacity	-	750
Temple Quarter Infrastructure Programme	-	2,226
Schemes in Delivery		
Lockleaze Sustainable Transport Improvements	3,915	3,915
Whitfield Tabernacle Stabilisation Works	682	682
Keynsham Town Centre Improvement	425	425
Chew Valley Lake Recreational Trail	1,006	1,006
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	2,725	2,725

Bottle Yard Studios - Hawkfield Business Park	11,953	11,953
Kingswood High Street	7,560	7,560
Thornbury Hospital (Land Acquisition Fund)	0	3,806

Allocations		
Love Our High Streets	1,461	1,461
Land Acquisition Fund (LAF)	4,025	219
Bristol to Bath A4 Strategic Corridor	21,480	21,480
Hengrove Park Enabling Works	19,800	19,800*
Development Infrastructure Fund (DIF)	3,018	3,018
Housing and Regeneration Enabling Fund	1,845	750
LAF and DIF Repayments**	-8,297	-8,297
Completed Projects	9,247	9,247

Total of all Awards and Allocations:	105,690	128,718
Associated 'Tail' for Approved Schemes in Development	22,143	995
Total	127,833	129,713

Note: * Excludes repayment element, timing to be confirmed at Full Business Case.

** Includes Bath Riverside. Bottle Yard Studios - Hawkfield Business Park to be included.

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

	Jun 21	Oct 21
Feasibility Studies		
Visitor Economy/Regional Tourism	100	100
Cultural Strategy	50	50
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
West of England Talent Retention Platform	200	200
West of England Post-16 Education and Skills Estate Analysis	100	50
SEND Careers Information and Guidance Collaboration Pilot	20	20
Business Case Development		
Somer Valley Enterprise Zone and Infrastructure	1,026	1,510
Bath Riverline	150	150
Quantum Technologies Innovation Centre+	34,974	34,974
Energy Strategy Action Planning / Climate Change Planning	250	250
I-START	850	850
Driving the Covid-19 Economic Recovery	2,342	795
The Coach House BAME Enterprise Hub	-	97
West of England Visitor Economy Recovery Project	-	254
Schemes in Delivery		
Realising Talent	499	499
South West Institute of Future Technology	500	500
Business Innovation Fund	242	242
Workforce for the Future	4,100	4,100
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	3,057	3,057
Careers Hub and Enterprise Adviser Network 20/21	174	174
South Bristol Workspace	3,297	3,297
Reboot West	720	720
Low Carbon Challenge Fund Extension	1,943	2,243

Innovation for Renewal and Opportunity	6,717	6,717
Small Business Resilience Grant Programme	1,000	1,000
High Street Renewal Catalyst Fund	810	810
Culture and Creative Economy Recovery Fund	1,000	2,000
Digital Skills Investment Programme	2,000	2,000
Careers Hub and Enterprise Adviser Network 21/22	180	180
Upscaling SME and Culture and Creative Grant Programmes	1,000	-
Community Support Fund	-	1,500

<i>Allocations</i>		
Business and Skills allocation to be programmed up to 2026	7,491	7,491
Further Economic Recovery Measures	1,000	10,746

<i>Completed Projects</i>	1,098	1,098
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Total of all Awards and Allocations:	87,540	98,324
Associated Tail for Schemes in Development	19,508	19,024
Total	107,048	117,348

Appendix 2

Change Requests for Schemes within the Current Programme Seeking Approval

- **Yate Park & Ride**
Cost: Increase in cost of £899k as a result of higher than anticipated construction contract prices, other risks materialising and scope changes. This to be accommodated within the 'tail' for Park & Ride and the bus programme. Total cost now £4.199m with revised profile £295k 20/21 and £3.904m 21/22.
Milestones: Delay of 3 months for construction completion (to Dec 21) and 6 months for scheme completion (Mar 22).
- **Centre for Digital Engineering Technology and Innovation** - increase in subcontracting costs with decreases in costs for communications, materials and capital costs (now £98k). Reprofitting £90k from 21/22 to 22/23 [Revised profile to 20/21 £1.343m revenue, £12k capital, total £1.355; 21/22 £2.832m revenue, £86k capital, total £2.918m; and 22/23 £727k revenue. Overall total £5m]
- **Future Bright Plus** – reprofiling £20k from 20/21 to 21/22 [revised profile £80k in 20/21, £1.22m in 21/22, £1.2m in 22/23 and £1.1m in 23/24, total funding £3.6m]
- **Winterbourne/Frampton Cotterell Bypass & Coalpit Heath/Westerleigh Bypass** - delay of 3 months to the Movement Study to Oct 21
- **South Bristol Enterprise Support** – Reprofitting £22k from 21/22 to 22/23 [revised profile £132k 20/21, £154k 21/22 and £195k 22/23, total £480k]. Removal of the Pre Scale Up subcontract and move to service provision of the business resilience by delivery partners results in a £75,000 reduction in External Consultants and a linked £74,000 increase in Internal Staff Costs and £1,000 in Marketing Costs.
- **North Keynsham Land Acquisition Fund** - programme delayed by up to 42 months as the expected route for site allocation through the Local Plan partial update is no longer possible. Planning application now expected Jan 29 and start of housing delivery Jan 30. Long stop date for repayment of funds remains Mar 30.
- **Bedminster High Streets Pilot**
Milestones: Delay of 10 months for installation of footfall counters and 8 months for final evaluation (to Jan 22).
Spend: Reprofitting £179k from 20/21 to 21/22 [Revised profile £96k 20/21 & £179k 21/22, total £275,000].
- **High Streets BANES Pilot**
Milestones: Delay to 8 months for submission of business case (to Feb 22)
Cost: reprofile £85k from 21/22 to 22/23 [revised profile £70k 21/22 & £85k 22/23 total £155k]
- **Temple Meads Masterplan** – revised funding total to be claimed as grant £1.86m, profiled to 21/22.
- **Reboot West**
Milestones: delays of up to 8 months due to project better aligning with Youth Futures Foundation funding, with partner engagement to Mar 25 and final evaluation and reporting Jul 25.
Quality: Increase in total outcomes delivered by 3%

- **Chew Valley Lake Recreational Trail** – delay of up to 8 months due to finalising land agreement with completion of works Mar 22 and launch Apr 22.
- **Strategic Cycle Route Connecting Yate with the East Fringe (Yate Spur)** - delay of up to 4 months due to appointment of consultants.
- **Strategic Cycle Route connecting Thornbury with the A38 via Alveston** - delay of up to 4 months due to appointment of consultants.
- **Small Business Resilience SME Grants**
Milestones: Removal of milestones to reflect funding was fully committed in first round 1, with End of Project Report and Evaluation Completed brought forward by 3 months (to Oct 22).
Spend: Reprofiled £13k from 21/22 to 22/23 [Revised profile £51k 20/21, £934k 21/22 and £15k 22/23, total £1m]
Cost: £264k increase in total project cost resulting from additional business match funding, new total budget for scheme £1.444m.
- **Business Innovation Fund (Previously RICF)**
Milestones: delays to milestones between by 4 - 9 months, including Project closure (to Jun 23).
Spend: reprofiling £42K from 20/21 and 21/22 to 22/23 and 23/24 [revised profile £58K in 20/21, £92K in 21/22, £69K in 22/23 and £23K in 23/24, total £242K]. Reallocation between cost headings from staff costs to specialist advice.
- **Masterplan North Fringe Masterplan** - reprofiling £112K from 20/21 and 21/22 to 22/23 [revised profile £79K in 20/21, £309K in 21/22 and £112K in 22/23, total £500k]
- **South West Bristol Infrastructure Investment** - reprofiling £196K from 19/20, 20/21 and 21/22 to 22/23 [revised profile £85K in 20/21, £219K in 21/22 and £196K in 22/23, total £500k]
- **Productivity Challenge Delivery**
Milestones: Evaluation of Design Projects milestone removed and Year 1 annual evaluation delayed by 4 months (to Oct 21).
Spend: Reprofiled £99K from 21/22 and 22/23 to 20/21 [revised profile £538K in 20/21, £1.43m in 21/22 and £1.89m in 22/23, total £3.057m]. Amended cost headings.
Cost: Increased overall cost met by external match funding of £1.21m, new total £6.59m.
Quality: The additional project delivery has also increased the level of Light Tough (5.5%) Medium Intensity (46%) outputs, and forecast new businesses (37%) and jobs created (38%).
- **Strategic Rail Investment**
Milestones: slippage of three milestones by 4 months, including Draft 25 year SOBC produced (to Jul 22) and submission to Combined Authority Committee (Oct 22).
Spend: Reprofiled £107k from 21/22 to 22/23 [revised profile £70k 20/21, £63K in 21/22 and £117K in 22/23, total £250k]
- **Green Infrastructure**
Milestones: delays to 5 milestones including 12 months for Waterspace Connected - Somerdale Bridge OBC (to Apr 22) and for Chew Valley Lake Recreational Trail South OBC (Apr 22).
Spend: reprofiling £129k into 20/21 from 21/22 [revised profile £129K in 20/21 and £171K in 21/22, total £300k]

- Mass Transit**
Cost: Request for further drawdown of £459K of the Investment Fund to deliver the Strategic Outline Business Case and its roadmap. Note that £37k of this total was approved through granted delegation in September on the grounds of urgency.
Spend: reprofiling £174k from 19/20 and 21/22 to 20/21 [revised profile is £68K in 19/20, £1.48m in 20/21 and £1.096m in 21/22, total £2.644m].
- West of England Post-16 Education and Skills Delivery Infrastructure Analysis**
Milestones: four milestones delayed by 4-7 months, including Final Report and project concludes (to Oct 21).
Cost: Reduce overall Investment Fund to £50K from £100k, all to be spent in 21/22.
- 5G Logistics** - reprofiling £34K from 20/21 to 21/22 [revised profile £21K in 20/21 and £158K in 21/22, total £179k].
- Future Transport Zone Programme** – delays to 2 milestones of 7 months including Initial designs and delivery completed (to Jul 22) and Feasibility and Procurement completed (to Apr 22).
- Digital Skills Investment Programme**
Milestones: second lower baseline level call to complete and grant awards delayed by 5 months (to Oct 21).
Spend: reprofiling £674K from 21/22 to 22/23 [revised profile: £1.279m in 21/22 and £721K in 22/23, total £2m].
- Workforce for the Future** - removal milestone Third Call for consortia, due to the large funding envelope for Call 2 and redirecting available funds to projects which are successfully delivering.
- Energy Strategy Action Planning & Climate Change Planning**
Milestones: Additional milestone added for Costed proposals for remaining funds developed and agreed (to Dec 21).
Spend: reprofiling £71K to 21/22 from 20/21 [revised profile £49k in 20/21 and £201k in 21/22, total £250k]
- Innovation for Renewal and Opportunity**
Milestones: delays to 7 milestones of 3 - 9 months including Influence Fund (to Mar 22) and Year 3 review and final evaluation (to Dec 24). Two new milestones added, Professional services - research completed (to July 21) and Digital Transformation - digital connectivity review and SA launch preparation (to Oct 21).
Spend: reprofiling £1.513m from 21/22 into 22/23, 23/24 and 24/25 [revised profile £817k 21/22, £3.411m 22/23, £2.266m 23/24 and £222k in 24/25, total £6.717m)
- Culture and Creative Economic Recovery Fund** - note additional Investment Fund award of £1m [new total award £2m, all profiled in 21/22]
- Careers Hub**
Milestones: delay of 4 months for Central Hub Fund spend agreed (to Sept 21).
Costs: Increased match funding £6k from Careers Enterprise Company to support Hub Activity, new total project total £576k.

- **Somer Valley Enterprise Zone**

Milestones: Slippage of up to 32 months due to additional scope and general complexity of issues relating to the Local Development Order.

Scope: Inclusion of micro simulation modelling to the whole highways network potentially impacted by the development.

Cost: Increase of £483,597 due to the additional scope and the prolongation of the programme. [Revised profile £286k pre 20/21, £281k 20/21, £756k 21/22 and £186k 22/23 Total £1,509,597]

Appendix 3

West of England Combined Authority and Mayoral Capital Programme

	21/22	21/22	22/23	23/24	24/25+	TOTAL
	Profile	Spend to	Profile	Profile	Profile	Profile
	£'000	date	£'000	£'000	£'000	£'000
WECA Capital - Investment Fund						
Business Case Development	699	283				699
Cribbs Patchway Metrobus Extension	7,968	2,361				7,968
CPNN Cycle Links	1,290	134				1,290
On Bus Contactless Payment	90	1				90
Great Stoke Roundabout Improvements	30					30
Wraxall Road	3,769		30			3,799
Quantum Technologies Innovation Centre+	0		8,501	16,487	9,923	34,911
Centre for Digital Engineering Technology & Innovation	140					140
Whitfield Tabernacle Kingswood (Love Our High Streets)	602	148				602
Keynsham Town Centre	425					425
South Bristol Industrial Light Workspace	644		2,228	320		3,192
Metrowest phase 1	5,860					5,860
Metrowest phase 2	5,497	74	790	2,040	2,118	10,445
Yate A432 Park & Ride	2,824					2,824
Low Carbon Challenge Fund Extension	200		900			1,100
Bottle Yard Studios - Hawkfield Business Park	9,725		2,003			11,728
Bath Quays Bridge Cycle/Pedestrian Links	170					170
Bath University Walking & Cycle Routes	80					80
Old City and King Street	80		20			100
St George Liveable Neighbourhood	100		50			150
Strategic Cycle Route Thornbury to A38	125					125
Strategic Cycle Route Yate to East Fringe	125					125
	40,443	3,001	14,522	18,847	12,041	85,853
WECA Capital – other						
FTZ DfT funding to the capital programme	8,340	115	9,221	5,899		23,461
DfT Active Travel Fund to the capital programme	1,099	156				1,099
5G Smart Tourism						0
IT and Building Alterations						0
	9,439	271	9,221	5,899	0	24,559
Mayoral Capital						
Highways and Transport Grants	14,063	3,516				14,063
Pothole Action Fund Grant	7,071	7,071				7,071
	21,134	10,587	0	0	0	21,134
Grand Total	71,016	13,858	23,743	24,746	12,041	131,546

Appendix 4 - Business Case Assessment Summary Table


Scheme Details		Appraisal Summary		Recommendation/ Conditions	
Project Name	Charfield Station	Strategic Case	<p>The scheme seeks to provide access to the rail network for a catchment of up to 14,500 residents within a 5km radius, to support reduced car dependency in Charfield and neighbouring settlements.</p> <p>In these areas, car dependency and use is very high due to limited public transport alternatives and long journey distances/times to employment clusters in the North Fringe and Bristol City Centre. It is forecast 85% of passengers using Charfield Station will be 'new to rail', meaning these journeys would have previously been undertaken by other modes of transport, predominantly by car.</p> <p>The station is anticipated to be served by a minimum of one train per hour in each direction as part of the planned MetroWest Phase 2 extension to Gloucester service and/or the existing hourly service connecting Weymouth to Great Malvern</p> <p>The project aligns with a number of local, regional and national transport and land use policies such as those within the West of England Ten Year Rail Delivery Plan, the Joint Local Transport Plan, South Gloucestershire Council Local Plan Core Strategy (2006-2027) and Policies Sites and Places Plan (2017)</p>	Funding Source(s)	Investment Fund
Scheme Promoter	South Gloucestershire Council	Subsidy Control	The scheme will provide open access infrastructure	Approval Requested	Outline Business Case

Date of Submission	3/9/21	Economic Case and Value for Money	<p>The Value for Money assessment indicates that based on the DfT's medium Post-COVID recovery scenario (which is used as the Core), High VfM will be provided with Level 2 impacts included (Benefit to Cost ratio of 3.08). This is considered reasonable as a Core scenario and the Low post-COVID recovery scenario still results in High VfM with Level 2 impacts included. The Value for Money Statement is shown below.</p> <p>However, it must be stressed that the High VfM assumes the rail service required to serve the station is provided by other means and rail operational costs are therefore not included with a dependency on MetroWest Phase 2.</p> <p>A letter has been provided by the SGC S151 Officer confirming approval of the business case and the value for money statement.</p>	Grant Award	£2,923,425 to develop the Full Business Case (beyond the £1.2m previously awarded)
Funding Requested	£2,923,425 (£1.324m 21/22 and £1.599m 22/23)				
Total Scheme Cost	£22,435,605 (excluding funds awarded) - Rail and highways infrastructure including project management £19.69m; Contingency £2.75m)	Risk	<p>Contingency of £2.75m is allowed for in the costs, of which £1.25m relates to rail infrastructure and £1.5m to non-rail costs.</p> <p>The Network Rail QRA for the rail elements has not been provided but this has produced a P90 value of £1.25m based on the base cost of £10.66m (excluding inflation and Fee Fund contributions) which is a 12% uplift compared with the DfT Optimism Bias uplift for a rail project at this stage of 33%. A 33% uplift in rail costs would translate to increased risk provision of £2m above the £2.75m total</p> <p>It should be recognised that utilising the 'path' to provide a stopping service at Charfield is likely to prohibit further stops on this line beyond those planned as part of MetroWest Phase 2 without further infrastructure.</p> <p>Allowance has been made within the Investment Fund programme for the costs expected to be incurred to 22/23.</p>	Grant Recipient	South Gloucestershire Council

Match Funding %	0%	Delivery	<p>No match funding is currently included, although the potential to secure developer funding contributions towards elements of the station is identified and this will be confirmed at Full Business Case.</p> <p>It is expected that the Full Business Case will be submitted in December 2022, with site works commencing in April 23 with passenger services operating from December 24.</p>	Payment Basis	Quarterly in arrears on defrayed expenditure
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Scheme Description	Recommendation to the Combined Authority Committee	Conditional approval of the Outline Business Case
<p>The delivery of a new station on the Bristol to Gloucester railway line located in the immediate vicinity of the former Charfield station, which is anticipated to be served by one train per hour in each direction.</p> <p>It is expected there will be 97,000 rail trips to/from Charfield station per annum in 2025, rising to 158,000 by 2036.</p>	Conditions of Approval	Subject to further confirmation of the provision of the rail service

Record of Approval

Combined Authority S73 Officer		West of England Combined Authority Committee	
Name	Malcolm Coe	Date of Meeting	15 October 2021
Date	5 October 2021	Decision	
Signature			

Value for Money Statement

	Core scenario	Range (low-high post-Covid)	
Total project cost (2021 prices and values)	£22,435,605 (capex)		
Gross Present Value of Costs (2010 prices and values)	£9,063,809	£11,287,814	£7,232,275
Net* Present Value of Costs (2010 prices and values)	£7,016,306	£1,522,839	£11,536,818
Net Quantified Benefits (2010 prices and values)	Total PVB (level 1 & 2) used in BCR:		
	£27,904,722	£23,964,067	£31,146,448
	<i>Level 1 benefits: total</i>		
	£16,080,115	£12,810,653	£18,769,094
	Rail user: journey time =	£9,218,329	£7,330,237
	Rail user: active mode and journey/facilities =	£5,628,936	£4,473,855
	Rail user: user charges (incl. vehicle op cost & fares) =	-£4,672,424	-£3,660,982
	Non-user: decongestion =	£4,630,315	£3,655,274
	Non-user: environmental (incl. noise, air quality & GHG) =	£1,548,153	£1,227,742
	Indirect tax =	-£273,195	-£215,473
	<i>Level 2 benefits: total</i>		
	£11,824,607	£11,153,414	£12,377,351
	Wider economic impact =	£3,277,003	£2,605,810
	Option values =	£8,547,604	as core as core
	<i>Level 3 benefits:</i>		
	Construction stage impacts: £7,338,013 and 350 FTEs		
	Property premium £3,838,277		
VfM indicator without operation surplus	Level 1 BCR	1.77	1.14
	Level 2 BCR	3.08	2.12
			2.60
			4.31

*Gross Present Value of Costs deducting project revenue


Appendix 5 - Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
Project Name	Former Thornbury Hospital Site – Land Acquisition Fund	Strategic Case	<p>The proposal at Thornbury is to enable an integrated health and wellbeing medical centre and ExtraCare housing (ECH) on a site assembled around the North Bristol Trust (NBT) hospital site incorporating the existing medical centre site owned by NHS Property Services and an adjacent under-used SGC-owned garage site.</p> <p>The South Gloucestershire ‘3Rs’ programme is to deliver new models of care for rehabilitation, reablement and recovery, and the former hospital sites at Thornbury and Frenchay owned by the NBT are key to delivering this ambition.</p> <p>Relevant Council, NHS and social care policies which provide context for the project include:</p> <ul style="list-style-type: none"> • Extra Care Housing in South Gloucestershire – Briefing Guide Better Support for Older People Plan • SGC Affordable Housing and Extra Care Housing Supplementary Planning Document Adopted April 2021 • SGC Core Strategy/Local Plan • SGC Market Position Statement 2020 – commissioning services for improved health, wellbeing and independence • West of England Joint Asset Board strategy/OPE programme 	Funding Source(s)	Investment Fund
Scheme Promoter	SGC	Subsidy Control	Overall, it is not improbable that there will be no impact of the projected subsidy control rules for the proposed redevelopment plans. However, legal advice should be sought on an ongoing basis as the project proceeds and the subsidy control rules pass into law.	Approval Requested	Full Business Case

Date of Submission	3/9/21		The scheme will bring 3.88 acres of vacant brownfield site back into use and see the delivery of at least 70 ECH dwellings of which 35% are affordable plus 8 residential units. This equates to some [REDACTED] per home.		
Funding Requested	£3.806m (£3.771m 21/22 and £35k 22/23)	Economic Case and Value for Money	10 jobs are expected to be created in the ECH unit for care/management staff in addition to the construction jobs. The proposal has been assessed against the agreed LAF criteria scoring 71% against a minimum score of 50% (previous range for approved applications 56-61%) A letter has been provided by the SGC S151 Officer confirming approval of the business case and the value for money statement.	Grant Award	£3.806m
Total Scheme Cost	£4.306 (Land purchase £3.4m; Demolition and Planning £500k; SDLT £159k; Other costs £247k)	Risk	A risk register has been provided which identifies 10 key risks. Contingency of [REDACTED] is included in the costings being 20% of the demolition, planning and holding costs A valuation has been provided by Savills to support the purchase price which indicates the opportunity to recover the value, with some uplift, upon disposal. Developing the medical centre site relies on £500k funding from the Clinical Commissioning Group. The timeframe for approval of the funding bid is March 22, and if successful, a further year would be required to work up the project. Should the bid fail, the fallback position is to dispose of the medical centre site for residential development.	Grant Recipient	SGC
Match Funding %	12%	Delivery	NBT has offered the site to the Council unconditionally for [REDACTED]. Start on site is estimated in 2024 with 18 months construction period. The funding claimed is to be repaid in two equal tranches in 23/24 and 24/25 including a share of any uplift based on the RPI increase over the relevant	Payment Basis	At the point of acquisition and quarterly in arrears on defrayed expenditure thereafter

			period, to a maximum of half the uplift, subject to satisfying any contractual requirements under the conditions of purchase.		
Scheme Description			Recommendation to Chief Executives	Approval of the Full Business Case	
<p>The projects would enable an integrated health and wellbeing medical centre and ECH on a site owned by the NBT incorporating the existing medical centre and an adjacent SGC-owned site. 8 residential units would also be provided.</p> <p>The proposal is to acquire the NBT site and obtain outline planning consent for the medical centre and the ECH, to be sold on separately for development. The redundant hospital buildings will require demolition.</p>			Conditions of Approval	None	

Record of Approval

Combined Authority S73 Officer		Chief Executives	
Name	Malcolm Coe	Date of Meeting	16 September 2021
Date	8 September 2021	Decision	Approval of the Full Business Case
Signature			


Appendix 6 - Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
Project Name	Community Support Fund	Strategic Case	<p>The Community Recovery Fund (CRF) aims to apply innovative solutions to improve access to skills and education whilst at the same time building capacity and resilience within communities, encouraging longer term sustained impacts.</p> <p>The project will progress residents onto employability, skills training and education that already exists such as through AEB funded provision, other programmes such as Future Bright, Workforce for the Future etc, as well as wider provision available through other key strategic partners such as DWP and the local authorities.</p> <p>It is planned that priority will be given to projects which have a clear economic outcome, and which reach the most vulnerable, including those who have suffered disproportionately from Covid-19. This will include those individuals, groups or communities (including the BAME community), who face the greatest risks and detrimental social, health or economic impact as a result of the pandemic.</p> <p>This project will contribute to achieving objective 3 of the Business and Skills Plan – supporting those able to work by helping them address their barriers to employment, and sits within the strengthening inclusion priority of the Recovery Plan.</p>	Funding Source(s)	Investment Fund
Scheme Promoter	West of England Combined Authority	Subsidy Control	It is proposed that TCA Agreement Clause 3.2 (4) is applied whereby subsidy aid below the level of 325,000 Special Drawing Rights (£344,600) can be awarded over a rolling 3-year period provided that it keeps records of the total amount of aid received.	Approval Requested	Full Business Case

Date of Submission	8/3/21		It is planned to engage with 1,000 individuals of which 65% are expected to progress to some form of employability, skills training and/or education. These are early stage progressions and no monetised benefits have been identified in the business case, such as through progression into work, although it is stated that the true value of the fund is expected to be greater than the cost.		
Funding Requested	£1.4m revenue profiled £840k 21/22 and £660k 22/23	Economic Case and Value for Money	The cost per learner engaged is £1,400 with the cost per learner progressing being some £2,150. It has not been possible to benchmark this cost against other programmes to contextualise value for money. A letter has been provided by the Director of Business and Skills confirming approval of the business case and the value for money statement.	Grant Award	£1.5m
Total Scheme Cost	£1.5m (Grant Funding £1.225m; LA Staff Costs £101k; Combined Authority Staff Costs £154k; Other Costs £20k)	Risk	A risk register has been provided which identifies 6 key risks. This should be reviewed and developed as the project moves to delivery. There is no specific allowance for risk or contingency in the costings.	Grant Recipient	N/A
Match Funding %	0%	Delivery	The programme will deliver grant funding to voluntary and community groups to help them to rebuild and strengthen their communities. This funding will be administered through a 'hub and spoke' delivery model comprising a central team at the Combined Authority and outreach officers at each of the LAs. It is planned to launch the first round of grant funding in September 2021 with project completion in Feb 2023 The grants available will range in size from £1k to £100k.	Payment Basis	N/A

<i>Scheme Description</i>	<i>Recommendation to Chief Executives</i>	Approval of the Full Business Case
<p>The Community Recovery Fund project aims to:</p> <ul style="list-style-type: none"> • Improve pathways to employment and skills by: <ul style="list-style-type: none"> - strengthening community and social cohesion which allows people to (re)engage; - improving health and wellbeing; and - improving financial inclusion and resilience • Improving opportunities to volunteer in projects that increase pride of place and environmental awareness, leading to an economic outcome. <p>It is expected that in addition to progressions, the project will deliver improvement against a range of HACT social value indicators measured through participants.</p>	<i>Conditions of Approval</i>	None

Record of Approval

<i>Combined Authority S73 Officer</i>		<i>Chief Executives</i>	
<i>Name</i>	Malcolm Coe	<i>Date of Meeting</i>	1 July 2021
<i>Date</i>	25 June 2021	<i>Decision</i>	Approval of the Full Business Case
<i>Signature</i>			

Appendix 7

Green Recovery Fund – Suggested Projects

Theme	Detail	Estimated impact	Link to recovery
Retrofit Accelerator	Programme to stimulate retrofit market – skills and demand. First step to commission feasibility study to determine best intervention method e.g. skills provision, providing information and advice to home owners	Increasing capacity for retrofit in the region	Increasing rate of retrofit within likely to create jobs and training opportunities in installation and supply chain. Green skills report – To meet the Combined Authority’s Net zero by 2030 ambition it is projected that the retrofit sector will need to create around 14,000 new green jobs at all skill levels. Stimulating demand within the retrofit sector will help to unlock these opportunities.
Transport - Electric vehicles	Work with UAs and community groups to determine suitable sites and deliver schemes to increase the number of electric vehicles on the road. This will be driven and informed by the developing EV Strategy	Increase in number of EVs in region Facilitating modal shift away from petrol vehicles	Job creation in supply chain and installation/ Green skills report suggests low carbon transport sector will create 2,300 jobs in order to transition to net zero Stimulating demand within the EV sector will help to unlock these opportunities.
Flagship Green Infrastructure projects	For example Bath Riverline - a continuous and high quality 5km walking and cycling connection between Bath City Centre and the Western City Limits, together with a series of improved public access points and improved parks, hard landscaped and green spaces.	Increase active travel, trees, habitats etc	Nature based recovery. New and improved walking and cycling infrastructure. Health benefits

Habitats & pollinators	Grant funding programme to involve communities and experts in the delivery of multifunctional Green Infrastructure scheme notably to increase pollinator habitat in region. Starting with the commissioning of B-lines evidence base to provide target areas for interventions.	Increase in pollinator habitats	Nature based recovery - pollinator habitat and spaces are reducing, leading to species reduction and irreparable damage to the environment, and putting food chains at risk. Taking action to protect and increase habitat spaces will help nature to recover and add resilience to agriculture and food chains.
Business Support/ Innovation	Supporting key businesses and industry to decarbonise incl. increasing/continuing the LCCF, supporting aviation industry	Decrease in emissions in businesses Increase in green jobs in the region	Helping businesses to transition to net zero and increase the number of green skills and job opportunities within the region.
Renewable and Community energy	Taking action to increase grid capacity, renewable energy generation and stimulating community energy network	Increase in renewable energy generation in region	Building sustainable energy systems and generating jobs
Match funding for green projects	Enabling a rapid response to new opportunities emerging from Government for carbon and environmental programmes where match funding is required.	Increasing ability to bid for new government programmes	Enabling West of England participation in carbon and environmental programmes which link to recovery.