

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

**DATE: 8 April 2022**

**REPORT TITLE: INVESTMENT FUND – CHANGE REQUESTS**

**AUTHOR: RICHARD ENNIS, DIRECTOR OF INVESTMENT  
AND CORPORATE SERVICES**

### **Purpose of Report**

1. To seek approval for change requests for schemes within the current Investment Fund 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:

- 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.

### **Recommendations:**

**The Committee is asked to:**

- 1) **Approve the funding increase of £1.875m for the South Bristol Light Industrial Workspace.**
- 2) **Approve a further drawdown of £600k for the Bristol to Bath Strategic Corridor.**
- 3) **Approve the funding increase of £126,500 for the Chew Valley Lake Recreational Trail (Northern Section)**

- 4) **Approve the funding increase of £278k for the East Bristol Liveable Neighbourhood project.**
- 5) **Approve the change requests for schemes within the current programme as set out in Appendix 1.**

### **Changes to Schemes within the Current Investment Programme**

2. 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 1.
3. The following projects seek changes to their funding within the current investment period to 25/26:
  - **South Bristol Light Industrial Workspace** – as a result of building contract tendered prices being significantly higher than budgeted for, overall costs have increased by £1.875m after identified savings. This reflects the sustained period of volatility in market conditions, including material and equipment shortages and significant price inflation which has occurred since the previous cost plan used to support the business case approval. Of this total £320k could be accommodated from the relevant ‘tail’ whilst the balance of £1.555m would need to be found from the current headroom.
  - **Cribbs Patchway New Neighbourhood Cycle Links** - scheme delivered £300k under budget, to be returned to the headroom
  - **Bristol to Bath Strategic Corridor** – a request to drawdown an additional £600k to commence the Outline Business Case for Bath & North East Somerset section. The funding could be accommodated within the transport ‘tail’.
  - **Chew Valley Lake Recreational Trail (Northern Section)** – request for an within the additional £126,500 due to extended land negotiations prohibiting on and off highway works being undertaken concurrently and increased tender costs. It is proposed to underwrite the full cost increase whilst a contribution from co-funder the Rural Payments Agency is sought. Funding could be accommodated from the ‘tail’ for Green Infrastructure.
  - **East Bristol Liveable Neighbourhood Pilot** – request for an additional £278k due to planned extensive engagement with the community to ensure public support for the proposed measures. These funds could be accommodated within the transport ‘tail’.

4. As reported to the Committee in January, similar to the vast majority of public sector capital programmes across the country, there have been delays, slippage and/or cost over-runs on several Investment Fund projects over the last couple of years. A report elsewhere on this agenda sets out the steps being undertaken to improve programme management and reporting arrangements going forward.
5. In particular, there has been delay and/or the reprofiling forward of funding across a number of the ten Investment Fund awards to date to support strategic masterplanning, including most recently for North Keynsham, North Fringe and South West Bristol as set out in Appendix 1. Whilst there have been resource issues for some projects, following initial feedback from the public and the Cabinet leads, several projects have taken the decision to take a more community lead approach. This has required additional engagement with the community, which has resulted in a delay to overall project completion. In addition to this the masterplanning projects need to tie into the wider infrastructure programme and Spatial Development Strategy. This has had some impact on delivery timescales and delays to agreeing scope and approach.
6. Going forward a stronger coordination across these masterplanning projects via a dedicated lead in the Combined Authority is proposed. This will ensure that synergies, shared experience and lessons learned are maximised, the expected outputs are delivered in line with the original applications and delay mitigated where possible.

### **Consultation**

7. 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**

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

### **Risk Management/Assessment**

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

## **Public Sector Equality Duties**

10. 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.
11. 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.
12. 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.
13. 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**

14. The financial implications of the change requests detailed within this report are within the overall funding as previously approved by the CA Committee.

Advice given by: Richard Ennis, Interim Director of Investment and Corporate Resources

## **Legal Implications**

15. There are no additional legal implications arising from this report.

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

### **Climate Change Implications**

16. 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.

17. 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**

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

Advice given by: Richard Ennis, Interim Director of Investment and Corporate Resources

### **Human Resources Implications**

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

**Appendices:**

Appendix 1 – Change Requests for Schemes within the Current Programme Seeking Approval

**West of England Combined Authority Contact:**

Any person seeking background information relating to this item should seek the assistance of the report author.

## Appendix 1

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

- **South Bristol Light Industrial Workspace** – increase in cost of £1,874,982 as a result of tender prices being significantly higher than budgeted for. [Revised profile £98k 20/21, £148k 21/22, £4.434m 22/23 and £492k 23/24, total £5.172m].
- **Chew Valley Lake Recreational Trail (Northern Section)** - additional £126,500 requested due to extended land negotiations [Revised profile £1.132m 21/22} Underwriting full cost whilst contribution from Rural Payment Agency being progressed.
- **Cribbs Patchway New Neighbourhood Cycle Links** – scheme delivered £300k under budget . Reprofiting £216k from 21/22 to 22/23 [Revised profile £344k 19/20, £1.491m 20/21, £774k 21/22 & £216k 22/23 Total £2.825m].
- **East Bristol (St George) Liveable Neighbourhood Pilot**  
**Cost:** Additional £278k requested due to planned extensive engagement with the community to secure public support. [Revised profile £156k 21/22 and £272k 22/23, total £428k]  
**Milestones:** Delay of 5 months (to September 2022) for the submission of the OBC.
- **Winterbourne, Frampton Cotterell Bypass & Coalpit Heath Westerleigh Bypass**  
**Cost:** Reprofiting £72k from 21/22 to 22/23 due to delay in accessing data for the Movement Study [Revised profile £1k 18/19, £231k 19/20, £107k 20/21 & £72k 22/23 Total £412k]  
**Milestones:** Delay for the movement study until April 22.
- **SEND Careers Information and Guidance Collaboration Pilot** - delay of 5 months for Information event for parents/carers (to Feb 22) and School CPD Event (Mar 22).
- **Bristol City Centre & High Streets Recovery and Renewal Programme** - reprofiling £592k from 21/22 to 22/23 and 23/24 [Revised profile £273k 21/22, £2.428m 22/23, & £24k 23/24, total £2.725m]
- **Bottle Yard Studios - Hawkfield Business Park**  
**Cost:** Reprofiting £2.056m from 21/22 to 22/23 [Revised profile £7.633m 21/22 & £4.184m 22/23, total £11.818m]  
**Milestones:** Delay of up to 6 months across milestones with additional milestone of Fit out Works, including PV Work Package to Autumn 2022.

- **Wraxall Road Roundabout Improvements** - reprofile £131k from 21/22 to 22/23  
[Revised profile £25k 17/18, £65k 18/19, £406k 19/20, £2.592m 20/21, £3.638m 21/22 & £161k 22/23, total £6.887m]
- **Temple Meads Masterplan**  
**Cost:** Reduction of overall grant to £1.725m owing to Homes England funding and the Combined Authority meeting costs directly [Revised profile £161k 18/19, £423k 19/20, £579k 20/21 & £562k 21/22].  
**Milestones:** Delay of 18 months or the completion of the feasibility study (to Sep 22).
- **North Keynsham Strategic Masterplanning**  
**Cost:** Reprofile £142k from 21/22 to 22/23 [Revised profile £108k 20/21 and £142k 22/23, total £250k]  
**Milestones:** Delay of up to 14 months for Finalised North Keynsham Masterplan Report (to Mar 23).
- **Manvers Street Regeneration**  
**Cost:** Reprofile £250k from 20/21 to 22/23 [Revised profile all £250k funding in 22/23]  
**Milestones:** Delay of up to 27 months across milestones including OBC submission (to Mar 23).
- **Age All Advice Centre**  
**Cost:** Reprofile £80k to 24/25 [revised profile £94k in 22/23, £161k in 23/24 and £81k in 24/25, total £336k]  
**Milestones:** Delay of up to 18 months across 5 milestones including start of pilot phase (to Aug 22) and final evaluation of pilot (to Sept 24)
- **Innovation for Renewal and Opportunity** - reprofiling £252k from 21/22 to 22/23 and 23/24 [revised profile £360k in 21/22, £3.12m in 22/23, £2.611m in 23/24 and £625k in 24/25, total £6.717m]
- **Strategic Rail Investment**  
**Cost:** Reprofile £20k from 21/22 to 22/23 and 23/24 [revised profile £70k 20/21, £130k in 22/23 and £50k in 23/24, total £250k]  
**Milestones:** 3-5 months delay across a number of milestones including Draft SOBC (to Mar 23).
- **West of England Post-16 Education and Skills Delivery Infrastructure**  
**Cost:** Reprofile £14k from 21/22 into 22/23 [revised profile £36k in 21/22 and £14k in 22/23, total £50k]  
**Milestones:** 4-6 months delay to two milestones including receipt of draft report (to Mar 22) and project delivery concludes and final report submitted (to Apr 22)

- **West of England Visitor Economy Recovery**  
**Cost:** Reprofile £29k from 21/22 to 22/23 [revised profile £152k in 21/22 and £102k in 22/23, total £254k]  
**Milestones:** 5 months delay for Regional Recruitment - Business Marketing and Resident Marketing campaign to start (to Feb 22).
- **Bristol to Bath Strategic Corridor** - Request for an additional £600k to deliver the Outline Business Case for the Bath & North East Somerset section in expectation of approval of the Strategic Outline Case for the corridor [revised profile £652K in 21/22 and £1.675m in 22/23, total £2.372m].
- **North Fringe Masterplan** - reprofiling £107k from 21/22 to 22/23 [revised profile £79k in 20/21, £202k in 21/22 and £219k in 22/23, total £500k]
- **South West Bristol Infrastructure Investment Plan**  
**Milestones:** 10 month delay for Completion of Final Investment Plan (to Sept 22).  
**Cost:** Reprofile £133k from 21/22 to 22/23 [revised profile £85k in 20/21, £86k in 21/22 and £329k in 22/23, total £500k]
- **Step Free Station**  
**Milestones:** delay of 12 -15 months for four milestones including Outline Design completion (to March 23) and three new milestones added including construction (to Jan 24).  
**Spend:** reprofiling £158K from 21/22 to 22/23 [revised profile £3K in 20/21, £14K in 21/22 and £223K in 22/23, total £250K]
- **Local Walking and Cycling Infrastructure (EAST)** - reprofiling £15k from 21/ 22 to 22/23 [revised profile £22k in 20/21, £21k in 21/22 and £57k in 22/23, total £100k] and reallocating spend between cost categories.
- **Future Bright** - reprofiling £211k from 21/22 to 22/23 [revised profile £80k in 20/21, £1.009m in 21/22, £1.411m in 22/23 and £1.1m in 23/24, total £3.6m].
- **Bristol Temple Meads Eastern Entrance**  
**Spend:** reprofiling £9.2m from 20/21, 21/22 and 22/23 to 19/20 and 23/24 [revised profile £560k in 19/20, £1.7m in 20/21, £7.242m in 21/22, £4.590m in 22/23 and £9.556m in 23/24, total £23.648m]. Reallocating spend between cost headings.  
**Milestones:** 8 month delay for Phase 2 GRIP 6 construction completed (to May 23) and three new milestones including Phase 3 GRIP 1-5 (to Sept 22) and Phase 3 GRIP 6-8 (to Dec 23).
- **Metrowest Phase 2**

**Spend:** reprofiling £4.784m Investment Fund from 21/22 to 22/23 and 23/24. [Revised profile £800k 21/22, £6.702m 22/23 and £3.153m 23/24]. Reprofiling £2.324m EDF from 21/22 to 23/24.

**Milestones:** Delays of up to 26 months across the milestones including 22 months for operation to March 2025.