

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

DATE: 8 April 2022

**REPORT TITLE: CITY REGION SUSTAINABLE TRANSPORT
SETTLEMENT - DELIVERY**

**DIRECTOR: KATHRYN VOWLES – INTERIM DIRECTOR OF
INFRASTRUCTURE**

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Purpose of Report

- 1 *To agree short term allocations from existing Transforming Cities Funding to support the overall delivery programme.*
- 2 *To agree the delivery approach for the forthcoming City Region Sustainable Transport Settlement*

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:

- Ensuring that our delivery approach recognises the resource challenges created by covid, and the potential for long term materials availability and cost increases.

Recommendations

- **Recommendation 1:** Approval of full business case and funding of £922,216 to deliver the expansion of Portway P&R
- **Recommendation 2:** Approval of full business case and funding of £1,827,973 to deliver metrobus Consolidation
- **Recommendation 3:** Approval of Strategic Outline Case and confirm funding of £500k to deliver the next stage of an Outline Business Case for the Somer Valley to Bristol and Bath Corridor Scheme
- **Recommendation 4:** Allocation of £100k to commence an Outline Business Case for the A38 South Bristol Sustainable Transport Corridor plus commence Full Business Case for the Bedminster Green section. Delegation for the approval of a Feasibility and Development Funding application to the

Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils.

- **Recommendation 5:** It is recommended to allocate £450k for financial year 22/3, from the CRSTS funding, for capacity building within the UAs, and a further £450k cash flow from CRSTS project allocations for the initial year of the programme. The funding will be to support the specific activities detailed above. It is recommended that approval of a Feasibility and Development Funding Application Form for Mobilisation (detailing project activities) to be delegated to the West of England CEOs in consultation with the Chief Executives of the constituent Councils.

Background / Issues for Consideration

The Combined Authority Committee approved the submission of a Strategic Outline Business Case in support of our City Region Sustainable Transport Settlement (CRSTS). As noted at the time, the CRSTS aims to:

- drive growth and productivity through infrastructure investment.
- level-up services towards the standards of the best; and
- decarbonise transport, especially promoting modal shift from cars to public transport, walking and cycling

The settlement consolidates existing funds (to the value of approximately £155m over 5 years) including Integrated Transport Block, Highways Maintenance Funding, Potholes Action Fund and the last year of Transforming Cities Fund (approx. £30m).

The settlement is in addition to existing funding streams, including bus revenue support, cycling and walking funding, Local Electric Vehicle Charging funds etc.

Key Dates can be summarised as:

- 17 September 2021, initial programme submission to DfT
- 27 October 2021, DfT announced CRSTS allocation for Mayoral Combined Authorities. £540m was allocated to the West of England
- 29 January 2022 Strategic Outline Business Case. Submitted to DfT

Activity To Date

Since submission we have only received minor comments and clarification regarding the Strategic Outline Business Case. Overall DfT have confirmed that the submission has been received positively through the assessment and moderation process. They are pleased with our overall approach; the strategic vision and the step change this programme will make to public transport in the West of England. There may be some further clarification/requirements put upon us but, it is understood that these will be resolved through settlement funding conditions.

Although funding was originally planned for April 2022. We now understand that some funding may be delayed. However, maintenance funding and continued TCF funding will be forthcoming soon. We therefore are confident that we can cashflow the entire programme until full funding is announced, based on existing decisions.

Early Project Decisions

The following project decisions relate to existing funding allocations (Transforming Cities Fund) that will lead into our CRSTS programme.

The Portway P&R and metrobus Consolidation projects are key deliverables within the Transforming Cities Programme running until March 2023.

Expansion of the Portway P&R site has been a long term aspiration to increase capacity. The delivery of the new rail station at the site provides an opportunity to transform how people travel into central Bristol from the wider region (and beyond) and also in north west Bristol. This will be the first stage of work to improve the wider A4 Portway with improved sustainable transport infrastructure, including allowing for bus access into and out of the P&R site from the north and upgrading to Transport Hub with multi-modal opportunities.

Recommendation 1: Approval of full business case and funding of £922,216 to deliver the expansion of Portway P&R

The metrobus scheme was constructed between 2014 and 2017. In 2019 a review was undertaken of the infrastructure impact on operations and a list of schemes were identified to improve the services. At June 2021 Committee it was agreed to separate these schemes out into:

- Schemes to be delivered through the UA annual maintenance programmes
- Schemes to be delivered by other projects
- Schemes to be delivered as part of TCF / CRSTS

Schemes are in the latter category and are:

- Metrobus standard bus stops on Bamfield (Thurlestone) in Whitchurch, Bristol
- Changes to the junction at Stoke Lane to better prioritise bus access from the M32 metrobus bridge in Frenchay, Bristol
- Upgrade of existing bus stop to metrobus standard at Frenchay Campus of University of the West of England
- Extension of bus layby on A4174 (northwestbound) close to Westerleigh Road junction
- Upgrade of bus stops by Lyde Green Primary School and re-routing of metrobus into the centre of Lyde Green

Recommendation 2: Approval of full business case and funding of £1,827,973 to deliver the schemes as set out above.

The project costs for Portway and metrobus consolidation take into consideration inflation and contingency for each of the projects. For metrobus consolidation, the maintenance regime for all bus stops would be similar of existing standard or metrobus stops with the maintenance of the iPoints and RTI systems being covered by the transport levy. Therefore, these costs are not included within the funding requests.

The project delivery timescales are from Summer 2022 to early 2023.

The Somer Valley to Bristol & Bath project aims to improve the travel options for people living in the Somer Valley and along the corridors. The Strategic Outline Case

sets out six strategic options:

- Major multimodal hubs
- Small multimodal hubs
- Bus priority at key junctions
- End to end walking and cycling improvements
- Making the best use of existing infrastructure
- A balanced treatment for Wellsway in Bath

Recommendation 3: Approval of Strategic Outline Case and confirm funding of £500k to deliver the next stage of an Outline Business Case

The **A38 South Bristol Sustainable Transport Corridor** project aims to improve the metrobus provision between Bristol and Hengrove and to the BCC/NSC boundary where needed.

The OBC will look at the full corridor from Bristol, via Hengrove to the boundary. We are also working closely with North Somerset Council to ensure a joined up approach to bus provision in the area. The works will include upgrades to existing metrobus route to Hengrove. Additional priority provided through Hengrove Park and Filwood and Bedminster Green. Bus stop upgrades as required. Potential extension to Hartcliffe and along Colliters Way.

Recommendation 4: Allocation of £100k to commence an Outline Business Case for the A38 South Bristol Sustainable Transport Corridor plus commence Full Business Case for the Bedminster Green section. Delegation for the approval of a Feasibility and Development Funding application to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils.

CRSTS Delivery Model

Government Expectations

The Metro Mayor is responsible for the delivery of the CRSTS programme. DfT will assess performance against the following criteria:

Criteria	Notes
Value for money	DfT want to see economy of scale – through streamlined procurement, buying in bulk etc
Growth and productivity	CRSTS interventions must enable journey time saving and better reliability through strategic intervention.
Levelling up	The CRSTS programme serves a number of areas of deprivation. Creating better connections.
Decarbonisation, especially modal shift to public transport and active travel	The CRSTS will deliver the infrastructure required to enable decarbonisation. Further demand management measures may be required to ensure modal shift away from the private car to public transport.

Local contribution	BCC, SGC and B&NES are contributing a further 20% across the programme. [An agreement is required on how to manage overspend.]
Deliverability	All projects within the programme need to be delivered with the 5 year timeframe. They need to deliver on the criteria above. See below for further information.

The funding settlements for all Combined Authorities, along with the outcomes, will be published online. Delivery against the outcomes will be monitored, giving government and local communities the opportunity to judge each Mayor's performance. Mayors (and therefore Combined Authority Investment Funds) will bear responsibility for cost and schedule overruns.

The January committee paper sets out:

- CRSTS Governance Structure (Annex A)
- Key principles for governance (Annex B)
- Key principles for delivery (Annex C)

Current Delivery Model

The Combined Authority has an Assurance Framework for projects. Current projects are either grant funded or the Local Authorities are commissioned to complete. These projects go through the assurance framework at each stage of the project (SOBC, OBC, FBC) for approval to proceed to the next phase. The existing process:

- Is designed for individual project delivery
- Does not fully align with the criteria for the CRSTS
- Has had to deal with unexpected overspend
- Is not designed to deliver a programme of this size

It is proposed that we move to a more programme-based approach. There are a number of advantages as summarised below:

Challenge	Summary
Network Management	There will be substantial disruption on the road network over the next 5 years. Managing this disruption at a regional level will allow for better strategies to minimise impact on residents.
Lack of resource	Through options such as pooling staff, ring fencing resources and having a delivery partner will ensure that we have the resources needed to deliver. Ring fencing resource to the CRSTS (from the LA / CA) will allow for a team to deliver the CRSTS as a whole. Pooling talent and

	ensuring efficient delivery. Recruiting to the programme rather than the individual organisations also helps with efficient delivery.
Ensuring strategic delivery	To meeting the criteria of the CRSTS, the project must be delivered in a strategic way (as a complete programme). If delivered in a fragmented way they may not meet the criteria of the CRSTS.
Programme management (Finance, budget and performance criteria)	Management of programme, finances and performance criteria at a programme level (rather than at individual project level) offers substantial certainty and will ensure deliver on time, to budget and the delivery of the outcomes intended.
Communication & engagement	CRSTS is likely to impact people's travel over the next 5 years. Having a coherent and joined up communication strategy and delivery will help residents to understand why this is happening and what the final benefits are.

To coordinate all of the above a CRSTS Programme Team will be required to ensure budget, and programme management as well as ensuring full monitoring and evaluation of the programme. At January Committee, the following point was noted:

Capacity Building / Statutory Function Capacity - *It is recognised that UAs have been subject to significant funding cuts, and there is a risk of the under resourcing of statutory functions that could introduce risk and delays to the programme. It is therefore proposed to provide capacity funding and consideration of Investment Fund to ensure there is ringfenced resource to support the programme and this will be put in place as soon as possible.*

Capacity building is required ensure the programme starts to deliver, minimising delays in advance of a full project budget becoming available to:

- Commence all Walking, Cycling and Liveable Neighbourhood schemes including early Strategic and Outline Business Case requirements and, where appropriate, planning pilot schemes
- Commence OBCs for Sustainable Transport Corridors, where not already underway
- Deliver statutory function activities including Planning and Highway Authority duties to support programme delivery

The recommendation below is proposed to facilitate effective capacity building within the UAs.

- **Recommendation 5:** It is recommended to allocate £450k for financial year 22/3, from the CRSTS funding, for capacity building within the UAs, and a further £450k cash flow from CRSTS project allocations for the initial year of the programme. The funding will be to support the specific activities detailed above. It is recommended that approval of a Feasibility and Development Funding Application Form for Mobilisation (detailing project activities) to

delegated to the West of England CEOs in consultation with the Chief Executives of the constituent Councils.

Options for Delivery

Given the diverse range of projects within the CRSTS there are different approaches that can be adopted depending on the project type. Three differing approaches to delivery have been identified:

- Locally coordinated, locally delivered. Locally coordinated by the appropriate unitary authority (UA) and delivered by the Unitary Authority.
- Centrally coordinated, locally delivered. Centrally coordinated to a greater or lesser degree by the Combined Authority and delivered by the relevant Unitary Authority.
- Centrally coordinated, centrally delivered. Centrally coordinated and centrally delivered by the Combined Authority.

For the June Committee paper, we will return with a final agreed approach regarding the delivery model and routes to market for design and construction.

Risk Management/Assessment

- 5 A full programme level risk register is being prepared and key risks will be reported to June Committee.

Public Sector Equality Duties

- 6 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.

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

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

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

review.

- 6.3 The CRSTS programme will be subject to Equalities Assessment on a project by project basis to ensure that the programme is delivered

Finance Implications, including economic impact assessment where appropriate:

- 7 The funding allocated in this report is from existing Transforming Cities Funding, the final year of which will be folded into the CRSTS funding. The Mobilisation Funding will be capitalised against the CRSTS funding, and is subject to CEOs approval of a Feasibility and Development Application Form for Mobilisation.

Advice given by: Richard Ennis

Legal Implications:

- 8 There are no specific legal implications of this report. The legal implications of our delivery model will be covered in the report to January Committee.

Climate Change Implications

- 9 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

- 9.1 The premise of our CRSTS is the decarbonisation of our regional transport system. We region declared a climate emergency in 2019, setting a target to be carbon neutral by 2030. To reach this target, we need to cut 464 kilo tonnes of CO2 each year, and transport will need to be a major contributor to this. Both our Climate Emergency Action Plan and our Local Industrial Strategy focus on clean, inclusive growth and prioritise the decarbonisation of the transport system.

Significant work has already been undertaken in the region across many sectors, and carbon emissions in the region in 2019 (including North Somerset) are 62% of their 2005 figure. Public sector carbon emissions have dropped by more than 50%, while industrial emissions in Bristol are less than a third of their 2005 baseline. However, progress on reducing transport carbon emissions has been slower than average. The average reduction in carbon emissions from transport has been less than 10% since 2005.

The CRSTS will provide us with the funding and the opportunity to make critical improvements that will aid our decarbonisation goals, including developing a private transport infrastructure for electric vehicles and increasing public transport demand.

Land/property Implications

10 Land and property implications will be reported back on a project by project basis.

Human Resources Implications:

11 There are no HR implications for this report. HR implications for the Delivery Model will be reported in the report to June Committee.

Appendices:

Annex A – CRSTS Agreed Governance

Annex B – Key Principles for Governance for the CRSTS programme

Annex C - Key Principles for Delivery of the CRSTS programme

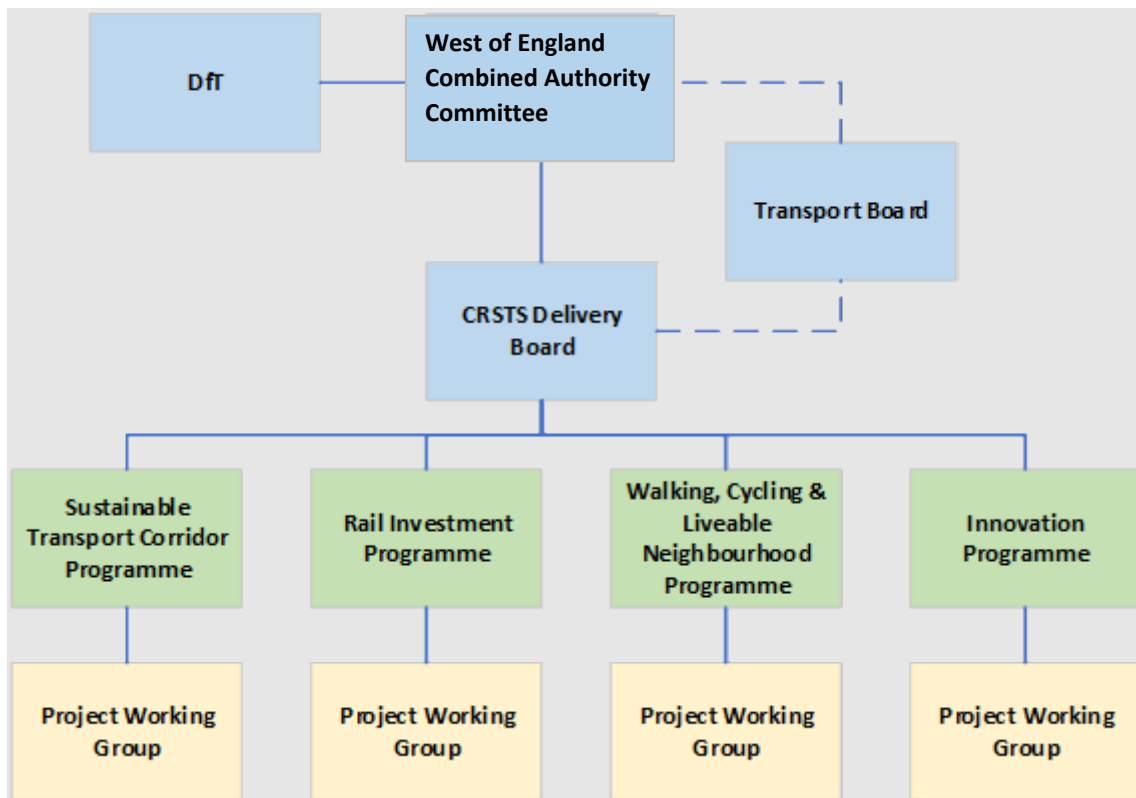
Background papers:

N/A

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Annex A – CRSTS Agreed Governance



Annex B – Key Principles for Governance for the CRSTS programme

1	<p>Governance will be developed based on the structure included in our original submission, establishing a Delivery Board with Programme Working Groups reporting in. The Delivery Board will ensure that risks are actively managed and drive focus on delivery progress, supporting officers to ensure on time and cost delivery.</p>
2	<p>Funding allocations will be in line with our existing Assurance Framework. As set out by central government in the programme guidance, funding may be reduced if agreed schemes are not delivered to agreed quality or time, modified, delayed significantly, or removed. We will drive efficiency thorough taking a programme approach to business case development.</p> <p>The MoU (to be agreed) will outline all options on how to manage funding to ensure that overspend is minimised. This will include measures to be agreed and will include: clear flow diagram of activities and gateways, scaling of projects to ensure they meet budget and ensuring that the prioritised projects within the programme are delivered.</p>
3	<p>Programme change control will be developed in line with DfT requirements (yet to be confirmed). Where projects are removed from the programme, due to deliverability and benefit realisation challenges, we will review costs within the existing programme and then include from the pipeline listed in Annex B.</p>
4	<p>Criteria for the Maintenance Challenge Fund are to be confirmed, but will be based on:</p> <ul style="list-style-type: none"> • Deliverability • Delivery of objectives of the CRSTS fund: • drive growth and productivity through infrastructure investment; • level-up services towards the standards of the best; and • decarbonise transport, especially promoting modal shift from cars to public transport, walking and cycling
5	<p>Contingency and risk will be managed at programme level and draw down of funding will be processed via our assurance framework, subject to approvals from the CRSTS Delivery Board.</p>
6	<p>All projects within the programme will be subject to the Combined Authority Assurance Framework which mandates set gateway checkpoints to ensure peer review, challenge and sharing of lessons is embedded into the delivery culture.</p> <p>The Assurance framework will utilise the City Regions Delivery Board to provide open and transparent peer review and assurance of all schemes from inception to completion to ensure these deliver to consistent standards. Regular gateway reviews will be undertaken at agreed checkpoints, alongside deep dive sessions on any projects which are reporting red or amber for more than two months.</p>
7	<p>Alongside our quarterly Grant Assurance Highlight reporting process, the Combined Authority PMO will continue to provide monthly reporting on all projects, with the additional requirement for monthly spend and benefits reporting. This is to ensure that the Programme Steering Groups, and Delivery Board have oversight and ownership of thematic and portfolio level risks, issues and dependencies.</p> <p>The PMO will, subject to approval from the CRSTS Delivery Board, be accountable for providing the DfT with regular reporting on financial performance, work programme and delivery timescales. This will be published by the DfT on a single, easily accessible website, giving government and local electorates the opportunity to judge the programmes performance.</p>
8	<p>We will work with central government to agree the monitoring and evaluation process and key reporting metrics; all programme business cases will need to comply with these conditions and participate in the national process for evaluation as required.</p>

Annex C - Key principles for delivery of the CRSTS programme

1	<p>Sustainable Corridors & Rail – These programmes will be centrally managed via the Combined Authority taking a programme approach to both development and delivery. Resources for development (to Outline Business Case) will be:</p> <ol style="list-style-type: none"> 1. Identifying available resource across the region, from the Combined Authority and Unitary Authorities, using local knowledge and stakeholder understanding 2. Utilising supply chain partners as appropriate <p>We will work collaboratively with UAs to review and agree our delivery routes prior to commencement of the programme in April. This will include:</p> <ul style="list-style-type: none"> • Review of existing resource within the CA and UAs (including established in-house delivery and supply chains). • Review all existing delivery partnerships and available frameworks to ensure we can access appropriate resources. This will include, but is not necessarily limited to: <ul style="list-style-type: none"> ○ Crown Commercial Services ○ Scape ○ Southern Construction Framework ○ BCC Strategic Capital Partner • Review Delivery Partner options to enable us to take advantage of early contractor involvement, economies of scale and incentivised programme level delivery. We recognise there could be benefits of establishing a programme level partner for design and delivery. The benefits of this approach are being reviewed and discussed between the CA and UAs. • Regardless of programme delivery route, we will be establishing both standards and procurement routes for any standard elements. This includes items such as Bus Stops, Cycle Storage and other street furniture etc. This is a requirement of Treasury. The aim will be to establish both efficiency but establishing a standard and recognisable look and feel for our regional transport network and infrastructure. This is, of course, recognising our regional complexities in relation to heritage.
2	<p>Walking & Cycling and Liveable Neighbourhoods – again, we are very aware of the need for local ownership, co-design and therefore sensitive delivery, particularly for Liveable Neighbourhoods and any stand-alone walking and cycling interventions.</p> <p>Existing programmes are delivered through a mixture of in-house resource and supply chain. This approach will be developed and enhanced to ensure we are delivering efficiently and effectively. As with maintenance, Gateway Reviews will be used to ensure that across the region we are using economies of scale where possible, we are taking a standard quality approach and we are utilising resources and skills in a collaborative way.</p>
3	<p>Maintenance - the maintenance programme is in line with the scale of existing activity delivered by our UA colleagues. This programme will be delivered through their existing routes, with Gateway Reviews over the 5 years to ensure we are maximising economies of scale and delivering efficiently.</p>
4	<p>Standards - all programmes will meet the design and delivery standards set out in the Bus Back Better and Gear Change. As set out in the CRSTS Business case guidance, the application of consistent and high standards will therefore be required.</p> <p>As per the National Bus Strategy, we will deliver schemes which meet the following standards - bus lanes on any road where there is a frequent bus service, congestion, and the physical space to install one.</p> <p>Active travel schemes must meet the standards set out in Local Transport Note 1/20, including separation from volume traffic. The new delivery body for cycling and walking, Active Travel</p>

	England, will review these schemes: schemes which it assesses as non-compliant with LTN 1/20 will not be funded.
5	<p>Resources - It's critical that we have effective resource across the region to deliver our CRSTS programme within our 5-year programme, and to ensure we realise benefits as effectively as we can. We recognise it is not just resource availability, we also need to ensure we have appropriate experience, skills and local knowledge to ensure success.</p> <p>We are splitting the overall portfolio into programmes each with an appropriate route to efficient and effective delivery. We will also require ring fencing of resources to support delivery on all projects. Alongside this we will take a programme-level approach to optimise the use of resources.</p>
6	<p>Pipeline – utilising investment from our regional Investment Fund, we are establishing a prioritised pipeline of schemes that support this first round of investment. These schemes will:</p> <ul style="list-style-type: none"> • Be ready with business cases should any project need to be removed from the programme due to circumstances beyond our reasonable control, subject to DfT change control processes. • Be ready for any further future funding, particularly in relation to walking & cycling • As we move through the programme, these schemes will form the basis of our CRSTS 2 programme 5-10 years. <p>We recognise that establishing this programme will require resources, and whilst the requirement will be secondary to immediate development and delivery, we will ensure that the pipeline is established in a timely manner to ensure the current work is a catalysts for ongoing and incremental improvement across the network. Particularly as we develop our learning through the application of Enhanced Partnerships across our network.</p>
7	<p>Continual Improvement - It is important to us that we drive continual improvement across our programme. In the same way we are utilising the Lessons Learnt from our exiting metrobus and MetroWest programmes and Walking & Cycling Schemes to confirm our delivery approach, we are also ensuring we use our Gateway Reviews to drive Continual Improvement across the portfolio using a Plan, Do, Check, Act model.</p>