

**West of England Combined Authority
West of England Combined Authority Overview & Scrutiny Committee**

Monday, 13 March 2023, 10.00 am - 12.20 pm
Bristol City Council Council Chamber, City Hall, College Green, Bristol BS1 5TR

Present:

Cllr Winston Duguid, Bath and North East Somerset Council	Cllr Ed Plowden, Bristol City Council
Cllr Hal MacFie, Bath and North East Somerset Council	Cllr Steve Smith, Bristol City Council
Cllr Geoff Gollop, Bristol City Council	Cllr Tristan Clark, South Gloucestershire Council
Cllr Brenda Massey, Bristol City Council	Cllr Matthew Riddle, South Gloucestershire Council
Cllr Steve Pearce, Bristol City Council	Cllr Andrew Varney, Bristol City Council

Present from North Somerset Council (observers)

Cllr Huw James
Cllr Mike Bird

Officers In Attendance:

Richard Ennis, Interim Acting Chief Executive	Roger Hoare, Head of Environment
Stephen Fitzgerald, Interim Director of Investment and Corporate Services	Selonge Russell, Head of Finance and Procurement
Stephen Gerrard, Interim Director of Legal and Democratic Services	Pete Davis, Head of Grant Management and Assurance
Alistair Kirk, Interim Director of Infrastructure	Jessica Lee, Head of Policy & Strategy
Andy Cornelius, South Gloucestershire Council	

Apologies:

Cllr Brian Allinson, South Gloucestershire Council

Minutes

1	Evacuation Procedure The Evacuation Procedure was noted.
2	Apologies for absence Apologies for absence had been received from Cllr Brian Allinson (South Gloucestershire Council) and Cllr Peter Crew (North Somerset Council). Cllr Andrew Varney was thanked for attending on behalf of Bristol City Council.
3	Declarations of Interest under the Localism Act 2011 There were no declarations of interest declared.
4	Minutes The minutes of the meeting held on 27 January 2023 were agreed as a correct record and signed by the Chair.
5	Chair's Announcements The Chair made no announcements.
6	Items from the Public (Questions, Statements and Petitions) Two questions had been received from one member of the public in advance of the meeting. These questions and replies had been published on the Authority's website and had been

circulated.

In addition three statements had been received from members of the public in advance of the meeting. One member of the public attended the meeting to submit their statement in person: David Redgewell, South West Transport Network and Railfuture Severnside. Adam Reynolds had also submitted a statement but had been unable to attend the meeting. However, the Chair asked for it to be read out as it contained important information about the CRSTS allocation. A statement had also been submitted by Ian Beckey, Gloucestershire Catch the Bus Service Campaign and Brendon Taylor, Bristol Disability Equalities Network & Somerset catch the bus campaign. The statements had been published on the Authority's website and had been circulated.

The Metro Mayor Dan Norris attended the meeting and participated in a question and answer session with Members of the Committee. Issues from the statements included:

- Cllr Geoff Gollop noted that the issues referred to by Mr Adam Reynolds had been raised at Audit Committee and internal audit were looking at aspects of this during the course of this year. He requested that the statement be referred to internal audit.
- Cllr Ed Plowden mentioned concern about a liveable neighbourhoods approach, noting that Government guidelines state that "largely cosmetic" approaches are not a suitable use of Active Travel budgets, and there was a risk that Mr Reynolds' comments about B&NES and the near-doubling of a budget in Bristol might be questioned as to whether it was a legitimate use of the funding.

It was agreed that the Overview and Scrutiny Committee would monitor the process of the £540m spend, noting the importance of officers synching on this matter.

Direct Response Transport and West link

Members queried when the West Link website would be launched since the scheme commenced in 3 weeks. It had been noted that there would be a need for effective communication and promotion, particularly in those areas losing bus services.

The Metro Mayor advised that overall, these pots of money had a very small window of spend, for instance a couple of years in relation to the Bus Service Improvement Plan. A longer lead in time would be preferred with West Link but the funding would be lost if not used and officers had been working hard to ensure the window would be met.

Members noted that West Link was not a substitute for all the subsidised buses that had been cut. The Combined Authority (CA) was working with the Unitary Authorities (UAs) to create a system irrespective of cuts. Demand Responsive Transport (DRT) would pick up people from virtual bus stops or local bus stops and take them to the main routes. This was why there had been a big investment to improve the frequency on the main routes. However, it was noted that it was not going to meet the needs of, for example, school children.

The Metro Mayor confirmed that he would be happy to hold discussions concerning West Link and advised it would roll out from April. He acknowledged that it would not be considered perfect by all but that learning points would be responded to. He also wished to remind members that this was the biggest on demand public transport system created in England which he wanted to prove to be commercially viable. He noted the shortage of drivers and advised that West Link information would be made public as soon as possible.

From the perspective of North Somerset, there was a missed opportunity where DRT was being used to backfill missing services. It was felt there is a huge opportunity to create

integrated transport facilities and hubs and that DRT was not sustainable in the longer term in encouraging people out of their cars.

The Metro Mayor confirmed that he had no influence over existing subsidised services and that he hoped the situation would improve following the May 2023 elections.

It was acknowledged that from the viewpoints of residents, they just see that they no longer have a bus service. It was understood that residents may not be aware of DRT provision, that some areas would not have DRT, and that this may lead to people purchasing cars. It was felt there was a real disconnect and lack of recognition, and that residents' needs are not going to be met. It was suggested that a public consultation could be held should agreement not be found between the UAs and the Combined Authority.

Other transport issues

Members queried whether funding would be set aside for franchising. It was suggested that the precept could be set up from the start as one package. A masterplan for walking and cycling was also requested, with maps of proposed corridors. It was also suggested that more due diligence was required from Bristol City Council on maintenance.

The Metro Mayor noted that without precepting the region would not have franchising. At the moment, South Gloucestershire Council did not want franchising nor precepting. He advised that he would be investigating the roll out of this in Greater Manchester later this year but highlighted that we do not have Greater Manchester's tram system which would be very helpful in terms of franchising.

It was noted that the recruitment of drivers was the pressing issue of the day.

The Metro Mayor was asked to confirm whether he or the Combined Authority Transport Team had agreed that any future subsidy on new routes under BSIP would only be given to bus routes that have a cost per passenger of less than £40.

Function	2022/23 Levy budget allocation	2022/23 Levy spend forecast
Transport Operations Team	855,622	855,622
Transport Operations Team	855,622	855,622
Community Transport Grants	1,653,017	1,693,146
Concessionary Fares	13,018,696	9,477,081
Real Time Information	402,622	401,645
Supported Bus Services	3,059,462	9,320,000
metrobuses	72,741	72,741
Bus Information	177,142	175,377
Travel west	13,668	13,668
Integrated Ticketing	215,830	215,830
	19,468,800	22,225,110
Additional income		
Lost mileage		(237,397)
S106		(462,549)
Bus Service Operator Grant		(1,147,621)
Net forecast spend		20,377,543

	Forecast overspend	908,743

N.B. Forecast overspend is to be offset by reserve from 21/22

The Metro Mayor was also questioned on the current year's projected overspend on supported buses — it is forecasted to be triple what was originally budgeted.at over £9.3m (see above). Why such an overspend?

The Interim Strategic Director for Infrastructure confirmed this matter would be investigated with a response being provided following the meeting. (see Appendix 1 for more details)

The Interim Acting Chief Executive Officer referred to the bus companies having asked for significant increases to continue to run supported bus services in May / June 2022 or they were going to stop them.

The Metro Mayor advised that the way in which we operate had changed. If there are extra passengers, then we are going to get the majority of the money. He noted that it was good to talk about the importance of buses, but it is necessary to match those words with resources.

SOLACE report

The Metro Mayor was questioned on what he thought the Combined Authority was for and whether the current arrangements could deliver or if a different Constitution were needed.

The Metro Mayor advised that the Combined Authority provided an opportunity for a strategic approach to challenges in the region, rather than a piecemeal focus on individual council areas which had not served residents well. He noted that all Metro Mayors and Combined Authorities had their own challenges because the Government had created a devolution that was not about giving power and resources to the CA but was instead about taking away from Local Authorities. He acknowledged that the Constitution could be improved.

Members felt that a pressing matter regarding how the Combined Authority works was the £1.4m allocated to Bath & North East Somerset Council and South Gloucestershire Council to deliver directly against infrastructure projects, whilst Bristol City Council was still in discussion on how it was going to deliver this. This demonstrated ongoing uncertainty about the organisational model for delivery.

Members commented that the Solace report mentioned the West of England working in partnership with Western Gateway, in particular in relation to the Severn tidal survey and railways. It was queried whether resources and support would be allocated to work with them on independent projects. It was noted that the Combined Authority's new office could provide a space to work collaboratively with Western Gateway.

The Metro Mayor noted that Western Gateway had something to offer but it did not bring resources. He wanted to also work with organisations who have resources like the Welsh Government, for example in relation to Housing.

Members asked the Metro Mayor about the progress with regards to housing. He advised that the Spatial Development Strategy (SDS) had stopped since agreement had not been found. In particular, South Gloucestershire Council wanted too small a number. He noted that housing needs to be strategically co-ordinated with job needs etc and that collective

leadership would be required to resolve the situation.

At this point the Metro Mayor was thanked for his attendance by the Chair who also noted the Metro Mayor's 100% attendance record in the last two years. Members moved on to discuss the reports being considered at the 17 March 2023 West of England Combined Authority meeting as follows:

7 **Review of items for 17 March 2023 West of England Combined Authority Committee**

The Committee discussed the following reports due to be considered by the West of England Combined Authority Committee at its meeting on 17 March 2023: Audit Action Plan: Feedback from Audit and Overview & Scrutiny Committees and progress report; Climate and Ecological Strategy and Action Plan 2023; and the West of England Combined Authority and Mayoral Budget Forecast Outturn 2022/2023.

The comments made by the Committee were collated and circulated to members of the West of England Combined Authority Committee in advance of its meeting.

Agenda Item 15. Audit Action Plan: Feedback from Audit and Overview & Scrutiny Committees and progress report

Cllr Geoff Gollop explained that Grant Thornton had produced a Value for Money report in November and officers had prepared an action plan. Audit Committee rejected this and a revised plan was submitted in December 2022, seeking advice on how to move forward. This was the first stage of the process.

Solace have carried out their fact finding and summarised the challenges. For members' benefit, it was fair to say the Solace report and the extent of the issues raised were larger than potentially anticipated. Looking at the views from members, it was not anticipated that enough resources would be available to achieve what was being suggested. The positive response from officers in recognising the problems identified and trying to engage in finding solutions was welcomed. It was an ongoing problem that the leadership wanted to resolve in a constructive way.

Cllr Steve Smith commented that the report was very good and covered a lot of issues. He said it was positive about the changes that the Interim Acting Chief Executive Officer had made. However, he was not convinced that the delivery of every item on the action plan would solve the problem. The fundamental purpose of the Combined Authority should be to drive strategy which in turn drives tactical decisions, but it does not have a strategy. What we have is a series of running battles on every decision that comes along. He was not convinced the Constitution being amended to require unanimity equipped the CA to deliver on a strategy either. He felt that the structure and the Constitution needed to be looked at to deliver on the potential there.

Members expressed concerns about the time running out on North Somerset Council joining the Combined Authority. Operationally there were challenges though, such as relationships, the fate of the Local Enterprise Partnership, and elections. The Interim Director of Law and Governance (Monitoring Officer) reminded members that most of the Constitution provisions were hard wired into the Order which would require parliamentary or Secretary of State consideration. This Order was probably the most restrictive of all on what was the relationship and functions of the CA, but even if consensus was obtained, we would still have to go back to Government to ask it to change the statutory arrangements.

Members noted that financial reports needed to demonstrate how we achieve economic growth. Solace's report did not mention green or carbon recovery or how the Constitution balances these.

The Interim Acting Chief Executive welcomed the Solace report and the further recommendations that would arise as it was all worked through. It presented a number of key areas requiring work, and the challenge was to determine how it would be resourced and who would lead. The Auditor had not commented on the action plan, and this was the first-time details had been put in since the 9 December 2022 meeting. He noted that Combined Authority officers would work closely with the officers in the UAs, in particular through the CEO's group. There had also been a first meeting of Mayors & Leaders with one representative from each local authority.

Agenda item 10. Climate and Ecological Strategy and Action Plan 2023

The Head of Environment advised that this was a revision of the Climate and Ecological Strategy and Action Plan which had first been published in 2022. It was more of a regional collaboration in the climate and ecological space, with good engagement, and the team had sought to make sure the actions were more measurable with a SMART approach. This allowed residents to hold the Combined Authority to account. It captured successes and achievements over the last year as well as an ambition to expand the role of the regional strategy to include climate resilience. Within the paper, authorisation was also being sought for additional funding through the Green Recovery Fund.

Members requested an update on JLTP4 mentioned in the report and commented that it was hugely ambitious but there was a funding shortfall. There were things that they would support on Metrobus to Yate, and some things within the plan were more long-term solutions.

The Head of Environment explained that, from his perspective in relation to the revision of JLTP4, the team were still waiting for clarity on what the update would require. It would be essential that it included decarbonisation of the transport system.

The Interim Strategic Director for Infrastructure advised guidelines were awaited but expected in the next 3-6 months. The team would then start consultation early in 2024.

Members felt that the map showing the flood areas in 2025 showed a very large flooding area all along the coast (both sides) and also a lot of North Somerset. They were concerned that the plan did not take into account the fact that there are already existing sea defences. For instance, It was not showing the protection for Oldbury on Severn, from Aust Cliffs and Avonmouth, and the raising of banks to give an extra 60 years of protection. There were currently no plans from Aust to Sharpness and this would need work and the banks would need to be raised. (Page 32 of the report).

Members asked that, in relation to Green Business, could more specificity be provided on (for example) low carbon fuels and renewable energy. Disappointment was expressed in relation to Share bike who did not want to carry on, it was not quite clear whether what was coming was a service that would be offered by the Combined Authority or another company. The Head of Environment confirmed that the team were looking for another company to provide this service.

Members noted that there was a hold on installing on-street residential lampposts. The Head of Environment confirmed that the team were getting closer to resolving this situation. The Interim Strategic Director for Infrastructure advised that a Full Business Case was being put to CEOs to discuss 250 ev-charging posts. The Combined Authority was currently in discussion with Bristol City Council on whether the CA should lead on that.

Members felt that they were not getting a sense of how much of what is going on will close the gap to 2030, and how much of that gap remains and what more would be required. The Head of Environment advised that in the narrative of the report it was clear that we are not

going to get there unless there was a dramatic change at a national level. He commented that a new data person had been appointed, part of whose role would be to look at how we communicate the gap in delivery.

Members were happy to see communications about tree canopy cover, given that it was difficult to put trees in streets. It was noted that there had been a Bristol City Council motion last year where free trees would be given to people to put in their front gardens, however this had not been actioned to-date.

It was noted that the workplace parking levy had been voted down in Bristol City Council last year. One of the issues was that businesses would relocate, so it would need to be a region-wide levy. The Head of Environment advised that the scheme had been notoriously difficult to implement across the country, and that it was about having a conversation as a region to open some of the doors.

He mentioned that one of the biggest assets for carbon capture were the moors which have locally shrunk by 0.5 metres so were absorbing less water. Members queried what actions could be taken to restore the moors for carbon capture and for wildlife as well. The Head of Environment said that the Strategy would identify areas and flood management, and it was a complicated but integrated conversation. He thought that having a regional strategy would help.

With the collapse of the SDS, members queried how Combined Authority officers were engaging with the Unitary Authorities on the drafting of Local Plans. The Head of Environment confirmed that his team had been consulted to ensure strategic themes were represented in the plans. The elements around the natural environment and planning the framework around these were key documents.

Members queried what the Combined Authority was doing as an organisation in terms of carbon intensity and having a carbon reduction plan. The Head of Environment explained that this was captured in the actions. The key part were big carbon contributions in infrastructure and how we build those pieces into investments. Consideration was also being given to training Combined Authority staff in carbon literacy so we could consider as an Authority how we embed the consideration of climate and carbon in what we do. It was suggested that an advisory Board, in addition to the existing Business/Skills and Transport/Planning & Housing Boards could be created to consider climate and ecological issues going forward. It was discussed and agreed that a Task and Finish group would be set up in the next few weeks to discuss various matters and this would be included.

Agenda Item 14. West of England Combined Authority and Mayoral Budget Forecast Outturn 2022/2023

Members agreed that the Task and Finish group should also discuss how the Committee would move forward on scrutinising the budget.

Appendix 1

Explanation of variance on Supported Bus Services budget 2022/23:

- The budget allocation for Supported Bus Services from the Transport Levy in 2022/23 was £3.059m.
- This budget reflected costs of the contracts operating during 2021/22 which would be subject to a re-tender exercise in early 2022 with a decision expected in April 2022 on contracts to be awarded from early September.
- Insufficient funding was available in the Transport Levy budget to cover a full year of

	<p>contracts in 2022/23.</p> <ul style="list-style-type: none"> • The Combined Authority Committee in June 2022 resolved to extend all contracts by 7 months from September and run a new tender exercise in late 2022 for new contracts from April 2023. • The cost of extending the contracts and replacing contracts that were handed back to us, as well as those covered when HCT folded, was £6.339m – this in part reflected the operators premium for the extension and needing to build in rising driver and fuel costs. • Whilst additional contract costs were incurred in switching net cost contracts to gross cost to accommodate the Fares Package #1 initiative from September 2022, this additional cost is covered by the Bus Service Improvement Plan funding allocation. • The figure of £9.32m in the paper is a gross spend against this budget line and will be reduced by around £2m once the S106, Bus Service Operator Grant and when our income from gross cost contracts is taken off. • The remaining overspend on the Supported Bus Services budget allocation will be offset largely by the underspend on Concessionary Fares which stands at around £3.5m currently. <p>Note: The Combined Authority Transport team are working through projections for next year as the concessionary fares reimbursement rate has still to be finalised. When this work is complete, the team can then provide more information on the 2023/24 budget expectations.</p>
	Proposed date for next meeting: Monday, 12 June 2023

Appendix 1

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- The budget allocation for Supported Bus Services from the Transport Levy in 2022/23 was £3.059m.
- This budget reflected costs of the contracts operating during 2021/22 which would be subject to a re-tender exercise in early 2022 with a decision expected in April 2022 on contracts to be awarded from early September.
- Insufficient funding was available in the Transport Levy budget to cover a full year of contracts in 2022/23.
- The Combined Authority Committee in June 2022 resolved to extend all contracts by 7 months from September and run a new tender exercise in late 2022 for new contracts from April 2023.
- The cost of extending the contracts and replacing contracts that were handed back to us, as well as those covered when HCT folded, was £6.339m – this in part reflected the operators premium for the extension and needing to build in rising driver and fuel costs.
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- The figure of £9.32m in the paper is a gross spend against this budget line and will be reduced by around £2m once the S106, Bus Service Operator Grant and when our income from gross cost contracts is taken off.
- The remaining overspend on the Supported Bus Services budget allocation will be offset largely by the underspend on Concessionary Fares which stands at around £3.5m currently.

Note: The Combined Authority Transport team are working through projections for next year as the concessionary fares reimbursement rate has still to be finalised. When this work is complete, the team can then provide more information on the 2023/24 budget expectations.