

REPORT TO: MAYORAL COMBINED AUTHORITY COMMITTEE

DATE: 26 JANUARY 2024

REPORT TITLE: INVESTMENT FUND PROGRAMME

RESPONSIBLE OFFICER: RACHEL MUSSON, STRATEGIC DIRECTOR OF RESOURCES

Purpose of Report

To update on the overall Investment Fund programme and headroom.

Recommendation

That Committee:

- 1) Approve the updated West of England Local Growth Assurance Framework.
- 2) Approve the Culture West Full Business Case and to award £1.5m. To delegate the approval of grant giving to the West of England Mayoral Combined Authority's Strategic Director of Economy and Skills in consultation with Unitary Authority Economy and Skills Directors. In the event of a consensus not being reached at Director level, decision making will be escalated to the West of England Mayoral Combined Authority's Chief Executive Officer (CEO) in consultation with the Unitary Authority CEOs.
- 3) Approve the Outline Business Case for Somer Valley Links and to award £1.414m for B&NES to progress the lower cost alternative package to Full Business Case due for completion by March 2025, and to note the transfer of the project delivery to B&NES post resolution of this business case.
- 4) To approve the Feasibility and Development Funding Application for the CRSTS 2 package/business case for submission by June 2024 and the award of £900k, and to delegate the approval of the detailed scope of work to the West of England Mayoral Combined Authority's Strategic Director of Infrastructure in consultation with Unitary Authority Directors of Infrastructure. In the event of a consensus not being reached at Director level, decision making will be escalated to the West of England Mayoral Combined Authority's Chief Executive Officer (CEO) in consultation with the Unitary Authority CEOs.

- 5) To approve the Feasibility and Development Funding Application for the West of England Regional Transport Model and the award of £600k to support the use of the model until 26/27.
- 6) To delegate the approval of a Feasibility and Development Funding Application for CRSTS mobilisation and the award of up to £670k to Bristol City Council to the West of England Mayoral Combined Authority's Strategic Director of Infrastructure in consultation with Unitary Authority Infrastructure Directors. In the event of a consensus not being reached at Director level, decision making will be escalated to the West of England Mayoral Combined Authority's Chief Executive Officer (CEO) in consultation with the Unitary Authority CEOs.
- 7) To delegate the approval of applications for the residual balance of the Low Carbon Challenge Fund Extension project to the West of England Mayoral Combined Authority's Director of Environment in consultation with Unitary Authority Environment Directors. In the event of a consensus not being reached at Director level, decision making will be escalated to the West of England Mayoral Combined Authority's Chief Executive Officer (CEO) in consultation with the Unitary Authority CEOs.

Reasons for recommendation

There is a requirement to review the West of England Local Growth Assurance Framework annually to ensure it is up to date and meets the National Local Growth Assurance Framework guidelines.

Business Cases and Funding Applications are presented to Committee for a decision on approval and release of funding.

Voting arrangements

In order to be carried, a decision on this matter requires a majority of the members present and voting, such majority is to include the Metro Mayor. Each member present may cast one vote. If a vote is tied the decision is not carried. There is no casting vote. Co-opted members are not entitled to vote.

Background

1. At the meeting of the West of England Mayoral Combined Authority Committee in October 2023 the Investment Fund time horizon was extended to 27/28 reinstating the 5 year rolling programme. The funding available within this period is:

	£m
• £30m of Investment Fund per annum x 12 years (16/17 to 27/28)	360.0
• Transforming Cities Funding	80.0
• One year succession to Local Growth Funding	7.4
• Structured over-programming of delivery against spend	39.6
Total	487.0

2. With the approvals made at the West of England Mayoral Combined Authority Committee meeting in October the headroom within the Investment Fund programme to 25/26 stands at £12m. A summary of all the approved and allocated funding across the Investment Fund programme is shown in Appendix 1 and is summarised in Figure 1, which includes the approvals proposed to this Committee. The changes through the approvals included in this report, or elsewhere on the agenda, are summarised in Figure 2.

Provision for Inflationary Impact

3. Provision of £11.6m for inflationary impacts was made at the West of England Mayoral Combined Authority Committee meeting in September 2022. Since this time previous calls on this allocation across a number of schemes have reduced the total available to £4.56m. The change requests set out in paragraph 27 would present a further call of £534k on this provision, reducing the balance to £4.02m. It is proposed this inflationary allocation is retained and kept under review.

Figure 1: Summary of Investment Programme to 2026 by Priority Theme

Funding Awards and Allocations £000s	Oct 23	Jan 24
<i>Transport Infrastructure</i>		
Approved Awards and Allocations	149,340	150,999
Associated unallocated funds	19,229	17,459
Total Investment	168,569	168,458
<i>Housing, High Streets and Green Infrastructure</i>		
Approved Awards and Allocations	73,790	82,043
Associated unallocated funds	423	423
Total Investment	74,213	82,466
<i>Business and Skills</i>		
Approved Awards and Allocations	132,460	131,313
Associated unallocated funds	17,718	17,718
Total Investment	150,178	149,031
<i>Leverage Match Fund / Other</i>		
Funding put aside to respond to external funding opportunities	7,561	7,561
Approved Mayoral Combined Authority set up, operating, election and Gateway Review costs to 25/26	9,968	9,928
Provision for Inflation (see paragraph 2.6)	4,558	4,024
Headroom	11,953	5,532
Total Investment Programme up to March 2026	427,000	427,000

Funding for the period 26/27 – 27/28	60,000	60,000
Total funding to March 2028	487,000	487,000
Total Awards and Allocations post March 2026	16,543	16,543

Figure 2: Summary of Funding Approvals at this Committee

Para	Project/Programme	Amount (£000's)	Change to Headroom (£000's)	Running Headroom Balance (£m)
Position including decisions at the October 23 Committee				12.0
6	Culture West	1,500	-	12.0
13	Business Case for CRSTS 2 Submission	900	-	12.0
15	West of England Regional Transport Model	600	-600	11.4
17	CRSTS Mobilisation	670	-	11.4
19	Bristol Temple Quarter Regeneration Project	6,500	-6,500	4.9
20	Rail Electrification (Filton Bank)	200	-	4.9
27	Enhanced Evaluation for Investment Fund Gateway 2	215	-175	4.7
27	Impact of other change requests for schemes in the current programme	354	+354	5.0
28	One Public Estate Round 8 match funding	500	+500	5.5

Key Considerations

Local Growth Assurance Framework

- The Investment Fund, alongside City Region Sustainable Transport Settlement, falls within the scope of the [National Local Growth Assurance Framework](#) guidance. The way that these requirements are met in the West of England is set out in our Local Growth Assurance Framework. There is a requirement for the Combined Authority S73 officer to confirm annually by end of February that arrangements are compliant with the national guidance. The [West of England Local Growth Assurance Framework](#) has been updated to ensure it reflects changes to arrangements over the last year, including the granting of delegations and the streamlining of the business case process.
- It should be noted that a LEP integration process, initiated by Government, is underway with LEP functions anticipated to transfer into Mayoral Combined Authorities (or groups of local authorities where MCAs do not exist). The West of

England Mayoral Combined Authority is discussing the approach to this work with its partners across the West of England LEP. Any amendments to future governance and assurance arrangements will be carried out as required once these discussions have concluded and reflected in a further update of this Framework.

Recommendation1: to approve the updated West of England Local Growth Assurance Framework

Business Cases and Funding Applications

Culture West

6. At the West of England Mayoral Combined Authority Committee meeting in June 2023 an allocation of £1.5m was approved to support a Place Partnership funding bid to Arts Council England (ACE). The bid was successful in securing £1m from ACE and a Full Business Case has been produced to confirm the details to be delivered through this programme and the secure award of the Investment Fund match.
7. The Culture West project aims to create a step change for the region by increasing access to high quality arts and culture for all communities. The project aims to engage over 100,000 people and have live audiences of more than 270,000. The project has 4 key themes:
 - Building a more financially resilient creative and cultural sector through upskilling freelancers and creative organisations to access more work opportunities in education, health, environment and regeneration settings.
 - Through a Cultural Education Hub provide every child and young person in the West of England access to a high- quality cultural experience each year, in or outside their school.
 - Through a grants, commissioning and training programme, support 425 freelancers and create a regional network of employers and training providers supporting freelancers and creative workers at every stage of their career.
 - Retain, nurture and showcase diverse talent across the region through mentoring, business incubation, new festivals and commissioning.
8. Culture West has been shaped by the creative sector and responds directly to their needs and gaps in current provision. Further, planning has taken place with each of the unitary authorities and the delivery partners to fully embed the programme at a local level in a way that adds value to current services. The business case sets aside funding for further building local capacity. Oversight of the programme will be via a combination of the West of England Cultural Compact to ensure broad stakeholder engagement, and the Business and Skills Directors Group to ensure appropriate link up of regional and local activity.

9. The overall project value is £3.128m including the ACE and Investment Fund, contribution, together with £628k of partner match funding. The Assessment Summary Table is shown in Appendix 2 and the Full Business Case is published on the [website](#).

Recommendation 2: Approve the Culture West Full Business Case and to award £1.5m. To delegate the approval of grant giving to the West of England Mayoral Combined Authority's Strategic Director of Economy and Skills in consultation with Unitary Authority Economy and Skills Directors. In the event of a consensus not being reached at Director level, decision making will be escalated to the West of England Mayoral Combined Authority's Chief Executive Officer (CEO) in consultation with the Unitary Authority CEOs.

Somer Valley Links

10. Following an award of £1.033m development funding through the Transforming Cities Fund (TCF) and City Region Sustainable Transport Settlement (CRSTS), an Outline Business Case has been submitted for the Somer Valley Links project. This follows the submission and approval of a Strategic Outline Business Case (SOBC) in 2022. Somer Valley Links comprises a package of public transport and active travel interventions along the two key corridors (A37/A362, and the A367) between the towns and villages in the Somer Valley and Bristol and Bath. The project has been taken forward by the Mayoral Combined Authority in partnership with Bath & North East Somerset Council, who are now to take over the project management and delivery.
11. The project aspiration is to help transform the A37/A362 and A367 corridors from routes which are mainly designed for cars and only utilised by infrequent bus services, to multi-modal corridors, giving residents and visitors improved access to faster and more reliable bus services and improved walking and cycling options, providing genuine and improved travel choices. Through this, the bus user experience and patronage numbers should be improved, and walking, wheeling and cycling encouraged for shorter trips, for those who are able to do so.
12. Two packages of measures have been identified and appraised within the Business Case:
 - A Preferred Package, containing all the elements which were considered viable and likely to represent value for money. The Preferred Package does, however, exceed funding allocated to the project to date.
 - A lower cost alternative package aligned to the funding allocated to the project through the CRSTS programme secured to date. This package includes:
 - Multimodal transport hubs to improve access to the public transport network by active travel and (in some instances) car.
 - Bus priority measures to improve bus journey times and reliability.
 - High-quality walking, wheeling, and cycling routes to allow journeys on the corridor to be made by active travel and promote leisure use.

- Changes to the transport network to make best use of existing transport facilities.

13. Funding of £1.414m through CRSTS is sought to develop the scheme to Full Business Case with the delivery cost beyond this expected to be £15.843m, of which £12.713m is to be drawn from CRSTS and the balance through the local contribution from the Council. The Assessment Summary Table is shown in Appendix 3 and the Outline Business Case is published on the [website](#).

Recommendation 3: Approve the Outline Business Case for Somer Valley Links and to award £1.414m for B&NES to progress the lower cost alternative package to Full Business Case due for completion by March 2025, and to note the transfer of the project delivery to B&NES post resolution of this business case.

Business Case for City Region Sustainable Transport Settlement (CRSTS) 2 Submission

14. In October 2023 the government announced an indicative allocation of £752m for the West of England Mayoral Combined Authority for the second round of CRSTS, to cover the period from 2027/28 to 2031/32. Funding is required to support the formulation, shortlisting, prioritisation and business case appraisal for a robust package of schemes by Summer 2024. This will include how potential schemes and packages deliver against the West of England and Joint Local Transport Plan objectives, their deliverability, cost and value for money. A Feasibility and Development Funding [Application](#) has been produced by the West of England Mayoral Combined Authority to request £900k to develop the CRSTS 2 business case/submission by June 2024 for expected confirmation later that year. The funding includes £90k for the Unitary Authorities to meet their expected costs as part of this work. Planned activities would include:

- Review of CRSTS1 delivery including rebaselining already undertaken, progress of business cases, consultation, consents, implementation and phasing.
- Review of transport major scheme programme and scheme performance against decarbonisation criteria.
- Scenario formulation, and generation of long list of interventions taking account of the above and wider policy interventions to promote sustainable transport and longer-term development scenarios.
- Shortlisting of packages against strategic objectives, model outputs, deliverability and funding criteria.
- Confirmation of preferred infrastructure package, business case completion and submission for approval.

15. This funding could draw on the £2m balance of the funding allocated to support the CRSTS pipeline at the West of England Mayoral Combined Authority Committee in January 2022.

Recommendation 4: To approve the Feasibility and Development Funding Application for the CRSTS 2 package/business case for submission by June 2024 and the award of £900k, and to delegate the approval of the detailed scope of work to the West of England Mayoral Combined Authority's Strategic Director of Infrastructure in consultation with Unitary Authority Directors of Infrastructure. In the event of a consensus not being reached at Director level, decision making will be escalated to the West of England Mayoral Combined Authority's Chief Executive Officer (CEO) in consultation with the Unitary Authority CEOs.

West of England Regional Transport Model (WERTM)

16. Through the Investment Fund the West of England Mayoral Combined Authority has developed a new regional transport model to provide a robust evidence base across a wide range of schemes over the next 10 years. This will be used to support strategy development and Local Plans, business case development and submission and input into other mode assessments including rail projects and bus-based public transport corridors. WERTM requires ongoing management and enhancement to ensure it remains relevant and useable as a transport evidence base for policy and strategy, infrastructure and development schemes, and to secure transport investment from central government. In order to ensure the WERTM remains fit for purpose there is a need to undertake regular updates including the latest DfT Transport Analysis Guidance (webTAG) values, integrating highway and public transport network and service changes in the region, and undertaking and integration of new survey data.
17. A Feasibility and Development Funding [Application](#) has been produced by the Mayoral Combined Authority seeking funding for this maintenance, updating and enhancement of WERTM over the period to 26/27. The £600k funding sought would be drawn from the Investment Fund headroom.

Recommendation 5: To approve the Feasibility and Development Funding Application for the West of England Regional Transport Model and the award of £600k to support the use of the model until 26/27.

CRSTS Mobilisation

18. Recognising the resource challenge presented by the scale of the CRSTS programme, at the meeting of the West of England Mayoral Combined Authority in March 2023 £670k was awarded to South Gloucestershire Council from the Investment Fund to provide specialist resources to cover areas such as communications and engagement, property and finance, over the duration of the CRSTS programme. In addition, a similar allocation was made to Bath and North East Somerset Council with a delegation to approve a Feasibility and Development Funding Application granted to the West of England Mayoral Combined Authority Strategic Director of Infrastructure in consultation with the Directors of Infrastructure of the Unitary Authorities. An application has been submitted by Bath and North East Somerset Council for consideration under this delegation.
19. In March 2023, discussions were taking place as to how the projects in Bristol

were best resourced across the City the Council and the West of England Mayoral Combined Authority. However, it is now proposed that an allocation of £670k is made to Bristol City Council with a delegation for approval of the Feasibility and Development Funding Application to the Mayoral Combined Authority Strategic Director of Infrastructure in consultation with the Directors of Infrastructure of the Unitary Authorities. As with the previous awards, this funding could be drawn from balance of the funding allocated to support the CRSTS pipeline at the Mayoral Combined Authority Committee in January 2022.

Recommendation 6: To delegate the approval of a Feasibility and Development Funding Application for CRSTS mobilisation and the award of up to £670k to Bristol City Council to the West of England Mayoral Combined Authority's Strategic Director of Infrastructure in consultation with Unitary Authority Infrastructure Directors. In the event of a consensus not being reached at Director level, decision making will be escalated to the West of England Mayoral Combined Authority's Chief Executive Officer (CEO) in consultation with the Unitary Authority CEOs.

Bristol Temple Quarter Regeneration Project

20. As set out in a separate report on this agenda, a funding allocation of £6.5m is being sought from the Investment Fund to develop the Strategic Outline Business Case for Phase 2 of the Bristol Temple Quarter Regeneration project, alongside ensuring that the proposed Joint Delivery Vehicle (JDV) is adequately resourced to deliver the Business Plan across the regeneration area and to meet its obligations. This additional funding will be treated as a funding advance alongside the land contributions by the other JDV partners and the West of England Mayoral Combined Authority will be issued with a loan note. This is due to be paid back at the end of Phase 2, or earlier at the end of Phase 1 if Phase 2 does not proceed. This is currently anticipated in 2031. The £6.5m will need to be accommodated within the Investment Fund headroom.

Rail Electrification (Filton Bank)

21. As set out in the transport update report, a [funding application](#) has been prepared for initial feasibility and development work for Rail Electrification. This will test innovation/value engineering opportunities to reduce costs of electrification, initially focused on Filton Bank, together with other workstreams leading to the production of an Outline Business Case in 2025. The funding sought is £200k which could be accommodated from the balance of the funding allocated to support the CRSTS pipeline at the West of England Mayoral Combined Authority Committee in January 2022. Along with the Business Case for CRSTS 2 and CRSTS Mobilisation set out in paragraphs 13 and 17, this would reduce this balance to £230k.

Low Carbon Challenge Fund Extension

22. The Low Carbon Challenge Fund Extension Full Business Case was approved through delegation to the West of England Mayoral Combined Authority Chief Executive in consultation with the Chief Executives of the relevant Unitary

Authorities in January 2021. This included an allocation of £800k for the Local Energy Scheme and £300k for Green Business Grants from the Regional Recovery funding.

23. Under the Local Energy Scheme £250k was awarded to a solar array project at Fairy Hill, Compton Dando that will also provide community facilities and biodiversity – demonstrating that renewable projects can deliver biodiversity net gain. £77k has been awarded to Cleveland Pool in Bath for water source heatpump infrastructure to help heat the lido with renewable energy. Cleveland Pools is due to complete in 2023 and Fairy Hill in 2024.
24. For Green Business Grants, 12 businesses were awarded £102k for a range of energy saving projects that will make a total saving of 195 tonnes of carbon dioxide equivalent. Two projects remain to be completed.
25. In September 2022, additional funding for the Local Energy Scheme and Green Business Grants was secured through Committee approval of the Regional Low Carbon Delivery Programme Full Business Case from the Green Recovery Fund.
26. At the West of England Mayoral Combined Authority Committee in October 2023, a delegation for the approval of business cases and funding applications within the Green Recovery Fund was granted to the West of England Mayoral Combined Authority's Head of Environment in consultation with Unitary Authority Environment Directors. It is proposed that an equivalent delegation is granted to Directors for the £671k balance of the previously awarded Regional Recovery funding to harmonise the governance for the two funding strands.
27. This will support the delivery of £723k Local Energy Scheme funding for a third round, offering both capital and revenue funding, with 7 projects which would take up all this funding previously expressing interest. For Green Business Grants, the remaining funds will be used for a heatpump focused offer with an aim to create case studies of heatpump use in businesses to encourage wider take up.

Recommendation 7: To delegate the approval of applications for the residual balance of the Low Carbon Challenge Fund Extension project to the West of England Mayoral Combined Authority's Director of Environment in consultation with Unitary Authority Environment Directors. In the event of a consensus not being reached at Director level, decision making will be escalated to the West of England Mayoral Combined Authority's Chief Executive Officer (CEO) in consultation with the Unitary Authority CEOs.

Scheme Changes

28. The following projects within the Investment Fund programme seek a funding change which impacts on the headroom, as recommended for approval in the Delivery Assurance report on this agenda:
 - Enhanced evaluation activities for six schemes to support the Investment

Fund Gateway 2 process - £175k

- Additional funding for the following schemes - Midsomer Norton Market Square (£607k with £307k from the headroom and the balance from the provision for inflation), South Bristol Light Industrial Workspace (£234k from the provision for inflation) and Skills Connect (£50k).
 - Funding returned to the headroom from the following schemes - Portway Park & Ride (£204k), Access for All Mid-Tier (£16k) and Metrobus Consolidation (£491k).
29. At the West of England Mayoral Combined Authority Committee in December 2020, £500k was allocated to support a bid to the One Public Estate Round 8 (OPE8) programme. In April 2022, £250k of this funding was awarded through delegation to the Chief Executives to match fund planned activities through the successful application. Following the decision to pause work on the Spatial Development Strategy, this project has been halted. The West of England Mayoral Combined Authority has subsequently returned relevant grant funding to the Cabinet Office. The £500k Investment Fund match funding awarded and allocated has therefore been returned to the headroom.

Delegated Decisions

30. A delegation for the approval of business cases and funding applications through the Green Recovery Fund was granted to the West of England Mayoral Combined Authority's Director of Environment in consultation with the Unitary Authority Environment Directors in October 2023.

Green Futures Fund

31. A [Full Business Case](#) has been produced by the West of England Mayoral Combined Authority for a programme of activity to support young people to access green job opportunities in their future career. Building on pilots funded by the Careers Enterprise Company, this will involve all schools and Colleges in the area, and include:
- Production and dissemination of digital Labour Market Information and resources.
 - Delivery of large scale 'Green' Careers Events and Activities.
 - Teacher Continuous Professional Development (CPD) and Training.
 - Targeted support for students facing additional disadvantage.
 - 'Green' Experiences of the workplace.
32. The Business Case and the award of £300k was approved through the granted delegation in November 2023.

Regional Engagement on the Environment

33. A Feasibility and Development Funding [Application](#) has been produced by the West of England Mayoral Combined Authority in consultation with Unitary Authorities to draw down £150k from Green Recovery Fund (part of the

Investment Fund) to support the design phase of regional engagement. This will design and develop a programme of engagement and pilot some region wide conversations to accelerate action on reducing emissions, adapting to climate change and supporting nature recovery, helping achieve regional 2030 ambitions for net zero and nature in recovery. Activities will include training, the development of digital resources, and business and resident engagement pilots. Progress and next steps will be reported in February 2024.

Extension of Local Energy Advice

34. Building on a successful pilot, a Feasibility and Development Funding [Application](#) has been produced by the West of England Mayoral Combined Authority to draw on funding to provide local energy advice to residents. The £209k funding will resource freephone energy advice for West of England households struggling with their energy bills and keeping warm including advice and referrals on handling their energy bills and suppliers; advice on low and no-cost measures and behaviours to save energy; and advice and referrals on financial and other support services for those in poverty. A small proportion (up to £40k) will be used to engage and raise awareness of local energy advice support available.
35. The Regional Engagement on the Environment and Extension of Local Energy Advice applications were approved through the granted delegation in November. With these three awards the balance of the Green Recovery Fund not yet awarded to specific projects totals £7.8m.

Alternative Options Considered

36. The Place Partnership Programme [Full Business Case](#) includes a description of the options considered, noting that this funding forms part of a successful application to Arts Council England, and is therefore driven by the bid criteria. For the Somer Valley Links project an [Options Assessment Report](#) has been produced which sets out in detail how the preferred and low cost packages have been identified.

Consultation and Engagement

37. For Culture West, the application submitted to Arts Council England was co-created with over 150 regional based creative and cultural organisations, creative freelancers, cross sector partners including health, education and environment and the Unitary Authorities. A series of co-design sessions were held in February and May 2023 to ascertain regional need and priorities.
38. For the Somer Valley Links project, as part of the Strategic Outline Business Case, a seven-week virtual public and stakeholder engagement exercise commenced in November 2021 to gain an understanding as to the views of the public regarding their experiences of using the A37/A362 and A367 corridors. Further public engagement over a 6 week period, was undertaken in June 2023 as part of the Outline Business Case development, which was led by the Mayoral Combined Authority, working collaboratively with Bath & North East

Somerset Council. The outcomes from this engagement are set out in the [Engagement Report](#) which forms part of the Outline Business Case.

Key Risks

39. All project business cases are required to set out the way that risks will be managed and provide a risk register. All projects underway will maintain a specific risk register as part of the project management and monitoring arrangements.
40. For the Place Partnership Programme project, as set out in the [Full Business Case](#), the key identified risks relate to oversubscription of the freelancer fund, internal arrangements impacting on the speed and accuracy of the approvals and payments processes, and the freelancer fund not attracting a diverse range of applicants.
41. For the Somer Valley Links project, a quantified risk assessment has been produced to establish the risk provision allowed for in the project budget. As set out in the [Outline Business Case](#) the key identified risks are:
 - Schemes and/or packages demonstrate material negative Whole Life Carbon impacts, meaning that they do not contribute to net-zero objectives.
 - Material impact on the modelling results obtained at Outline Business Case as a result of refinement and use of the West of England Regional Transport Model at Full Business Case.
 - Revised design of the Wellsway scheme as a result of modelling and appraisal results, significant public consultation feedback, or both.
 - Lack of capacity in the delivery supply chain to construct the scheme within the timeframes required by the CRSTS programme.
 - Programme impacts arising from firming up the procurement strategy.
42. As set out in paragraph 3, £4.6m is allowed for in the programme to meet inflationary pressures.

Equality, Diversity and Inclusion Implications

43. For Culture West an Equality and Diversity assessment has been completed as is included in the [Full Business Case](#). In its preparation no negative consequences on groups with protected characteristics have been identified, largely due to the output of the programme and its targeted approach. However, it has been identified that there should be a range of approaches put in place to ensure that businesses owners and entrepreneurs from diverse backgrounds have equal opportunity to apply for a grant or join the business support programme. There is a specific action to ensure that the freelancer grant fund, creative commissions and business support programme are directly marketed to targeted diverse creatives and diverse business leaders.

44. For Somer Valley Links, distributional analysis has been undertaken to identify the impacts across different social groups including gender, age, disability and income against potential effects for accidents, security, severance and accessibility. The outcome of this assessment, as set out in the [Outline Business Case](#), provides largely 'slightly beneficial' or 'moderately beneficial' impacts across these groups and criteria, with no adverse impacts identified for these groups.

Climate Change Implications

45. The West of England Mayoral Combined Authority's Climate and Nature Strategy and Action Plan (CESAP) has been considered in the production of this report. Projects and proposals for investment have been reviewed and support the regions strategic aims.

46. For many of the projects considered within this paper, detailed work is ongoing, and it is imperative that the aims and objectives set out in the CESAP continue to be a central consideration of project delivery.

Finance Implications

47. The Investment Fund is 50% revenue and 50% capital. The spend and profile for the funding awarded to projects to date is set out in the table below.

£m		Funds Available to 22/23	Funds Available to 25/26	Spend to 22/23	Forecast			Total	Balance of spend against funds available to 22/23	Balance of spend and forecast against funds available to 25/26
					23/24	24/25	25/26			
Capital	IF	112.4	157.4	50.4	35.6	39.4	23.6	149	+62	+8.4
	TCF	80.0	80.0	80.0	0	0	0	80.0	-	-
Revenue	IF	105.0	150.0	59.5	31.9	21.7	7.4	120.5	+45.5	+29.5
Total		297.4	387.4	189.9	67.5	61.1	31	349.5	+107.5	+37.9

Notes: the figures exclude allocations. IF capital includes £7.4m one year succession to Local Growth Funding.

9.1 The Investment Fund programme includes some £40m of overprogramming which is included to seek to mitigate schemes not proceeding and project delay. Should projects fully deliver to plan within the current investment period then there would be a need to pause schemes pending the receipt of further funding or remove schemes from the programme.

9.2 The extension of the active investment programme to 27/28 would need to draw on £60m of funding expected to be released via the second Gateway Review. This process will not conclude until early 2026, and at this point in time the receipt of these funds cannot be fully guaranteed. This risk needs to be balanced against the option to await the outcome of the Gateway Review 2 process before extending the programme, but this would risk not having an

active programme for the period from 26/27 which could impact the next Gateway Review.

- 9.3 Supporting economic growth is central to this funding stream, and promoters are required to include an economic case within the Full Business Case for each scheme which sets out how the project will deliver benefits including creating jobs and GVA growth as well as delivering wider impacts. In line with agreed processes these business cases are published on the West of England Mayoral Combined Authority website at the point of decision making. In addition, the positive impact of the Investment Fund programme on supporting economic growth is tested through the Gateway Review process.

Legal Implications

48. There are no immediate legal implications from the update contained in this Report. However, further consideration of any potential implications will need to be considered as each project progresses.
49. From the information currently available, the following further legal implications, which are indicative and not exhaustive, will arise in respect of the identified projects:
- Culture West – appropriate grant funding agreements or terms and conditions will need to be drafted to govern the relationship between the Mayoral Combined Authority and the participants in the project.
 - Somer Valley Links – an appropriate Grant Offer Letter will need to be issued in respect of the proposed funding.
 - CRSTS Mobilisation – an appropriate Grant Offer Letter will need to be issued in respect of the proposed funding.
 - Rail electrification (Filton Bank) – a Development Services Agreement will be required with Network Rail.
 - Low Carbon Challenge Fund Extension – appropriate Grant Offer Letters will need to be issued in respect of the proposed funding.
 - Scheme Changes – variations to extant Grant Offer Letters will have to be issued in respect of the proposed changes.
 - Green Futures Fund – appropriate legal documentation will need to be finalised in respect of the proposed programme of activity.
50. An assessment will also be required regarding subsidy control considerations in respect of each of the projects.

Human Resources Implications

51. For situations that result in increased funding with the need for more staff resource than currently exists, HR will work with the relevant officer/lead to ensure the request to recruit approvals and Corporate Leadership Team approvals are in

place, followed by the West of England Mayoral Combined Authority's recruitment or agency process to appoint all posts – including fixed term, permanent, interim, agency or contractor.

52. Whilst not anticipated, in situations where funding is reduced, the West of England Mayoral Combined Authority's internal managing change and redeployment processes will be applied where applicable.

Land/property Implications

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

Commercial Implications

54. There are no immediate commercial implications from the update contained in this Report. However, further consideration of any potential implications may need to be considered as each project progresses.

Appendices

Appendix 1 – Investment Fund Programme

Appendix 2 – Culture West Assessment Summary Table

Appendix 3 – Somer Valley Links Assessment Summary Table

Background papers:

None

West of England Mayoral Combined Authority Contact:

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Appendix 1

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

Position as at:	Oct 2023	Jan 2024
<i>Feasibility Studies</i>		
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
10 Year Rail Delivery Plan and Strategic Rail Investment	720	720
Bus Service Improvement Plan and Enhanced Partnership	537	537
East Bristol Mini-Holland	79	79
Joint Local Transport Plan	1,250	1,250
West of England Regional Transport Model	-	600
<i>Business Case Development</i>		
Charfield Station	1,823	1,823
MetroWest Phase 1	13,520	13,520##
Future4WEST	3,361	3,361
Integrated Smart Ticketing	300	300
Local Cycling & Walking Infrastructure	100	100
Manvers Street Regeneration	250	250
Bus Infrastructure Programme and Park & Ride	3,802	3,802
Bristol to Bath A4 Strategic Corridor	1,549	1,549
Bath Quays Bridge Cycle/Pedestrian links	1,865	1,865
Scholars Way Walking and Cycling Route	152	152
Old City and King Street	609	609
East Bristol Liveable Neighbourhood	712	712
Yate Spur Phases 5 and 6	5,891	5,891
Fieldings Bridge	50	50
Bath Sustainable Walking & Cycling Links	62	62
Concorde Way / Dovercourt Depot	400	400
Grovesend Road / Gillingstool Corridor	870	870
Ring Road – Filton to MOD	145	145
Keynsham to Willsbridge Path	600	600
Electric Vehicles Charging Strategy	200	200
A37/A367 Sustainable Transport Corridor	562	562
Access for All Step Free Station Proposals Phases 1 and 2	386	386
Regional Cycle Hangers	100	100

Alveston Hill Cycleway	16	16
A432 Multi Modal Corridor	236	236
Walking and Cycling Scheme Development	200	200
Lockleaze Sustainable Transport Improvements	569	569
CRSTS Specialist Resource SGC	486	486###
A38 Multi Modal Corridor	361	361
Muller Road Eastbound Bus Lane	388	388
Business Case for CRSTS 2	-	900
Rail Electrification (Filton Bank)	-	200

Schemes in Delivery		
Real Time Information System Upgrade	559	559
Cribbs Patchway MetroBus Extension	27,161	27,161
Integrated Transport Authority Functions	1,000	1,000
On-Bus Contactless Bank Card Payment	416	416
Wraxall Road Roundabout Improvements	6,887	6,887
Future Transport Zone*	3,655	3,655
Yate A432 Park and Ride	4,651	4,651
On Bus Tap On, Tap Off	550	550
Metrobus Consolidation	1,828	1,337
A4 Portway Park & Ride Expansion	942	738
Access for All Mid-Tier	468	452
Bristol Bridge Signals Junction and Car Park VMS Project	510	510
Bedminster Green Highway Improvements Project	2,431	2,431
Arena Infrastructure Package	10,830	10,830
A4018 Corridor Improvements	700	700
Old Market Gap	283	283
SGC Sustainable Transport Package	668	668
Portway Station	2,050	2,050
SGC High Street	400	400
Emersons Green Local Transport Enhancements	537	537
MetroWest Phase 2	13,663	13,663#
Electric Vehicle Charging Infrastructure	4,900	4,900
Highways Maintenance	7,276	7,276

Allocations		
CRSTS Capacity Bath & North East Somerset Council	670	670
CRSTS Capacity Bristol City Council	-	670

Completed Projects	11,668	11,668
Total of all Awards and Allocations:	149,340	150,999
Associated Unallocated Funds	19,229	17,459
Future4WEST	13,639	13,639
Regional Operations Centre	175	175
Bristol to Bath Strategic Corridor	457	457
CRSTS Pipeline	2,000	230
Lockleaze Sustainable Transport Improvements	2,958	2,958
Total	168,569	168,458

Note: * Excludes DfT funding of £24.366m.

Excludes £6.245m for period from 26/27

Excludes £10.113m for period from 26/27

Excludes £184k for period from 26/27

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

	Oct 23	Jan 24
Feasibility Studies		
Bedminster High Street Improvement	275	275
Strategic Planning Shared Evidence Base	4,500	4,500
OPE8 Housing Enabling Fund	500	-
South Gloucestershire High Streets Catalyst Phase 2	225	953
Business Case Development		
Masterplanning: business case development	275	275
Masterplanning: Brislington and North Keynsham	250	250
Green Infrastructure	300	300
East Fringe Masterplan (including Junction 18a)	310	310
Frome Gateway and Bristol City Centre Delivery Plans	800	800
HREF – South Gloucestershire Council Capacity	750	750
Temple Quarter Infrastructure Programme	2,226	2,226
B&NES Housing and Regeneration Enabling Fund	750	750
B&NES Strategic Masterplanning	1,345	1,345
Development of the strategic evidence base to inform Spatial Plan Making	900	900
Bristol Avon Flood Strategy	482	482
Chew Valley Lake Recreational Trail (Northern Section)	150	150
Bath Creative Quarter	145	145
Milsom Quarter	2,475	2,475
Western Harbour Feasibility	2,839	2,839
Bristol Harbour Place Shaping Strategy	283	283
Bristol Temple Quarter Joint Delivery Team	6,863	6,863
Waterspace Connected Phase 1	296	296
City Centre Economic Development & Markets Development	165	165
Schemes in Delivery		
Whitfield Tabernacle Stabilisation Works	682	682
North Keynsham Land Acquisition Fund	5,975	5,975
Bath City Centre High Streets Renewal Project	1,490	2,323
Bristol City Centre & High Streets Recovery & Renewal	2,920	3,813
Bottle Yard Studios - Hawkfield Business Park	11,953	11,978
Kingswood Regeneration Project	1,613	1,613
Thornbury Hospital (Land Acquisition Fund)	3,806	3,806

Common Connections	999	999
Midsomer Norton High Street Market Square	1,095	1,702
Bath Local Centres High Street Improvement Scheme	295	295
Hengrove Park Enabling Works	19,831	19,831
Hanham High Street	394	394
Allocations		
LAF and DIF Repayments*	-18,012	-18,012
Bristol Temple Quarter Regeneration Programme	-	6,500
Completed Projects		
	13,900	13,900
Total of all Awards and Allocations:	73,790	82,043
Associated Unallocated Funds		
	423	423
Green Infrastructure	423	423
Total	74,213	82,466

Note: * Includes repayment for Bath Riverside, Thornbury Hospital site and repayable element for Bottle Yard Studios - Hawkfield Business Park.

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

	Oct 23	Jan 24
<i>Feasibility Studies</i>		
Cultural Strategy	60	60
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
Jobs Connect	200	200
HGV Driver Training Project	220	220
Cultural Compact Start-Up Investment	370	370
High Streets Strategic Review	25	25
Climate Emergency and Capacity	536	536
Local Nature Recovery Strategy	330	330
Local Energy Scheme Pilot	106	Complete
Retrofit Step Up Programme	200	200
Regional Engagement on the Environment	-	150
Extension of Local Energy Advice	-	209
<i>Business Case Development</i>		
Somer Valley Enterprise Zone and Infrastructure	1,820	1,820
Quantum Technologies Innovation Centre+	34,974	34,974
Energy Strategy Action Planning / Climate Change Planning	250	250
The Coach House BAME Enterprise Hub	97	97
West of England Visitor Economy Recovery Project	254	254
High Street Renewal Catalyst Fund	660	660
Bath Central Riverside	548	548
Green Recovery Fund Resources	375	375
Hanham Community/Skills Hub	105	105
Regional Evidence Portal Pilot	50	50
<i>Schemes in Delivery</i>		
Realising Talent	499	499
South West Institute of Future Technology	500	500
Business Innovation Fund	242	242
Workforce for the Future	4,171	4,171

WE Work for Everyone	1,300	1,300
Future Bright Plus	3,600	3,625
LIS Productivity Challenge Delivery Programme	3,557	3,602
South Bristol Workspace	319	573
Reboot West	720	720
Low Carbon Challenge Fund Extension	2,243	2,243
Innovation for Renewal and Opportunity	6,317	6,317
Small Business Resilience Grant Programme	837	837
Culture and Creative Economy Recovery Fund	2,000	2,000
Digital Skills Investment Programme	661	Complete
Community Support Fund	1,264	Complete
Bath River Line Phase 1	1,315	1,315
Community Pollinator Fund	2,258	2,258
Careers Hub 21/22 and 22/23-24/25	1,028	1,028
Business Growth and Adaptions Fund	1,500	1,500
Business Start Up School	500	500
Retrofit Accelerator	3,000	3,000
Regional Low Carbon Delivery Programme	4,995	4,995
Hydrogen Sustainable Transport Economy Accelerator	1,300	1,300
GRF Nature Recovery Bidding Round	4,373	4,373
GRF Renewable Energy Bidding Round	2,121	2,121
Skills Connect/All Age Advice Centre	2,285	2,335
Mayoral Priority Skills Fund	2,575	2,575
I-START Phase 0	1,458	1,458
Retrofit Accelerator – Supply Side	2,000	2,000
West of England Business Support Programme	5,834	5,834
Green Futures Fund	-	300
Place Partnership Programme	1,500	1,500

Allocations		
Green Recovery Fund	8,417	7,758
Economic Recovery Measures	3,349	955
I-START	130	130
Albion Dock	5,000	5,000

Completed Projects	7,586	9,658
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Total of all Awards and Allocations:	132,460	131,313
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Associated Unallocated Funds	17,718	17,718
Somer Valley Enterprise Zone	14,893	14,893
Bath River Line	2,377	2,377
I-START	449	449

Total	150,178	149,031
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Appendix 2: Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
Project Name	Culture West	Strategic Case	<p>The project aims to deliver a step change for the region by increasing access to high quality arts and culture for all communities.</p> <p>The project aims to respond to the needs of the creative and cultural sector driven by both regional and national evidence including addressing urgent sector skills shortages, fostering creativity at a young age to inspire young people to pursue a career and drive future growth in the creative industries, and to ensure the creative workforce is representative.</p> <p>In October 2023, the West of England Mayoral Combined Authority was successful in securing Place Partnership funding from Arts Council England to support the project.</p> <p>The project aligns with the Cultural Plan aims of having an innovative and inclusive talent development approach; increasing diversity, opportunity and connectivity; establishing the area as the place to innovate, grow and create; and extending the regions business support offer to help creative businesses adapt and survive.</p>	Funding Source(s)	Investment Fund
Scheme Promoter	West of England Mayoral Combined Authority	Subsidy Control	<p>The majority of grant funding will fall under Minimal Financial Assistance. Those grants issued over £100k will need to be registered on the UK Subsidy national database. In those circumstances where grants are being distributed by delivery partners, the West of England Mayoral Combined Authority will seek evidence that subsidy control assessment is being undertaken with applicants prior to any grant award.</p>	Approval Requested	Full Business Case

Date of Submission	25/5/23		It is forecast that that the programme will create 30 new full time equivalent jobs in the creative and cultural sector. This equates to GVA of £2.57m based upon Office for National Statistics West of England figures for GVA per job in 2021.		
Funding Requested	£1.5m (profiled £650k 23/24, £750k 24/25 and £100k 25/26)	Economic Case and Value for Money	<p>In addition, it is assumed that 80% of those creative freelancers and creative organisations taking part in the programme show a turnover increase between 5-10% over a period of 3 years, which yields £3m of additional GVA.</p> <p>When these impacts are added to the GVA expected to be derived from the development of new products and services and access to new markets (£710k) this gives an overall GVA uplift of £6.28m being twice the overall cost of the project.</p> <p>The business case and value for money has been signed off by the West of England Mayoral Combined Authority Strategic Director of Economy and Skills.</p>	Funding Award	£1.5m
Total Scheme Cost	£3.128m	Risk	<p>A risk register has been provided which identifies the key risks for the delivery of the project. The top risks presented are funding clawback due to lack of delivery or delay, freelancer grant fund oversubscription, failing to attract a diverse range of applicants for this fund, and poorly performing grant application and claims processes.</p> <p>The risk register should be developed and regularly reviewed to support the delivery of the project.</p>	Funding Recipient	West of England Mayoral Combined Authority
Match Funding %	52%	Delivery	<p>Funding of £1m is provided by Arts Council England together with £626k of public and private partner match funding.</p> <p>The Monitoring and Evaluation Plan is still to be finalised and this is to be completed in advance of payment to partners.</p> <p>It is planned to commence the freelancer grant programme in March 2024 with overall project completion in November 2025.</p>	Payment Basis	N/A

<i>Scheme Description</i>	<i>Recommendation to the Committee</i>	Approval of the Full Business Case
<p>The project has 4 key themes:</p> <ul style="list-style-type: none"> • Building a more financially resilient creative and cultural sector through upskilling freelancers and creative organisations to access more work opportunities in education, health, environment and regeneration settings. • Through a Cultural Education Hub provide every child and young person in the West of England access to a high- quality cultural experience each year, in or outside their school. • Through a grants, commissioning and training programme, support 425 freelancers and create a regional network of employers and training providers supporting freelancers and creative workers at every stage of their career. • Retain, nurture and showcase diverse talent across the region through mentoring, business incubation, new festivals and commissioning. 	<i>Conditions of Approval</i>	None

Record of Approval

<i>West of England Mayoral Combined Authority Committee</i>	
<i>Date of Meeting</i>	26 January 2024
<i>Decision</i>	

Appendix 3: Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
Project Name	Somer Valley Links	Strategic Case	<p>The project aims to help transform the A37/A362 and A367 corridors from routes which are mainly designed for cars and only utilised by infrequent bus services, to multi-modal corridors, giving residents and visitors improved access to faster and more reliable bus services and improved walking and cycling options.</p> <p>The project seeks to improve bus journey times and operational reliability, as well as improving access to the bus network for additional rural communities, through the introduction of mobility hubs.</p> <p>The scheme shows alignment with national, regional and local policies and strategies including the West of England Bus Strategy and Bus Service Improvement Plan.</p> <p>The business case presents two packages of measures:</p> <ul style="list-style-type: none"> • A Preferred Package, containing all the elements which were considered viable and likely to represent value for money. • A lower cost alternative package, containing elements of the preferred package aligned to the funding allocated to the project through the CRSTS programme secured to date. <p>The approval sought is to bring forward the lower cost package.</p>	Funding Source(s)	CRSTS
Scheme Promoter	Bath & North East Somerset Council (post OBC)	Subsidy Control	The scheme is not economic in nature	Approval Requested	Outline Business Case (OBC)

Date of Submission	2/10/23		The core scenario for the Lower Cost Alternative achieves a Benefit to Cost Ratio of 4.75, representing a Value for Money category of 'Very High'.		
Funding Requested	£1,413,663 (profiled £89k 23/24, £1.133m 24/25 and £192k 25/26)	Economic Case and Value for Money	Sensitivity tests have been undertaken which confirm that at least 'High' Value for Money could continue to be achieved under a number of scenarios where benefit levels are reduced. The business case and value for money has been signed off by the West of England Mayoral Combined Authority's Strategic Director of Infrastructure.	Funding Award	£1,413,663 capital (beyond previous development funding award)
Total Scheme Cost	£15.843m, of which £12.713m is expected to be funded through CRSTS	Risk	A Quantified Risk Assessment has been undertaken and £269k is included in the costings for risk for this stage (of the £3.06m within the overall scheme cost). Key identified risks include lack of public support for elements of the scheme, leading to a need for stronger evidence and consideration of redesign, mitigation of negative carbon impacts leading to additional costs and design work; and inflationary pressures increasing schemes costs.	Grant Recipient	Bath & North East Somerset Council
Match Funding %	0% for this stage	Delivery	The scheme will transfer to Bath & North East Somerset post OBC approval. At present a Design and Build procurement/contracting approach is proposed, although the rationale for this above a more traditional procurement approach for this particular scheme is not clearly set out and reflects previous assumptions that the Mayoral Combined Authority would deliver the scheme. A review of the procurement options now available should be undertaken prior to commencing procurement, and the risk register should be updated to include relevant commercial risks. It is planned to complete the Full Business Case by March 2025 with scheme completion expected in November 2026.	Payment Basis	Quarterly in arrears on expenditure incurred

<i>Scheme Description</i>	<i>Recommendation to the Committee</i>	Approval of the Outline Business Case
<p>The scheme involves the delivery of a package of measures including:</p> <ul style="list-style-type: none"> • Transport hubs at Pensford Temple Cloud, Farrington Gurney, Midsomer Norton, Radstock, Peasedown St John and Bear Flat. • Multimodal provisions at Odd Down Park and Ride. • New and extended bus lane and bus signal priority measures. • Walking and cycling improvements including a cycle route between Farrington Gurney and the Somer Valley Enterprise Zone. • Various bus stop improvements including pedestrian crossings. 	<i>Conditions of Approval</i>	None

Record of Approval

<i>West of England Mayoral Combined Authority Committee</i>	
<i>Date of Meeting</i>	26 January 2024
<i>Decision</i>	

