

## **DECISION OF WEST OF ENGLAND MAYORAL COMBINED AUTHORITY**

**DECISION OF:** WEST OF ENGLAND MAYORAL COMBINED AUTHORITY STRATEGIC DIRECTOR OF INFRASTRUCTURE AND STRATEGIC DIRECTOR OF CORPORATE RESOURCES FOLLOWING CONSULTATION WITH NORTH SOMERSET COUNCIL ASSISTANT DIRECTOR NEIGHBOURHOODS AND TRANSPORT.

**WITH ADVICE FROM:** NORTH SOMERSET COUNCIL HEAD OF TRANSPORT, AND WEST OF ENGLAND MAYORAL COMBINED AUTHORITY HEAD OF INTEGRATED TRANSPORT OPERATIONS.

**DECISION NO:** 2024-BSIP-10

**SUBJECT:** *WEST*local: Project Initiation and Approval of Funding for the Project

### **DECISION:**

For approval:

The allocation of £2 million of the Bus Service Improvement Plan (BSIP) Initiative I3 to fund *WEST*local.

### **1. BACKGROUND:**

1.1. *WEST*local is a pilot project which enables the public to design and submit proposals to operate community-led public transport solutions. Examples of the types of schemes include a bus route operated on a fixed route and timetable, a pre-booked minibus service, or a pre-booked flexible minibus service. Schemes are permitted to partner with bus operators or community transport operators. Schemes should:

- Introduce new provision rather than sustaining or supplementing schemes and services that are already in place.
- Operate not-for-profit, with any surplus reinvested in the scheme.
- Help reduce carbon emissions by moving people away from reliance on privately-owned cars.
- Demonstrate clear demand within the community for the service.
- Have a clear plan for ongoing monitoring and improvement during the funding period.

1.2. Once a proposal has been submitted, it will be evaluated by the project team. If a proposal passes criteria such as being innovative, locally designed, providing new transport opportunities with a clear demand and has a path to becoming more financially sustainable, it will be funded from the I3 budget. Any successful schemes will be partnered with the West

of England Combined Mayoral Authority (MCA) Transport Operations team to support delivery.

- 1.3. This project relates to two initiatives within the Bus Service Improvement Plan (BSIP): Initiative I1: Demand Responsive Transport (DRT) services to compliment the bus network and Initiative I3: More supported services. Initiative I3 sets out plans to increase support for non-commercial services and this is where the *WESTlocal* initiative can add value. It will also complement Initiative I1, ensuring bids are in areas with high demand, freeing up the DRT minibuses for other journeys.
- 1.4. The project launched in April 2023, with expressions of interest invited. Those who express an interest are invited to an informal meeting, following which they are provided with an application form, with applications assessed on a rolling basis. The final submission date for applications is 30 April 2024.

## **PROJECT DELIVERABLES:**

- 1.5. The introduction of new transport provision in a local community led by the public where an existing transport link does not currently exist is the primary deliverable of *WESTlocal*.
- 1.6. *WESTlocal* is acting as an assessor and evaluator in a grant awarding capacity. The applicants will be responsible for the delivery of the schemes and to provide the MCA and NSC with data to monitor the success of the project over the first year. This will then lead to an assessment and a decision as to whether the scheme could potentially continue for a second year (subject to funding and agreement by all stakeholders).
- 1.7. Project deliverables for *WESTlocal* are as follows:
  - Application process for interested parties.
  - Tranche 1 Applications – Launch of transport services become operational following a period of mobilisation – April 2024.
  - Tranche 2 Applications – Launch of transport services become operational following a period of mobilisation – September 2024.
  - Ongoing monitoring and evaluation of performance services and subsequent implementation of improvements.
  - Further funding for schemes beyond 31 March 2025 (subject to an extension of BSIP funding).

## **2. REASONS:**

- 2.1. *WESTlocal* is an innovative community-led transport scheme. As a pilot project, it will allow the MSC and NSC to develop their internal understanding and capability of locally derived transport schemes.
- 2.2. *WESTlocal* will allow the MCA and NSC to test the types of schemes that local residents think they need in their area. Monitoring and evaluation of these community-led schemes will allow us to assess the need for a public transport service in the scheme areas. I.e. do the passenger numbers warrant a new supported service, or conversely, so few passengers use

the service funding should be prioritised in different areas where the passenger numbers are higher.

2.3. *WESTlocal* will allow the MCA and NSC to develop grant funding processes for alternative types of transport projects.

2.4. *WESTlocal* is important for ensuring that the DRT offering is supported and meets the expectations of customers and communities, as well as supporting the wider goals of reducing congestion, improving air quality, meeting climate change targets, and promoting social inclusion.

**3. OPTIONS CONSIDERED:**

3.1. The options considered are outlined in the table below:

	<b>Option</b>	<b>Cost</b>	<b>Outcomes</b>	<b>Suggestion</b>
1	Do nothing	Nil.	<ul style="list-style-type: none"> <li>• <i>WESTlocal</i> project will not be delivered.</li> <li>• Applicants will not be awarded any funding, regardless of the quality of their bid. This may cause reputational damage for the authorities.</li> <li>• Reduced understanding of how to grant awards to publicly derived transport schemes.</li> </ul>	Reject this option
2	Give approval to initiate <i>WESTlocal</i> project	£2,000,000	<ul style="list-style-type: none"> <li>• Project is formally approved to deliver scope outlined in the Project Initiation Document (PID).</li> <li>• Mandate to draw down £2,000,000 from BSIP funding award.</li> </ul>	Approve this option.

**FINANCIAL IMPLICATIONS:**

**4. COSTS:**

4.1. The project cost is dependent on the quality and feasibility of the applications submitted.

4.2. The current deadline for applications is April 2024. At this point the *WESTlocal* project team will have an accurate understanding of total project forecast cost.

4.3. If there is forecasted underspend, then there will be a consideration as to whether *WESTlocal* initiatives can be funded for an additional year (as per the Department for Transport (DfT) guidance on an extension to spend BSIP funding for up to 31 March 2026) or it will be reallocated to another BSIP initiative providing there is approval with DfT to do so.

## **5. FUNDING:**

- 5.1. The project will be funded from Initiative I3: more supported services.
- 5.2. The allocated budget of £2m will be used to fund schemes until the end of the BSIP period (31 March 2025).
- 5.3. There are ongoing discussions regarding approval from the DfT to extend the window for spending BSIP funding, until 31 March 2026 (for an additional year). This will be reviewed for *WEST*local funding.

## **6. LEGAL POWERS AND IMPLICATIONS:**

- 6.1. This is a Key Decision which was included in the Forward Plan on 22 December 2023.
- 6.2. Delegated authority was given to the West of England Mayoral Combined Authority Strategic Director of Infrastructure and Strategic Director of Corporate Resources by a resolution of the Committee dated 1 July 2022.
- 6.3. Appropriate grant offer letters will need to be issued to successful applicants which will need to follow the relevant governance process.
- 6.4. It is unusual for applications for funding to be approved prior to the Officer Decision Notice (ODN) being finalised. Clearly, there is a risk that the ODN may not be approved which would mean that any payments made to successful applicants could be unlawful. [?](#)

## **7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS:**

- 7.1. *WEST*local is contributing to the improvement of public transport, which will help to reduce car dependency and the associated greenhouse gas emissions, air pollution and congestion. However, with any transport scheme there is the potential for environmental impacts, and these require assessment, reduction, mitigation and management. For example, there is likely to be greater carbon emissions per capita from underoccupied buses with internal combustion engines (ICE) than a smaller vehicle at capacity fuelled by a low carbon source (noting the need to ensure capacity for passenger growth to enable more people to switch from their private ICEs). Carbon impacts need to inform the assessment of proposals and the award of grants.
- 7.2. The MCA is developing its corporate carbon management plan and *WEST*local will need to ensure that the programme meets the carbon management plan requirements, including data provision.
- 7.3. The West of England Climate and Ecological Strategy and Action Plan sets out the environmental priorities for the region. In summary, these are net zero carbon by 2030,

nature recovery and climate resilience. The MCA is reflecting these environmental priorities in its infrastructure programmes by requiring (subject to exception):

- Carbon management plans and carbon accounting
- Environmental impact assessments (or non-statutory equivalents)
- Biodiversity net gain (BNG) assessments and delivery of at least 10% BNG
- Climate risk assessments

7.4. The MCA will be determining the criteria for justifiable exceptions to these requirements (for example relevance, proportionality and impact). *WESTlocal* should consider the relevance of these requirements, especially the carbon management plan, and budget for any requirements it needs to undertake.

7.5. In the criteria for assessing the proposals, *WESTlocal* should also consider connecting citizens to nature so that citizens can benefit from improvements to their physical and mental health and wellbeing.

## 8. CONSULTATION:

8.1. There has been no formal consultation. It is not a requirement of this project.

8.2. The *WESTlocal* project team have conducted informal meetings with applicants who have already submitted an application. These meetings were undertaken to ascertain additional information about the proposed scheme and provide high level feedback before the applicants submit their full application.

8.3. Consultation with key stakeholders is outlined in below:

<b>INFORMED:</b>
MCA: West of England Metro Mayor; Mayor's Office; Grant Assurance Team; BSIP Programme Board, <i>WESTlocal</i> Strategic Planning Steering Group, North Somerset Council Leader, Deputy Leader and Executive Lead for Highways and Transport.
NSC: Leader, Deputy Leader and Executive Lead for Highways and Transport.

<b>ACTIVE WITHIN PROJECT:</b>
MCA: Head of Integrated Transport Operations as BSIP Senior Responsible Officer, Head of Transport Strategy, BSIP Programme Managers, BSIP Project Managers, Transport Operation Officers.
Consultation has taken place with representatives from the following teams: Commercial, Environment, Finance and Legal teams and their comments have been incorporated in this document.
NSC: Head of Transport Planning as NSC Senior Responsible Officer, Transport Officers

<b>UA ENGAGEMENT:</b>
The aims and objectives of <i>WESTlocal</i> have been communicated to the Unitary Authorities (UAs) at the BSIP Programme Board.

Regarding UA support for the initiative, Bristol City Council stated they are sceptical about the initiative in terms of viability and challenged whether £2m could be spent within the timeframes, South Gloucestershire Council stated they neutral to the initiative, and Bath & North East Somerset Council stated they do not support the initiative.

A project update is shared with the UAs at the monthly BSIP Programme Board. Recently, the MCA invited UAs to separate meetings to provide an overview of the expressions of interest received within their respective areas. Bristol City Council opted not to attend, while South Gloucestershire Council and Bath & North East Somerset attended.

## 9. RISK MANAGEMENT:

9.1. Risks associated with the project are outlined in the table below:

	<b>Risks</b>	<b>Mitigations</b>
1	The Director Decision Notice (DDN) is not approved before schemes are approved and awarded.	DDN is being worked upon at pace to ensure it is completed by all contributors prior to sign off.
3	<i>WEST</i> local schemes that are approved between February 2024 and May 2024 will not be able to commence until September 2024 due to bus service change dates.	Clearly state the timescales to applicants when sending out the application so applicants are fully aware of the cut off dates for the Enhanced Partnership Scheme registration process.
4	Applicants may not have the technical knowledge available to complete application form.	MCA and NSC will be available to offer guidance and support.

## 10. EQUALITY IMPLICATIONS:

10.1. An Equality Impact Assessment (Appendix 3) for the *WEST*local project has been completed and the outcomes of the assessment are outlined in the table below:

<b>Protected Characteristics</b>	<b>Impact</b>	<b>Reason</b>
Age	Positive	Transport may be viewed as a safer or more reliable method of transport compared to others as the community have helped to design the service.
Disability	Positive	Transport may be viewed as a safer or more reliable method of transport compared to others as the community have helped to design the service.
Pregnancy & Maternity	Positive	Transport may be viewed as a safer or more reliable method of transport compared to others as the community have helped to design the service.
Gender reassignment	No impact	
Marriage and Civil Partnership	No impact	
Race, religion, and belief	No impact	

Gender	No impact	
Sexual Orientation	No impact	

**11. COMMERCIAL AND PROCUREMENT IMPLICATIONS:**

11.1. This initiative is being packaged as a grant to enable the public to submit community-led proposals for locally designed public transport services which may not have been considered by the MCA. Establishing clear metrics for evaluating the success of grant-funded projects is important for accountability and ensuring that the community receives the intended benefits. It is necessary to ensure that any regulatory requirements are considered prior to the award of such grants.

**SIGNATORIES:**

**DECISION MAKER(S):**

**Signed: Lucy Shomali, Director of Place, North Somerset Council**

**Date: 19/02/2024**

**Signed: David Gibson, Strategic Director of Infrastructure, West of England Mayoral Combined Authority**

**Date: 14/02/2024**

**Signed: Rachel Musson, Strategic Director of Corporate Resources, West of England Mayoral Combined Authority**

**Date: 15/02/2024**