

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

DATE: 15 MARCH 2024

REPORT TITLE: DELIVERY ASSURANCE

RESPONSIBLE OFFICER: STRATEGIC DIRECTOR OF RESOURCES

Key Decision

No, except for:

*Bristol City Centre Sustainable Corridor – additional drawdown of £3.175m
CRSTS from the allocation for the scheme*

Purpose of Report

To consider changes to schemes within the Investment Fund and City Region Sustainable Transport Settlement programmes against the agreed delivery assurance principles.

Recommendation

The Committee is asked to:

- 1) Approve the change requests for schemes within the current programmes as set out in Appendix 1.

Reasons for recommendation

Change requests outside of previously agreed tolerances for delegated decisions require Committee approval.

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.

Publication Requirements

For publication.

Background

1. At the West of England Mayoral Combined Authority Committee meeting in July 2022, a set of delivery assurance and budgetary principles were agreed to drive the delivery of projects and good practice. Key to the application of these principles is the establishment of a Portfolio Review Board (PRB) comprising the West of England Mayoral Combined Authority and Unitary Authority S73/S151 officers and Directors. An updated Terms of Reference of the PRB were agreed by the West of England Mayoral Combined Authority Committee meeting in January 2024.
2. At the West of England Mayoral Combined Authority Committee meeting in June 2018, it was agreed to delegate approval of changes within stated tolerances for schemes within the approved Investment Fund (IF) programme to the West of England Mayoral Combined Authority Chief Executive in consultation with the Chief Executives of the Unitary Authorities.
3. To support delivery of the City Region Sustainable Transport Settlement (CRSTS), a set of delegations were also agreed in September 2022 to the Mayoral Combined Authority Director of Infrastructure in consultation with the Directors of Infrastructure of the Unitary Authorities for schemes within the infrastructure portfolio. In October 2023, the Mayoral Combined Authority granted equivalent delegations to the Director of Environment in consultation with the Directors of Environment of the relevant Unitary Authorities for change requests for schemes within the Green Recovery Fund programme.

Key Considerations

Delivery Assurance

4. As reported to the Committee meeting in January, the Mayoral Combined Authority continue to work with Unitary Authority partners to strengthen project and programme management processes to support improved delivery. This has included a Health Check assurance process rolled out in the Infrastructure Directorate, and a line by line review initially focusing on these programmes, given the nature of the projects and their value, but to be rolled out across the entire portfolio.
5. At the Mayoral Combined Authority Committee in January, it was agreed that the Overview and Scrutiny Committee could have a role in supporting and reviewing current processes related to change management and delivery assurance. At the Overview and Scrutiny Committee meeting in February this was discussed, and it was agreed that Internal Audit be requested to undertake a review of these current processes, including the role of the Portfolio Review Board, and report back to the Overview and Scrutiny Committee.

Change Request for Schemes in the Current Programme

6. The PRB met in February and considered a number of change requests. These change requests were considered against the agreed delivery assurance and budgetary principles, and in particular those below:
 - *Where there is delay, it should not be assumed that funding can automatically be moved between years, or that if significant change occurs that funding automatically continues. A full impact assessment would need to be undertaken to ensure the financial and contractual impacts are clearly understood prior to final decision by the Committee.*
 - *Where projects are stalled or significantly delayed, redeploying those resources to projects that will provide more certain or immediate benefits should be considered.*
 - *For projects over a certain threshold with significant delays or cost increase, where there is no consensus amongst the Portfolio Review Board on whether to agree to the change or delay, then a separate report to the West of England Mayoral Combined Authority Committee will be prepared setting out the pros and cons.*
 - *All material changes to budget or profile should be challenged by the Portfolio Review Board. Formal submission of change requests should be preceded by updates and early warning, in order that the change and options can be understood and agreed.*
 - *Where programme delays are reported, change requests should set out the full extent of delays since that at original approval, and not just the latest change, together with the mitigation that has been, or will be, undertaken to avoid any further delays in future.*
7. The change requests recommended by the PRB for Committee approval are set out in Appendix 1. The following schemes request changes to their overall funding:
 - **Bath Creative Quarter** – additional £51k IF.
 - **Bristol City Centre Sustainable Corridor** – additional drawdown of £3.175m CRSTS from the allocation for the scheme.
 - **Yate Spur Phase 5 and 6** – additional £100k IF.
 - **Alveston Hill Cycleway** – additional £195k CRSTS from the allocation for the corridor.
 - **Step Free Stations** – additional drawdown of £1.696m CRSTS from the allocation for the scheme and swap of £209k IF for CRSTS
8. The following projects are seeking the approval of change requests, as set out in Appendix 1, to reflect significant delay to key milestones (more than 6 months) or reprofiling funding forward between financial years (£500k plus):

- **Bath River Line Phase 1** – reprofiling back £833k.
 - **Temple Meads Masterplan** – delay of 9 months.
 - **Development of the strategic evidence base to inform Spatial Plan Making** – delay of 6 months.
 - **Yate Spur Phases 5 and 6** – delay of 8 months.
 - **Alveston Hill** – delay of 8 months.
 - **A432 Multi Modal Corridor** – delay of 7 months.
 - **Step Free Stations** – delay of up to 15 months.
 - **Hydrogen Sustainable Transport Accelerator** - delay of 8 months
9. In addition to the 13 project change requests recommended for approval by the PRB shown in Appendix 1, a further four were deferred to the next PRB for full consideration of the request, pending the supply of further detail related to the changes.

Alternative Options Considered

10. All change requests are required to set out in detail the full range of options considered and the reason the preferred option has been identified.

Consultation and Engagement

11. Engagement has taken place with officers in the West of England Mayoral Combined Authority and Unitary Authorities including consideration at the Portfolio Review Board. The Board supported the approval of the change requests set out in Appendix 1 of this report.

Key Risks

12. Project business cases set out the way in which risk will be managed and include a risk register identifying key risks to project delivery. These business cases are published at the point of approval by the West of England Mayoral Combined Authority Committee.
13. All projects underway maintain a specific risk register as part of the project management and monitoring arrangements. Key risks are included in regular Highlight Reports

Equality, Diversity and Inclusion Implications

14. For projects seeking funding through the Investment Fund, scheme promoters are required to include an equality and diversity assessment and plan as part of their Full Business Case. These assessments are published as part of the business case at the point of approval by the West of England Mayoral Combined Authority Committee.

Climate Change Implications

15. Delivery at pace is critical to tackle both the nature and climate emergencies. An increasingly robust governance process is being implemented to ensure quality and timely delivery of our projects and programmes, which is critical. Delays and changes to spend for key projects that are working to tackle the environmental challenges we face are of concern. On this occasion each of the change requests has been reviewed and supported.

Finance Implications

16. The financial implications of the change requests detailed within this report are affordable within the overall funding as previously approved by the West of England Mayoral Combined Authority Committee

Legal Implications

17. Each approved Change to a project will need to comply with any provisions for change contained within relevant legal documentation. Legal Services will provide Project Teams with legal support in relation to each approved Change to ensure compliance with legal and governance requirements.
18. Bristol City Centre Sustainable Corridor – additional drawdown of £3.175m CRSTS from the allocation for the scheme is a Key Decision.

Human Resources Implications

19. In situations where funding is reduced, with implications of reducing the workforce on a specific project, the Mayoral Combined Authority's internal managing change will be applied, with options of redeployment and/or redundancy where appropriate. The Mayoral Combined Authority will aim, as a priority, to redeploy staff into suitable alternative roles and avoid redundancy as a first solution.
20. Any change that will have a financial implication through redundancy will be signed off first in principle by the Strategic Director of Resources, appropriate Strategic Director/senior leader and the Director of People & Assets.
21. For situations that result in increased funding with the need for more staff, any Corporate Leadership Team (CLT) approved posts (fixed term/permanent) and interim/agency staffing will be recruited to, supported through the Human Resources team, through recruitment or agency processes.
22. For situations that require a restructure of a directorate or service, this will be led by either the Strategic Director or relevant Senior Lead, supported by Human Resources, and in line with the Mayoral Combined Authority's Managing Change policy and process, including engagement with the Union, and with overall approval by CLT.

Land/property Implications

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

Commercial Implications

24. There are no commercial implications in this report. We must ensure that all approved change requests are properly managed and deliver value for money outcomes. Where any funding is with third parties the Commercial team will ensure the procurement strategy and approach will ensure value for money is a key component of any decision.

Appendices

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

Background papers:

None

West of England Mayoral Combined Authority Contact:

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Appendix 1

Change Requests for Schemes within the Current Programme Recommended for Approval

Bath & North East Somerset Council

Project	Bath Creative Quarter
Funding awarded	£145,200
Source:	Investment Fund (IF)
Cost/Spend:	Request for an additional £50,714 taking the IF total from £145,200 to £195,914. Additional £20k match funding taking the overall project costs to £215,914 Reprofiling £13.5k from 22/23 and 23/24 into 24/25 Revised Profile: total IF £195,914 profiled as £28,189 22/23, £103,511 23/24 and £64,214 in 24/25
Milestones:	2-3 months delay across 4 milestones including the stage two report from Jan 24 to Mar 24 and final reports delayed from Jan 24 to Apr 24.
Stated reason for change: Delays securing a consultant impacted the original market analysis and operational model for Bath Artists Studios which is now underway with new consultants and due for completion in Mar 24. The Funding Strategy will commence once full account of the findings can be taken. The cost increase is due to the need for the Engagement Strategy and Creative Quarter Spatial Masterplan to achieve planning policy status which was not costed into the original budget but is required for the Outline Business Case (OBC).	

Project	Bath River Line Phase 1
Funding awarded	£1,164,821
Source:	IF
Cost/ Spend:	No change to overall funding. Reprofiling £833k from 23/24 to 24/25. Revised profile £19k 22/23, £134k 23/24 & £1.012m 24/25. Revised split between cost categories.
Milestones:	Delay of up to 5 months across several milestones including Construction Start to May 24, with no change to project completion.
Stated reason for change: Delays due to the need to procure additional surveys (topographical and tree assessments) to enable progression of the design coupled with delays with responses from third party landowners. In addition, the extension in the size and scope of the Windsor Bridge element has added significant complexity due to the requirements to discharge planning conditions, design changes resulting from site conditions discovered during demolition and liaison with the Canal River Trust and Environment Agency over access requirement at the site.	

Bristol City Council

Project	Reboot West
Funding awarded	£720,000
Source:	IF
Cost/ Spend:	No change to overall funding. Reprofiling £6k from 22/23 to 23/24 Revised profile £106k 21/22, £297k 22/23, £281k 23/24 and £36k 24/25
Stated reason for change: Reprofiling to reflect actual spend in 22/23.	

Project	Temple Meads Masterplan
Funding awarded	£1.725m grant funded to Bristol City Council
Source:	IF
Cost/Spend:	No change to overall funding. Reprofiling £155k from 21/22 into 22/23 and 23/24 Revised profile £161k 18/19, £423k 19/20, £579k 20/21, £408k 21/22, £79k 22/23 and £75k 23/24, total £1.725m.
Milestones:	9 months delay to completion of the feasibility study from Sep 22 to May 23.
Stated reason for change: Capacity issues caused by changes in personnel within the Team and delays in recruitment, resulted in it not being possible to proceed with the Development Framework consultation and engagement work as planned.	

South Gloucestershire Council

Project	Development of the strategic evidence base to inform Spatial Plan Making
Funding awarded	£900,000
Source:	IF
Cost/ Spend:	No change to overall funding Reprofiling £366k from 23/24 to 24/25 Revised profile £198k 22/23, £336k 23/24 and £366k 24/25
Milestones:	Delays of up to 6 months across several milestones including Delivery of full West of England Regional Transport Model (WERTM) and Key Scheme Option Assessment Reports to Mar 23 and Jun 24 respectively.
Stated reason for change: Delay in completion of the transport assessment due to dependencies on WERTM which has required updates and sign off from key stakeholders, requiring additional work which has impacted timescale and the spend profile.	

Project	Hanham Community/Skills Hub
Funding awarded	£105,000
Source:	IF
Cost/ Spend:	No change to overall funding. Reprofiling £35k from 23/24 to 24/25 Revised profile £27k 23/24 and £78k 24/25
Scope:	Repurposing funding to options assessment and business plan/case development to inform a sustainable business model to enable the delivery of a community/skills model across high streets in South Gloucestershire.
Milestones:	Additional milestones including Final Options Report and Business Plan Jul 24 and Project Completion Mar 25.
<p>Stated reason for change: Funding was awarded to develop a business case for a community/skills hub in Hanham at, then vacant, premises on the High Street. Subsequent investigation revealed that despite the premises being vacant for a significant time, there was an interested party looking to occupy the building. Therefore, this unit is now occupied. Whilst this is a welcome use for the building, these premises are now unlikely to be available for use as a future community/skills hub. As a result, it was necessary to re-consider the scope of the project.</p>	

Project	South Gloucestershire Housing Regeneration Enabling Fund (HREF)
Funding awarded	£750,000
Source:	IF
Cost/ Spend:	No change to overall funding Reprofiling £286k from 23/24 to 24/25 Revised profile £145k 22/23, £236k 23/24 and £369k 24/25
Scope:	Revised scope to continue to focus on a key housing/mixed use opportunity within the Town Centre and Yate Station sites and not the former regeneration site focus.
Milestones:	Additional milestones including submission of a full planning application for the town centre regeneration site (Dec 24) and determination of planning application (Mar 25).
<p>Stated reason for change: Following the local elections, it was necessary to allow time for the newly elected administration and Local Members to consider the work that had been undertaken on the HREF projects and agree the next steps.</p> <p>In addition, a new 5 year lease was signed by the current occupiers of the Yate Regeneration site. The Council will be continuing to monitor the occupancy of the site and assess any future involvement and opportunities for the re-development of the site.</p> <p>The above has resulted in a delay to the original project programme, in particular the progression of the Yate library project.</p>	

Project	Yate Spur Phases 5 and 6
Funding awarded	£645,500
Source:	IF
Cost/ Spend:	Request for an additional £100k IF Revised profile £68k 21/22, £45k 22/23, £533k 23/24 and £100k 24/25, total £745,500
Milestones:	Delay of up to 8 months across several milestones including Full Business Case (FBC) submission to Jun 24.
<p>Stated reason for change: Additional budget is requested, £50k for project management (including consultancy work) between FBC submission and approval and a further £50k to cover cost of intrusive surveys given historical coal mining activities have been identified along sections of the route.</p> <p>To address the uncertainty of land negotiation timescales a Compulsory Purchase Order (CPO) process is being initiated which will impact on the FBC submission date. Negotiation will continue with work on the CPO process in parallel and a further change request may be required if CPO is necessary.</p>	

Project	Alveston Hill Cycleway
Funding awarded	£533k
Source:	Transforming Cities Fund (TCF)/CRSTS (City Region Sustainable Transport Settlement)
Cost/ Spend:	Request for an additional £195k CRSTS from the allocation Revised profile £16k TCF 22/23, £558k CRSTS 23/24 and £154k CRSTS 24/25, total £728k
Milestones:	Delay of up to 8 months across several milestones including FBC submission to Jun 24.
<p>Stated reason for change: The scheme requires negotiation with three third party landowners and there has been delay in communication with one, leading to extension of land acquisition elements of the FBC programme.</p> <p>Additionally, the submission of a planning application has been delayed following presentation to local Members and the need to undertake further consultation on the highway sections of the route. This has resulted in delays to key milestones including detail design and submission of FBC.</p> <p>A total of £195k from CRSTS budget is requested to cover additional ecological, arboriculture and drainage Closed Circuit Television surveys, and Ecological Impact Assessment. These funds will also be used for consultancy and project management costs as a result of extended programme.</p>	

Project	A432 Multi Modal Corridor
Funding awarded	£2.277m
Source:	TCF/CRSTS
Milestones:	Delays of up to 7 months across all milestones
<p>Stated reason for change: Due to design and decision pathway delays, along with an unanticipated closure of the M4 Overbridge on the A432, several sections included in the OBC have not progressed as originally planned, leading to a split in the consultation for the corridor and associated design. A split FBC is being proposed that looks at delivering different sections to mitigate against these delays, allowing for completed sections to go forward for funding, and further phased construction delivery. This also acknowledges the desire for approval of scheme sections for construction to be delivered that aligns with the current M4 overbridge closure.</p>	

West of England Combined Authority

Project	Step Free Stations
Funding awarded	£1.109m
Source:	£250k IF, £136k TCF and £723k CRSTS
Cost/Spend:	Request for an additional £1.696m from the CRSTS allocated delivery budget ahead of the FBC submission increasing the total development costs from £1.109m to £2.805m. Swapping £209k from IF to CRSTS reducing the IF budget from £250k to £41k and increasing CRSTS from £723k to £2.628m. Revised profile £41k (IF) up to 21/22, £136k (TCF) 22/23, £384k (CRSTS) 23/24, £989k (CRSTS) 24/25 and £1.255m (CRSTS) 25/26, total £2.805m.
Milestones:	6-15 months delay across 9 milestones including completion of the Outline Design from May 24 to Apr 25 and FBC approval delayed by 15 months from Oct 24 to Jan 26. Addition of a new milestone for submission of planning consent scheduled for Apr 25
<p>Stated reason for change: Additional funding requested to support the revised development programme costed by Network Rail which involves expediting detailed design activities ahead of the FBC submission rather than the outline design. Milestone delays were primarily to account for the need for a detailed Mining Risk Assessment due the site being deemed 'high risk' after the initial assessment. Lawrence Hill can now be deemed 'low risk' allowing Network Rail to finalise plans for the next stage.</p>	

Project	Bristol City Centre Sustainable Corridor (originally part of the Bus Programme)
Funding awarded	£675k (plus £325k pending Infrastructure Directors approval)
Source:	TCF/CRSTS
Cost/ Spend:	Increase of £3.175m to overall CRSTS funding Revised profile £36k (TCF) 21/22, £539k (TCF) £352k (CRSTS) 22/23, £661k (CRSTS) 23/24, £2.587M (CRSTS) 24/25, total £4.175m
Stated reason for change: Request to draw down a further £3.175m from the project's CRSTS allocation to enable the project to complete the business case development phase for the project work packages - Temple Way Bus and Cycle Lanes, Bond Street; Newfoundland Circus and a parallel cycle route; Redcliffe Roundabout and Pippen Street; and Bedminster Bridges and Union Street sections.	

University of Bath

Project	Hydrogen and Sustainable Transport Economy Accelerator
Funding awarded	£1.3m
Source:	IF
Cost/ Spend:	No change to overall funding. Reprofiling £61k IF from 22/23 to 23/24 Revised profile £46k 22/23, £544k 23/24, £495k 24/25, £194k 25/26 and £21k 26/27, total £1.3m
Milestones:	Delay to a number of milestones including Research Programmes Commence (8 months to Dec 23) and Cryogenic Generator Operational (7 months to Jan 24). Inclusion of additional milestones including Mezzanine ready for occupation (Aug 24).
Stated reason for change: Delay to the final funding award and changes to the scope of the project including the relationship with the Strategic Research and Innovation Capital Investment (SRICI) project. Switch of funding between the elements within the time limited Research England funding with the IF deployed to support the mezzanine build and battery emulation system procurement.	