

**REPORT SUMMARY SHEET
WECA BUSINESS PLAN 2019/20**

Purpose

To present the 2019/20 WECA Business Plan for approval.

Summary

- The WECA Business Plan covers activity during each financial year to support WECA and the Local Enterprise Partnership.
- The Business Plan continues to support delivery of the WECA Operating Framework and sets out key deliverables for skills, business support and infrastructure, as well as enabling corporate activities.
- It is recognised that the 2019/20 Business Plan will need to be informed by the Local Industrial Strategy. The target date for the completion of the Local Industrial Strategy is Summer 2019; the Business Plan will be reviewed and updated as appropriate on completion of the strategy.
- Important work is progressing on an equality and diversity framework.
- As part of WECA's overall performance management and reporting framework, quarterly progress updates on the Business Plan will continue to be brought to the WECA Committee and the Joint Committee.

Recommendation

That the WECA Business Plan for 2019/20 is approved.

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Position: Head of Performance, Planning & Projects

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REPORT TO: WECA and JOINT COMMITTEE

DATE: 1st FEBRUARY 2019

REPORT TITLE: WECA BUSINESS PLAN 2019-2020

DIRECTOR: JESSICA LEE, HEAD OF STRATEGY & POLICY

**AUTHOR: LYNDA BIRD, HEAD OF PERFORMANCE,
PLANNING & PROJECTS**

Purpose of Report

- 1 To present the West of England Combined Authority Business Plan for 2019-20.

Recommendation

- To approve the West of England Combined Authority Business Plan for 2019-20.

Background / Issues for Consideration

- 2.1 The West of England Combined Authority Business Plan covers activity during each financial year to support WECA and the Local Enterprise Partnership.
- 2.2 The business plan covering activity over 2018/19 was agreed by WECA and the Joint Committee on 1st June 2018. This has been refreshed in parallel with the 2019-20 budget planning.
- 2.3 The business plan supports delivery of the operating framework which was agreed by WECA and the Joint Committee on 18th April 2018. It sets out the key deliverables during 18/19 for skills, business support and infrastructure, as well as the enabling corporate activities
- 2.4 It is recognized that the 2019-20 Business Plan will need to be informed by the Local Industrial Strategy. The target date for completion of this, including sign off by the Secretary of State, is Summer 2019 and we will review and update the business plan as appropriate on completion of the Local Industrial Strategy.
- 2.5 Regular reporting on progress in delivering against the business plan is a key element of WECA's overall performance management and reporting framework which was reviewed by Audit Committee on 8th November. We will continue to bring quarterly updates on progress to WECA and Joint Committee.
- 2.6 Work is progressing on an equality and diversity framework and an annual report will be brought to the Annual General Meeting.

Consultation

- 3 Drafts of this report have been shared with the West of England Directors and Chief Executives. An update will be provided to the West of England Local Enterprise Partnership Board.

Other Options Considered

- 4 None

Risk Management/Assessment

- 5 WECA's Risk Management Framework was discussed by Audit Committee in November 2018 and has now been formally adopted. The key risks to delivery of the business plan are highlighted in the Corporate Risk Register and are provided in Appendix 2 to this report. These are reviewed on a monthly basis by the WECA Senior Management Team.

Public Sector Equality Duties

- 6 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- 6.1 The Act explains that having due regard for advancing equality involves:
- Removing or minimising disadvantages suffered by people due to their protected characteristics.
 - Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
 - Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
- 6.2 The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review
- 6.3 Work is underway to develop an Equalities Framework for WECA and details of this will be included in the first annual equalities report to the Annual General Meeting.

Finance Implications, including economic impact assessment where appropriate:

- 7 Activities within the 2019/20 business plan are aligned with the budget proposals being discussed by the Committees on 1st February 2019. There are no additional financial implications arising from this report.

Advice given by Malcolm Coe, Director of Investment and Corporate Services

Legal Implications:

- 8 The business plan provides a framework for WECA to implement devolved decision making. Consultation and consideration of relevant statutory duties will be undertaken as appropriate throughout the decision making process.

Advice given by: Shahzia Daya, Director of Legal Services

Land/property implications

- 9 None arising from this report, but the impact of individual schemes will be assessed through existing planning processes.

Advice given by: David Carter, Director of Infrastructure

Human Resources Implications:

- 10 Activities within the 2019/20 business plan will be supported through existing resources as included in 2019/20 budget. Where individual projects may have workforce implications these will be identified and discussed with relevant Directors to ensure any management of change is undertaken according to policy and best practice.

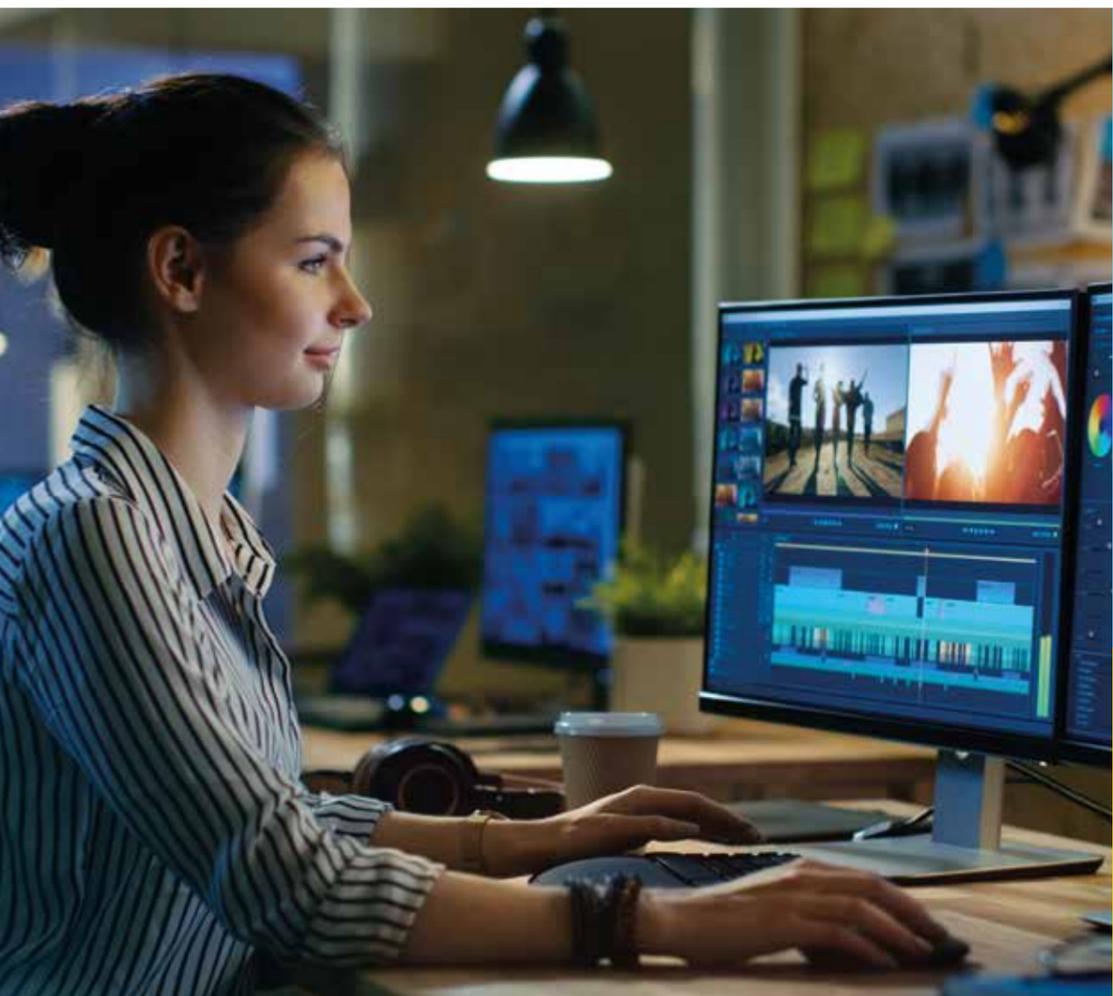
Advice given by: Alex Holly, Head of Human Resources

Background papers: None

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the contact officer for the meeting who is Ian Hird / Tim Milgate on 0117 332 1486; or by writing to West of England Combined Authority, 3 Rivergate, Temple Way, Bristol BS1 6ER; email: democratic.services@westofengland-ca.gov.uk

BUSINESS PLAN 2019-20



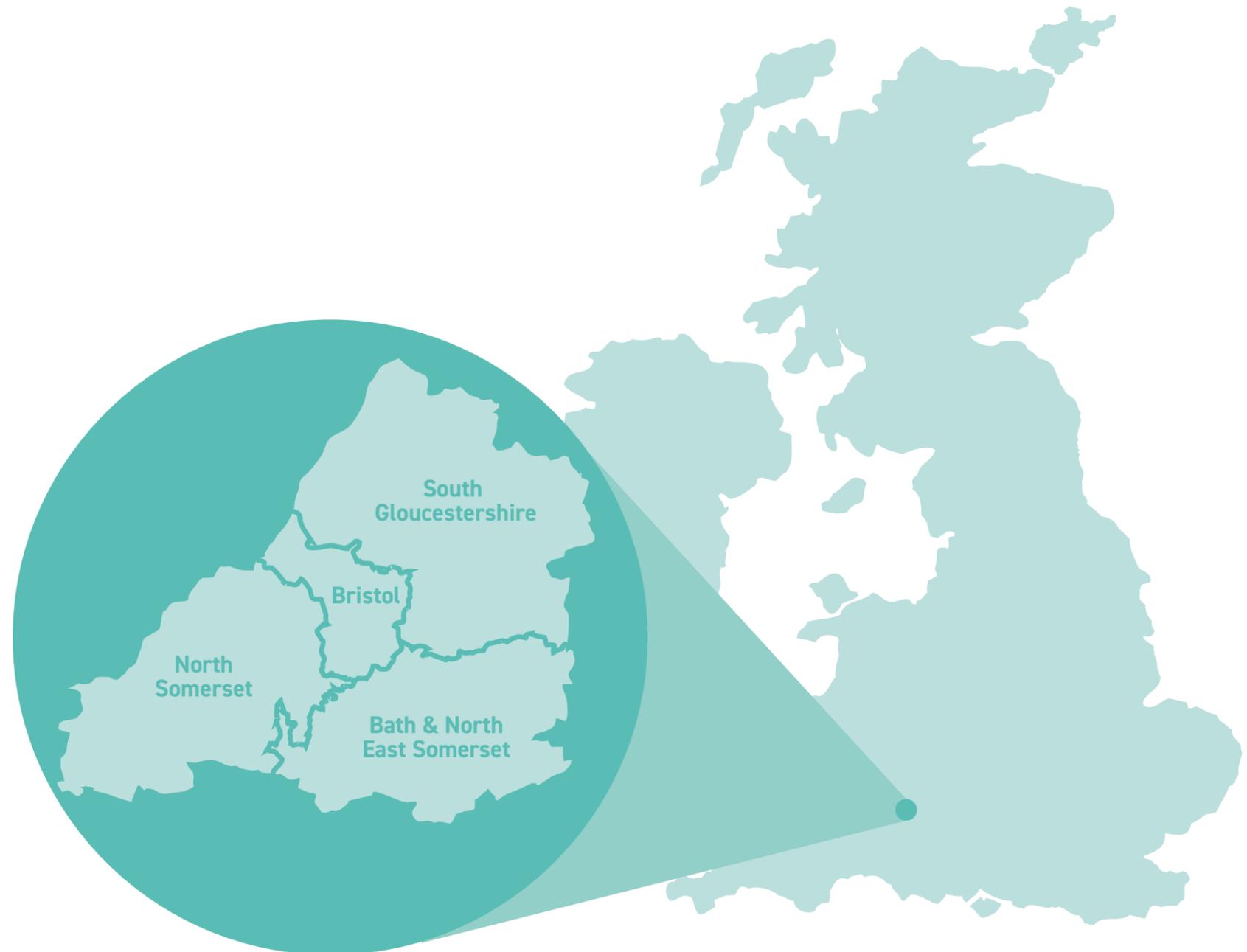
INTRODUCTION

The West of England is one of the UK's most prosperous regions with an economy worth over £33.2 billion a year. A net contributor to the national purse, with a population of over 1 million and over 43,000 businesses, our region competes on a global scale.

This document sets out our business plan for 2019-2020. It builds on our current business plan and supports our aspiration to be a driving force for clean and inclusive economic growth in the West of England. The activities included in the business plan aim to ensure that people benefit from more job opportunities, a stronger economy and a high quality of life.

In 2016, three councils in the West of England – Bath and North East Somerset, Bristol and South Gloucestershire – signed a devolution deal worth £1 billion. As a result, significant powers and funding have been transferred to the region through the new West of England Combined Authority (WECA) and West of England Mayor.

WECA also provides support to the activities of West of England Local Enterprise Partnership (LEP), which includes North Somerset Council.





OPERATING FRAMEWORK

The operating framework sets out our priorities for clean and inclusive economic growth and forms the basis of WECA's annual business plan for 2019-2020.

The operating framework (see page 15) identifies three priority areas: Infrastructure fit for the future, World class skills and Businesses that succeed.



BUSINESS PLAN

The business plan on the following pages sets out the key activities that WECA will deliver over the 2019-2020 period. It builds on our current business plan, and sets out how we will continue to bring investment into transport, homes and skills. This will ensure the West of England is at the forefront of growth and innovation, a region where economic, cultural and environmental diversity is celebrated and forms the foundations of prosperity for all.

The plan is structured around the three strategic aims identified in the operating framework and is focused on 2019-2020, however it contains some reference to activity that will continue in the coming years.



WORKING TOWARDS A LOCAL INDUSTRIAL STRATEGY

The West of England has been working closely with Government to produce its Local Industrial Strategy with a view to completing work on this in early Summer 2019. Once the Local Industrial Strategy is finalised we will develop an implementation plan to take forward immediate actions and to inform the 2020-21 Business Plan.



FINANCIAL STRATEGY

The medium-term financial plan, available on our website, summarises the financial considerations for WECA over the next five years. It covers funding sustainability and aligns investment proposals with the operating framework and our key financial challenges and opportunities.

We will continue to work on the integration of the various funding streams available to the West of England, incorporating the Investment Fund, Transforming Cities Fund, Economic Development Fund, Local Growth Fund, Housing Investment Fund and Business Rates Retention in order to build a longer-term strategic approach to financial planning.



WORKFORCE AND ORGANISATIONAL DESIGN

WECA is built around the principle of operating as efficiently as possible, maximising opportunities for collaboration with our constituent councils and other partners, and securing external project funding wherever possible.

Our workforce strategy is closely linked to the business plan and financial strategy to ensure that WECA has the skills and resources it needs to deliver now, and into the future.

INFRASTRUCTURE

We need joined-up and reliable transport, to reduce congestion and help people move around the region. This includes suburban rail services, road schemes and improved public transport, as well as better connections for motorbikes, cyclists and pedestrians. This will support the delivery of new homes, as set out in the Joint Spatial Plan (JSP). Better, more affordable and resilient transport will also support inclusive growth by improving access

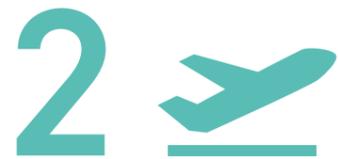
to jobs, linking new homes and communities with employment areas.

We will continue to work closely with Government to develop an ambitious Housing Deal, to secure extra investment to accelerate the delivery of new homes, including affordable homes, particularly over the early years of the JSP.

Our activities are aligned with five objectives:



Better links to reduce congestion and connect people



Improve national and international connections



Enabling the required housing growth in the region promoting affordability and an appropriate housing mix



Employment spaces to meet the needs of all businesses and communities



World-leading digital connections across the region



Better links to reduce congestion and connect people

Suburban rail and MetroWest	Develop plan, with Department for Transport, Network Rail and Great Western Railway, to significantly increase rail usage, as part of a comprehensive approach to public transport investment, including the delivery / joint delivery of key schemes such as MetroWest Phase 1.	
Bristol Temple Meads	Continue to work with Network Rail, Bristol City Council, Homes England and the University of Bristol to produce a master plan for the redevelopment of Bristol Temple Meads station and surrounding Temple Quarter, to create a new improved gateway to the region.	
Roads	<p>Continue business case development for the following schemes, moving to construction where full business cases approved:</p> <ul style="list-style-type: none"> • Bath and Somer Valley Enterprise Zone • Hengrove • Lockleaze • Hicks Gate • Cribbs/Patchway New Neighbourhood Cycling package • Great Stoke roundabout 	<p>Continue to develop feasibility studies into the following, moving to outline/full business cases where studies are approved:</p> <ul style="list-style-type: none"> • Mass transit options • South Bristol Orbital route • Support Highways England to undertake a strategic review for an East of Bath link • (Freezing Hill Lane) A420 to Bath Transport Improvements • Wraxall Road roundabout
Bus Strategy	Prepare and run consultation on the key elements of the strategy, namely the bus network review, programme of investment and preferred operating framework.	
Cycling and walking routes	Promote active travel, by developing a cycling and walking investment programme as part of the new Joint Local Transport Plan (JLTP).	
Transport Authority functions	As the responsible body, WECA will work closely with its constituent councils to integrate the core functions of Bus Service Information, Concessionary Travel, Community Transport and Supported Bus Services (joint power with constituent councils) and develop options to build a regional team to lead policy development.	



Better links to reduce congestion and connect people

Transport to support Joint Spatial Plan

Co-ordinate, commission and support business case development for transport schemes required to support the Joint Spatial Plan (JSP), including the following work packages:

- South East Bristol and Whitchurch package
- A4 Bristol – East Keynsham arterial corridor
- Yate strategic corridor
- A38 (J16, Almondsbury to Falfield)
- Park and rides around Bristol
- Bristol Urban Living Package

Joint Local Transport Plan

Consult on, and adopt, the Joint Local Transport Plan (JLTP).

Clean Air Zones

Continue work with Bath & North East Somerset Council and Bristol City Council on emerging Clean Air Zones.

Highways England

Clarify actual and forecast impact of removal of Severn crossings tolls and agree mitigations with Department for Transport.



Improve national and international connections

Sub-national Transport Body

Work with partners in the South West as part of a shadow Sub National Transport Body, to build a strong regional evidence base to support future bids into the National Roads Fund.



Enabling the required housing growth in the region promoting affordability and an appropriate housing mix

Delivering the Housing Package	Start joint working programme with Homes England, National Housing Federation and registered providers on new ways of delivering homes, including affordable homes. Incorporate plans for strategic master planning and land acquisition and continue discussions with Government on the Housing Deal.
Housing Infrastructure Fund	Develop a robust business case to secure funding for Bristol Temple Meads to Keynsham A4 corridor and A38-M5 corridor schemes.
Infrastructure Investment and Delivery Plan	Prepare Implementation Plan with partners including the Ministry of Housing, Communities & Local Government, Homes England, Department for Transport, Network Rail, Highways England, Natural England and the Environment Agency. Incorporate WECA project management governance, to include procurement of necessary specialist support, and establish any business cases needed.
Housing Delivery Board	Establish a team of strategic partners to support delivery of the housing agenda, including the Infrastructure and Investment Delivery Plan (IIDP), and work in relation to One Public Estate and Modern Methods of Construction.
Innovation in building new homes	Identify new and innovative products and ways of delivering homes. Establish strategy to drive ongoing activity via One Public Estate Wave 7 Bid, demonstrating demand and showcasing innovation at a range of locations.
Joint Assets Board	Agreed approach implemented.
Joint Spatial Plan	Programme manage and support the Examination in Public, including applicable Monitoring Framework. Explore piloting a Strategic Green Infrastructure Authority to deliver shared aims with DEFRA and our Green Infrastructure Plan. Provide a 'sponsorship role' for Local Nature Partnership.
Mayoral Spatial Plan	Develop a Mayoral Spatial Plan, agreeing scope and approach, including implementation of associated planning powers. Action will be shaped dependent on the progress of the JSP. This is therefore dependent on that outcome.



Employment space

Employment spaces to meet the needs of all businesses and communities

Develop portfolio of employment space that anticipates business demand, supporting growth aspirations set out in the JSP and JLTP.

Work closely with development industry, businesses and communities to identify and help bring forward new opportunities for employment sites, including Enterprise Zones and Areas. To include opportunities for scale-up businesses.

Develop Employment Space Strategy.



Digital Strategy

World-leading digital connections across the region

Agree ambitions for regional digital connectivity and identify priority areas for action.

Lead regional bids for investment in digital infrastructure to support Smart City Region aspirations.

BUSINESS GROWTH

We are an economically successful region and one where businesses start, grow and thrive in high numbers. We have a good business support system in place – but there is more we can do to support and promote an innovative and inclusive economy. We want to find better ways to work with existing businesses to achieve their potential as well as attracting more businesses to our region.

We need to build on our strengths, supporting our key sectors including aerospace, creative and digital, and professional services. We also need to build on the diversity and collaboration between sectors and communities that makes us unique. Increasing productivity and exports are key areas of focus, along with continuing to find new ways to support innovation and promote inclusivity, which is at the heart of so much of our success.

Our activities are aligned with four objectives:



Helping businesses to start-up, grow and flourish, nurturing inclusive growth



Supporting businesses to make the most of export opportunities



Supporting an innovative economy



Protecting and promoting our region's culture



Helping businesses to start-up, grow and flourish, nurturing inclusive growth

Support growing and high-growth potential businesses

Help build the region's pool of skilled labour through inclusive and progressive recruitment, skill and career development practices (linking to population and housing growth).

Work with the Department for International Trade and the region's firms and institutions to identify and develop commercially-driven, high-potential opportunities.

Provide up-to-date information on modern business practices, including for export, use of technology, access to finance, management and leadership.

Provide 1:1 support to high-growth potential businesses through West of England Growth Hub.

Support inward investment

Ensure early and appropriate responses to business enquiries and put together an appropriate team(s) to fulfil clients' requirements.

Through Invest Bristol & Bath, support businesses coming to the region, in particular Foreign Direct Investment (FDI) to create new jobs, recruiting from local areas and contributing to skills provision.

Support business growth

Establish key accounts to support growing and FDI businesses; maintain relationships and use regional, national and international support, e.g. FDI expansion opportunities.

Support partnerships between big business, small and medium-sized enterprises and academia/innovators to help build confidence, capacity and capability and social value.



Supporting businesses to make the most of export opportunities

Support investment opportunities

Develop and agree a strategy and approach, influenced by the Local Industrial Strategy, to guide existing and new projects to enable suitable investment and innovation.

Support current projects

Support delivery of existing funded projects, including:

- Talent Institutes
- 5G Smart Tourism

Develop new projects

Develop new projects and programmes, supporting sectors that drive growth in the region.

Consider options for grant scheme to support high growth companies, aligned to Growth Hub.

Encourage new research and innovation from business and stronger business research collaborations.

Identify funding gaps in priority areas or sectors.



Supporting an innovative economy

Energy Strategy

Develop and agree an Energy Strategy to set priorities for a resilient, low carbon and affordable local energy system.

Digital Strategy

Develop a Digital Strategy in partnership with the Department for Digital, Culture, Media & Sport, including plans to optimise and accelerate the arrival of 5G.

Support current projects

Support delivery of existing funded projects, including:

Love our High Streets

Creative scale-up



Protecting and promoting our region's culture

Cultural Strategy

Agree an approach to supporting cultural development in the West of England, to support our visitor economy and strengthen our regional industries.

SKILLS

We have high employment and a skilled workforce in the region, but there is more to be done to address regional inequalities and generate prosperity for all. We need to continue work to better align workforce skills with the skills that business in our region need, not only now, but for the future. We have to develop an evidence base and plans that will enable us to do this effectively. We must also take advantage of the opportunities that joint working presents, through better planning of the education, employment and

skills system – for example, ensuring greater access to a range of skills development opportunities to support an inclusive economy.

We will also begin to take advantage of the benefits of devolution as we move closer to taking control of the Adult Education Budget for the WECA area. This will help address core skills required for a productive workforce, enabling us to direct resources in a way that best meet the needs of all learners and our economy.

Our activities are aligned with three objectives:



Improving skills and knowledge supply to meet existing and future demands



A joined-up education, employment and skills system that meets the region's business needs



Provide residents with support, information, advice and guidance to unlock their career potential



Improving skills and knowledge supply to meet existing and future demands

Deliver projects and programmes that improve skills for our residents and employers

Adult Education Budget: Ensure effective delivery of transitional 2019/20 year, alongside developing long-term strategy from 2020/21 onwards.

Skills Innovation Fund: Develop and fund proposals, with our partners, to support local people facing barriers to employment.

Talent Institutes: Complete feasibility study and outline business cases for development of Talent Institutes in the WECA region.

Encourage take-up of apprenticeships and technical education

Work with employers, schools and colleges to encourage better use of the Apprenticeship Levy and promote the benefits to align with and support the Careers Hub programme.

Provide support for a regional Institute of Technology.



A joined-up education, employment and skills system that meets the region's business needs

Implement West of England Employment and Skills Plan

Develop and deliver a long-term plan for employment and skills, including a specific post-16 plan which complements and supports the emerging Local Industrial Strategy.

Build on regional partnerships with universities, colleges, further education providers, multi-academy trusts and schools to help us better plan our education, employment and skills system.

Develop a West of England Skills Advisory Panel

Establish a group in partnership with Department for Education, focused on joining up the education, employment and skills eco-system, including graduate retention.



Provide residents with support, information, advice and guidance to unlock their career potential

Deliver effective careers advice

Careers Hub: Host Enterprise Co-ordinators, working for Careers Enterprise Company (CEC) to deliver effective advice for all schools. Co-ordinate other CEC-funded activity in the region.

Deliver Future Bright, a project to improve the job prospects of 3,000 people in low-paid, low-skilled employment and promote good employment practice in the region.

Inform and empower those who might not fit Future Bright eligibility criteria to help them see and apply for roles that will allow them to progress their careers and grow their disposable income (an added value to the project).

CORPORATE SERVICES

Corporate Services concentrates on one objective:



Support the organisation to deliver the business plan

Industrial Strategy	Co-produce and agree a Local Industrial Strategy for the West of England, working with regional partners and Government. A Local Industrial Strategy will enable us to build on the strong foundations of our region, growth and devolution deals, to deliver our ambition for clean and inclusive economic growth.
Committee and LEP support	Administer the West of England Combined Authority and Joint Committee meetings, LEP Board, Audit Committee, Scrutiny Committee and Advisory Boards.
ICT and Workplace	Procure a long-term solution to provide fit-for-purpose ICT services which meet the current and future demands of the organisation. Manage a smooth transition from the existing to the new provider ICT provider.
Risk management	Manage corporate risk framework to ensure key risks are identified, mitigations agreed and activity monitored. Continue to embed a risk management culture and ownership within the organisation.
Communications	Ensure proactive communications, marketing and engagement activity to support business plan objectives.
Human Resources	Manage workforce plan to ensure that WECA has the right resources and skills to deliver now and into the future, working in close partnership with our constituent authorities and others.
Finance	Improve transparency and understanding of financial reporting – building a longer-term, sustainable approach to financial planning which has clearer links to regional objectives and priorities. Continue to explore alternative funding solutions, reducing reliance on short-term grant funding and time-limited business rate retention.
Performance management	Ensure measurement and reporting is in place to satisfy local and national requirements. Continue to develop, and improve, linkages between delivering outcomes to the region with financial allocations and specific project delivery.

OPERATING FRAMEWORK

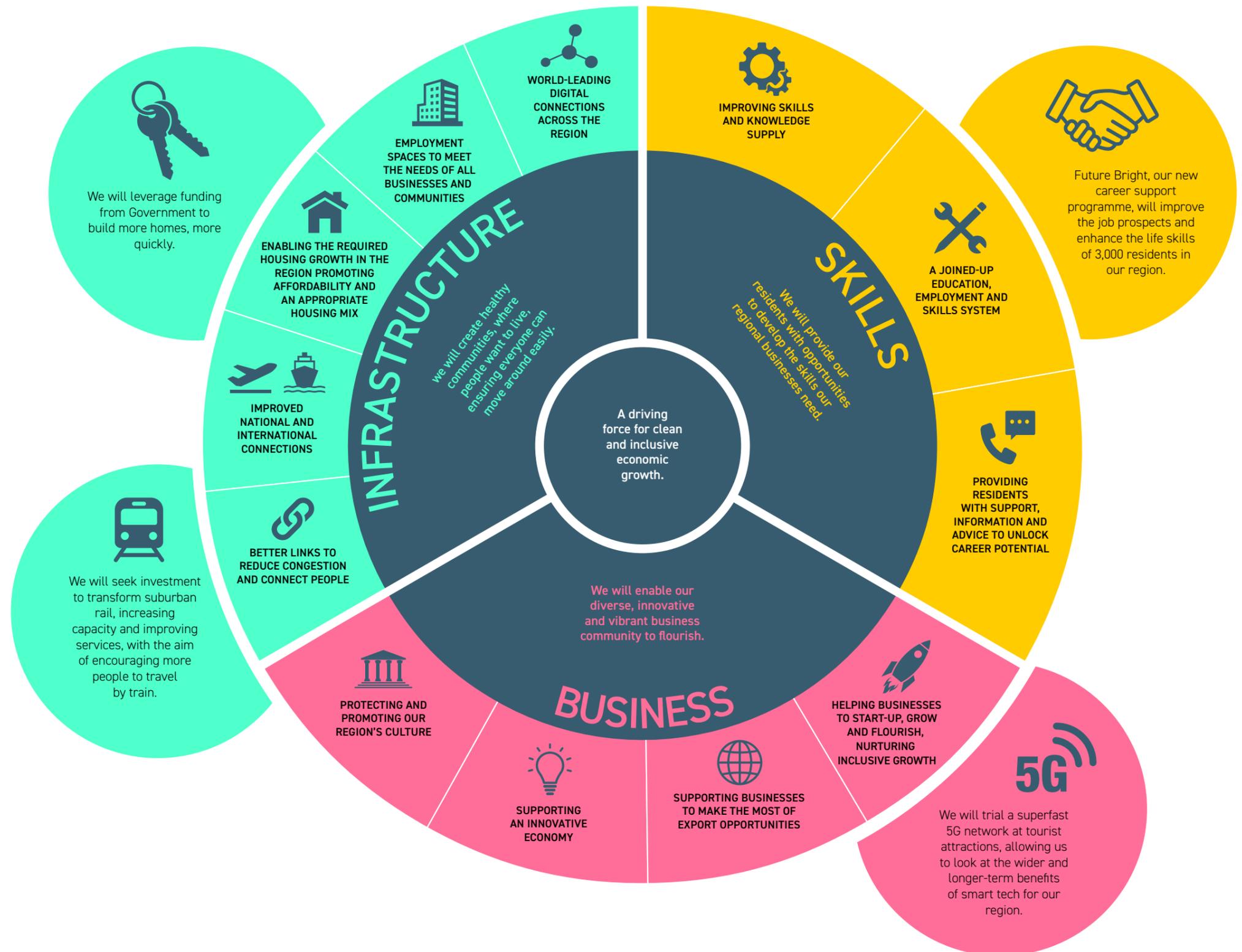
Our operating framework sets out our priorities for clean and inclusive economic growth in the West of England.

OUR AMBITIONS

The West of England is a place of growth and innovation, where economic, cultural and environmental diversity is celebrated and forms the foundation of prosperity for all.

We are investing in people and places – including jobs, skills, transport, homes, and digital connections – to ensure we are creating healthy communities where people want to live, work and visit.

We will achieve our ambitions by investing in three priority areas: infrastructure, skills and business.



Appendix 2: WECA Corporate Risk Register Summary Table

Category	Risk	Impact	Mitigation
Delivery	There is a risk that national priorities may change over the course of the year.	This could potentially require significant alterations and additions to the business plan and impacting onto current delivery plans	Regular discussions at both official and political level. Delivery of business plan monitored by WECA SMT and reported to WECA Chief Executives quarterly
Delivery	There is a risk that WECA may not have completed recruitment to enable delivery of all the activities in the business plan	This could potentially impact delivery timescales, quality of deliverables and budget	Complete recruitment to key posts in the organisation, meanwhile drawing on available capacity in the constituent authorities, with interim and consultancy support engaged where appropriate
Delivery	There is a risk that the unpredictable impact of Brexit on Business across the region will lead to uncertainty and lack of confidence.	Businesses may be reluctant to make decisions regarding investment in the region	WECA to convene working group and to engage with LEP Board and Business West to identify early issues and discuss approaches
Delivery	There is a risk that Committee members may be unable to reach agreement on key proposals.	WECA would be unable to realise the opportunities and benefits of the activities set out in the business plan	Strong partnership working arrangements are in place to ensure that proposals are developed to support and complement the priorities and objectives of the constituent councils
Delivery	There is a risk that the activities identified in the business plan may not achieve the desired balance of economic growth and inclusive growth.	The West of England is unable to realise the full benefits and opportunities of devolution	Equalities impact assessments will be carried out for each specific activity to identify potential issues and clear mitigations and these will form part of the organisation's performance management framework
Financial	There is a risk that WECA is not able to optimise all funding available to deliver maximum benefit for the region. Potential risk of not being able to comply with the required conditions of specific funding streams.	The West of England is unable to realise the full benefits and opportunities of devolution.	Develop, and implement, an Investment Strategy that better links the allocation of funding to WECA priorities. Promote clearer accountability, flexibility and integration of all available funding streams including LGF, EDF, HIF, Transforming Cities and Investment Funding.
Financial	Instability in the way that Government funds Combined Authorities could impact on the future sustainability of WECA. WECA capacity is currently resourced through short term funding streams - Mayoral Capacity Fund and Business Rates Retention pilot.	WECA will not be able to retain high calibre staff, balance its budget or deliver against its priorities	Discussions ongoing with HMRC and Treasury. The medium term financial plan will be updated with more detail included, as far as practicable, and forming part of the 2019/20 Budget Process.

Legal & Governance	There is a risk that there are dependencies on the Joint Spatial Plan, the outcome of which is in an independent examination process and therefore not yet known.	This could potentially require significant alterations and additions to the business plan and impacting onto current delivery plans	The process to prepare a statutory development plan document has been followed and robust governance and technical working arrangements are in place to deliver the project
Legal & Governance / Delivery	There is a risk that processes and procedures are not in place to support devolution of the Adult Education Budget	Learners do not realise the benefits of this devolved power. Current provider base destabilised. Moderate reputational damage	Readiness conditions set by Government have been met. A project team is being recruited. Mechanism in place to fund administrative support from the devolved budget through use of underspend. Ongoing engagement and dialogue with providers to inform future delivery. Legal advice sought.