

A meeting of the
West of England Combined Authority

will be held on

Date: Wednesday 15th March 2017

Time: 2.00pm

Place: Armada House, Telephone Avenue, Bristol, BS1 4BQ

Notice of this meeting is given to members of the Combined Authority as follows:

Cllr Tim Warren, Bath & North East Somerset Council
Mayor Marvin Rees, Bristol City Council
Cllr Matthew Riddle, South Gloucestershire Council

Enquiries to:

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WECA Agenda

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- Inspect agendas, reports and minutes of the WECA and all WECA Committees and Sub-Committees for up to six years following a meeting.
- Inspect background papers used to prepare public reports for a period public reports for a period of up to four years from the date of the meeting. (A list of background papers to a report is given at the end of each report.) A background paper is a document on which the officer has relied in writing the report.
- Have access to the public register of names, addresses and wards of all Councillors sitting on WECA, Committees and Sub-Committees with details of the membership of all Committees and Sub-Committees.
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2. APOLOGIES FOR ABSENCE

To receive apologies for absence from Members.

3. DECLARATIONS OF INTEREST UNDER THE LOCALISM ACTION 2011

Members who consider that they have an interest to declare are asked to: a) State the item number in which they have an interest, b) The nature of the interest, c) Whether the interest is a disclosable pecuniary interest, non-disclosable pecuniary interest or non-pecuniary interest. Any Member who is unsure about the above should seek advice from the Monitoring Officer prior to the meeting in order to expedite matters at the meeting itself.

4. MINUTES

To confirm the minutes from 1st March 2017 as correct record for signing by the Chair.

5. CHAIR ANNOUNCEMENTS

To receive announcements from the Chair of the WECA.

6. ITEMS FROM THE PUBLIC

Members of the public can speak for up to 5 minutes each. The total time for this session is 30 minutes so speaking time will be reduced if more than 6 people wish to speak.

If you wish to present a petition or make a statement at the meeting, you are required to give notice of your intention by noon on the working day before the meeting by e-mail to info@westofengland-ca.org.uk.

If you wish to ask a question at the meeting, you are required to submit the question in writing to info@westofengland-ca.org.uk no later than 3 working days of the meeting.

7. PETITIONS

Any member of the WECA may present a petition at a WECA Committee Meeting.

8. TRANSPORT DELIVERY

To consider and make decisions in relation to the exercise of transport functions including the provision of bus information, concessionary travel schemes and quality partnership schemes.

9. INDEPENDENT REMUNERATION PANEL REPORT

To consider recommendations of the Independent Remuneration Panel report.

10. BUDGET

To consider and approve a Budget in respect of Mayoral Functions and the WECA for 2017/18.

11. POLICIES AND PROCEDURES

To advise members of the need for the West of England Combined Authority to adopt a suite of operational policies.

12. ASSURANCE FRAMEWORK

To approve an assurance framework which sets out how schemes funded through the Single Pot will be appraised, monitored and evaluated.

13. ANY OTHER ITEM THE CHAIR DECIDES IS URGENT

Next meeting: To be advised

WEST OF ENGLAND

Combined Authority

BATH & NORTH EAST SOMERSET
BRISTOL
SOUTH GLOUCESTERSHIRE

**Minutes of the first meeting of the
West of England Combined Authority
1st March 2017**

1	<p>EVACUATION PROCEDURE</p> <p>Cllr Matthew Riddle, Leader of South Gloucestershire Council, welcomed all attendees to the first meeting of the West of England Combined Authority and made a safety announcement in relation to the fire/emergency evacuation procedure.</p> <p>Introductions were made to the other committee members, Cllr Tim Warren, Leader of Bath & North East Somerset Council, and Marvin Rees, Mayor of Bristol.</p> <p>Stephen Robertson, Chair of the West of England Local Enterprise Partnership was welcomed to the meeting.</p>
2	<p>ELECTION OF CHAIR</p> <p>John McCormack, Monitoring Officer at South Gloucestershire Council, requested nominations to the interim chair of the West of England Combined Authority Committee</p> <p>Mayor Rees nominated Cllr Riddle</p> <p>Cllr Warren seconded the nomination</p> <p>The motion was carried</p>
2A	<p>ELECTION OF VICE CHAIR</p> <p>Cllr Riddle took the Chair and nominated Mayor Rees for interim vice chair of the West of England Combined Authority Committee</p> <p>Cllr Warren seconded the nomination</p> <p>The motion was carried</p>
3	<p>APOLOGIES FOR ABSENCE</p> <p>There were no apologies for absence</p>
4	<p>DECLARATIONS OF INTEREST UNDER THE LOCAL GOVERNMENT ACT 1972</p> <p>There were no declarations of interest</p>
5	<p>MINUTES</p> <p>As this was the first meeting of the West of England Combined Authority Committee there were no minutes.</p>
6	<p>CHAIR'S ANNOUNCEMENTS</p> <p>The Chair welcomed everyone to the first meeting of the West of England Combined Authority and confirmed that the meeting was being webcast live, with a recording to be made available on the website after the meeting.</p> <p>The Chair made the following comments before inviting each member to speak:</p> <ul style="list-style-type: none"> • This first meeting of the West of England Combined Authority marks a key stage in implementing our Devolution Deal with Government. It builds on many years of good partnership working in the West of England and brings decision-making powers on issues previously held in Westminster closer to our local communities. He assured

the meeting that there is no desire to re-create the old County of Avon, but instead a willingness to work together on important issues that cross council boundaries, while at the same time keeping our own identities.

- Whilst North Somerset Council decided not to proceed with the Deal at this time the constitution we will be considering today includes formal arrangements to support continued and effective partnership with them to realise the best outcomes for the whole of the West of England. The Chair extended thanks to the Leader of North Somerset Council, Cllr Nigel Ashton, for his continued support as we have progressed to implement our deal.
- The Chair also formally noted thanks to Members from Bath & North East Somerset, Bristol and South Gloucestershire Councils, many in attendance, who continue to support and challenge to ensure we realise the best outcomes for the West of England.

Cllr Tim Warren made the following comments:

- The West of England Combined is the only place outside the South East that generates money for the UK. All residents and businesses should be proud. However, growth has stalled due to lack of infrastructure. This is an opportunity to unblock some of this.
- This deal is one of the best in the country, unlocks a billion pounds of funding for the area and provides the opportunity to address the lack of affordable and available housing in the region. We are privileged to be here at this time and are working well together to pursue shared aspirations for the region without party divides.
- Thanks to all involved in setting this up, including the former Mayor of Bristol, previous Local Authority Chief Executives and former Chairs of the LEP. We look forward to being joined by the new West of England Mayor.

Mayor Rees made the following comments:

- We welcome good working relationships that allow us to genuinely deliver. We have many things that pull us together locally - congestion, home building, a strong national and international voice.
- We need to focus on delivery and a key priority will be homes for people, and transport, ensuring that economic growth is inclusive and no-one left behind. There is lots of work to do.
- Thanks to the team working on this. Whilst we may not all have unqualified love with the model we recognise the reality that the government needed this structure and that this gives us a national voice. Our job is to make this structure work.

Stephen Robertson made the following comments:

- These are exciting times for the West of England. Leaders are keen to hear voice of business, a central part of creating inclusive growth.
- The LEP recognises the quality of the deal negotiated, one of the best in the country, bringing new money and powers to unlock infrastructure, connectivity, skills and opportunities for people in our region and their children.
- It is great to see the inward investment already attracted by Invest in Bristol & Bath, and the support available for small businesses through growth hub and the further opportunities that this deal will bring. This is a big step forward for the region.

7	<p>ITEMS FROM THE PUBLIC (Including questions that have been submitted)</p> <p>Two questions were submitted by members of the public which were circulated to the Members in advance of the meeting. The Chair directed that a written response be provided on the website and the questions and answers be attached to the minutes of the meeting.</p>
	<p>Public Speakers</p> <p>There were two public speakers.</p> <p>1. Cllr Lin Patterson</p> <p>Cllr Lin Patterson made a statement regarding the reinstatement of the cut 6/7 bus route in Bath in a future bus franchise package.</p> <p>She explained to the meeting she was there to represent a campaign called save our 6/7 bus. 2400 people had signed a petition and 120 attended a public meeting in Bath in September. This service connected people from Fairfield Park, a densely populated area with higher than average number of elderly people to local shopping centre and community facilities in Larkhall at bottom of the hill. B&NES removed the subsidy supporting the bus route which no longer runs. The decision by B&NES was based on a survey that she finds to be faulty. She stated that only 8% of the survey was done at times people would normally use the service to get to the shops so she considers the figures to be distorted and unreliable. She requested that the devolved authority make up a franchised package for transport to subsidise less profitable routes from profitable routes. She asked the members to remember the 6/7 bus route in NE Bath and include it in a franchise package to reinstate the route and reconnect he communities.</p> <p>The Chair thanked Cllr Patterson and noted her comments.</p> <p>2. David Redgewell TSSA, Bus Users UK</p> <p>David Redgewell submitted the following statement to the meeting:</p> <p>We, following our meeting at Swindon on Saturday with Railfuture and Bus Users UK are concerned over the following issues:-</p> <ol style="list-style-type: none"> 1) The Buses Bill and the Combined Authorities powers over the 1985 Act to support bus services and cross boundary issues with North Somerset Council which would require a permit system if the buses were franchised or special regulations for advanced quality partnerships. 2) With Rail powers we need to include over the Portishead line and Henbury loop and existing station improvements on the current rail network to Bristol, Bath and Weston-Super-Mare including access to the disabled schemes and DIA's through a memorandum of understanding with ORR and Network Rail. 3) Cross boundary rail services with Somerset, Gloucestershire and Wiltshire. 4) Budget transfer supported bus budgets from Bristol City Council, BANES and South Gloucestershire Council and the combined authorities powers over bus services let by Bristol City Council on the 7th March 2017.

5) integrated bus, rail and ferry ticketing.

6) maintenance of bus shelters and bus stations.

In addition David Redgewell made the following comments at the meeting:

This mayoral combined authority will be judged on delivery of good transport. He said we are 20 years behind Manchester.

The busses bill is in the Commons today. He wants to set up a franchise in the combined authority area. He considers this will not happen without North Somerset, otherwise we have a challenge and decisions would go to the Secretary of State.

Busses are at the heart of what we do. There are cuts coming in Bristol, this means we need to increase usage.

He welcomes £30m a year, but he feels this does not give much (he stated this equates to 4 railway stations). He felt this was not that big in terms of what Manchester gets in terms of other money.

He stated the mayor will be judged on whether he delivers a better bus service and park and rides, Portishead railway - which he feels will require North Somerset engagement, and passenger trains on Henbury Loop. Without transport and ability to move, reduce congestion and get people to jobs we will not be able to move.

He said the biggest issue for new mayor is to look at transport and deliver on it, including electrification.

He concluded by saying this is not just about infrastructure but how we get better integrated public transport including smart ticketing.

Cllr Warren commented that there would be further opportunity to bid for additional transport funds.

The Chair thanked David Redgewell and noted his comments.

8 PETITIONS FROM MEMBERS

None received.

9 BUSINESS REPORT

The Chair introduced the business report, highlighting the key recommendations which will allow for the adoption of the constitution, the appointment of constituent council members to the committees and the boards shown in the constitution, and the appointment of substitute members to act in our absence.

He highlighted the requirement to appoint the 3 statutory officers on an interim basis and delegation to the Head of Paid Service to appoint a statutory Scrutiny Officer.

He also referred to the request in the report to give delegated authority to the Monitoring Officer to enter into any agreements required to ensure the continued provision of the

services that are subject to the West of England Combined Authority statutory order, and delegated authority to the Chief Financial Officer to make reasonable arrangements for the proper administration of our financial affairs.

He concluded by confirming that the meetings will be held in public on a 8 weekly cycle and calendar of meetings will be agreed in due course.

The Chair moved the recommendations in the report.
Cllr Tim Warren seconded the recommendations and noted that in relation to the Joint Strategic Plan that all four authorities (including North Somerset) work together on this and there will need to be transitional arrangements made.

On being put to the vote the motion was carried unanimously.

Resolved:

The West of England Combined Authority will:-

1. Adopt the Constitution set out in Appendix A and request that the constituent councils provide nominations from within its membership for two substitute members as required by the WECA Order
2.
 - (i) Agree to the appointment of the statutory officers referred to in paragraph 4.1 on an interim basis,
 - (ii) Agree to give delegated authority to the Monitoring Officer to appoint an interim Deputy Monitoring Officer
 - (iii) Agree that the WECA adopts the Standards Procedures of South Gloucestershire Council for an interim period, and
 - (iv) Agree to give delegated authority to the Interim Chief Executive to appoint a Scrutiny Officer.
 - (v) Agree to provide appropriate indemnities to the officers referred to in this recommendation
3.
 - (i) Agree to give effect to the Overview and Scrutiny and Audit Order 2017 and to request that the constituent councils provide nominations to the Overview and Scrutiny Committee and Audit Committee from within their membership on a politically balanced basis as set out in paragraph 6.3 and 6.4.
 - (ii) Agree to the establishment of 3 Advisory Boards for Skills, Infrastructure and Business and request that the constituent councils agree to the participation of their relevant portfolio holders/members in the boards.
 - (iii) Agree to the establishment of a joint committee between the constituent councils of the WECA and North Somerset Council to comprise the Mayor of the WECA, the Mayor of Bristol and the Leaders of Bath and North East Somerset, North Somerset and South Gloucestershire Councils and to request that the constituent councils agree to participation in the joint committee.
 - (iv) Agree to the establishment of a voluntary joint scrutiny arrangement between the Overview and Scrutiny Committee established under the Order mentioned in recommendation 2(ii) above and North Somerset Council and to request that North Somerset Council provides nominations from within its membership as set out in

	<p>paragraph 6.9.</p> <p>(v) Agree that the Monitoring Officer writes to the councils (as appropriate) in relation to Recommendations 1 (nomination of two substitute members), 3(i), (ii), (iii) and (iv) to formally seek the nominations</p> <p>4. Instruct the Monitoring Officer to prepare a Calendar of Meetings for 2017 / 18 for approval at a future meeting of the WECA</p> <p>5. Delegate authority to the Monitoring Officer in consultation with the Head of Paid Service to make minor amendments and any changes to the constitution that come about by operation of law</p> <p>6. Agree to delegate to the Monitoring Officer the authority to enter in to any agreements, including any inter-authority agreements as are required to ensure all services which become the responsibility of the WECA can continue to operate on behalf of the WECA in accordance with current arrangements until the end of the 2017/18 financial year</p> <p>7. Agree to delegate to the Chief Financial Officer authority to make all reasonable appointments and arrangements to ensure the proper administration of the WECA's financial affairs including (but not limited to) the approval of the WECA Banker, insurance arrangements, approval of B&NES as financial services provider including the provision of internal audit and such other appointments and arrangement as are required to ensure proper financial administration</p>
<p>10</p>	<p>TREASURY MANAGEMENT STRATEGY STATEMENT AND INVESTMENT STRATEGY 2017</p> <p>The Chair introduced this report which provides the details of the lending limits and authorised lending institutions which the West of England Combined Authority will be able to invest any cash it may hold for cash flow purposes including cash not immediately required to meet expenditure commitments.</p> <p>He noted that this Strategy is based on advice from our professional Treasury Advisers (Arlingclose) and our interim Chief Financial Officer. In the current sustained low interest rate environment cash flow investment provides very little opportunity to generate financial returns for West of England Combined Authority. The overriding objective of the Strategy is the protection of the West of England Combined Authority's cash by restricting investment to highly rated institutions.</p> <p>The Chair moved the recommendations</p> <p>Mayor Rees seconded.</p> <p>On being put to the vote the motion was carried unanimously</p> <p>Resolved:</p> <p>The West of England Combined Authority will:-</p>

	<ol style="list-style-type: none"> 1. Approve the proposed Treasury Management Strategy Statement at Appendix 1. 2. Approve the Investment Strategy as detailed in Appendix 2. 3. Agree that for transitional purposes, the Treasury Management Strategy and the Investment Strategy may be applied with immediate effect to support any investment of cash balances which may be required in the current financial year (2016/17) 4. Note that the relevant Budget proposals for 2017/18 will be based upon the assumptions and indicators set out in these strategies.
<p>11</p>	<p>PROCUREMENT OF EXTERNAL AUDITORS</p> <p>The Chair introduced this report which sets out the background and statutory procedure to the procurement route for the appointment of our external auditors.</p> <p>He noted that using the PSAA is a proven approach to deliver value for money procurement of our external auditor and will be used by the majority of local authorities.</p> <p>The Chair moved the recommendations Cllr Warren seconded</p> <p>On being put to the vote the motion was carried unanimously</p> <p>Resolved: The West of England Combined Authority will:-</p> <ol style="list-style-type: none"> 1. Approve the use of Public Sector Audit Appointments Limited (PSAA Ltd) to manage the procurement process for the appointment of External Auditors to the WECA.
<p>12</p>	<p>ANY OTHER ITEMS THE CHAIR DECIDES ARE URGENT</p> <p>There were no other items of urgent business.</p>
	<p>The Chair thanked everyone for their attendance and declared the meeting closed at 2pm</p> <p>Signed:</p> <p>Chair</p>

West of England Combined Authority Committee Meeting

Wednesday 1st March 2017

Public Questions and Answers

Cllr Donald Alexander

Chair, would the committee please consider following the example of West Midlands Combined Authority by offering the TUC representation on the Board? Thanks, Cllr. Don Alexander

Answer:

The West Midlands Order is different to the West of England Order which does not allow for union representation on the West of England Combined Authority. Going forward we will be looking into ways to ensure greater participation and engagement with the West of England Combined Authority.

Paul Gould

I understand that the elected mayor will be permitted to impose an infrastructure supplement worth 2 pence in the pound on the rateable value of a property and a business rates supplement worth the same amount. Is this the full extent of sums that can be raised from council tax payers or can additional sums be raised to fund the work of the Combined Authority? It would also be interesting to know more details about the remuneration (i.e. salary and expenses) that the elected mayor and cabinet members will receive.

Answer:

The Mayor will be able to propose a Supplementary Business Rate of up to 2p per £ of rateable value in agreement with local business for infrastructure schemes. Full details of this scheme and how it will operate have yet to be set out by Government and no such proposals are permitted for this first year 2017/18. The WECA is not legally permitted at this time to raise any council tax precept. The allowance for the Mayor will be subject to an assessment of an Independent Remuneration Panel and has yet to be determined. The other members of the WECA will not receive any additional allowances.

ITEM: 8

WEST OF ENGLAND COMBINED AUTHORITY (“WECA”)

DATE: 15 MARCH 2017

WEST OF ENGLAND COMBINED AUTHORITY TRANSPORT DELIVERY

Purpose of Report

1. Following the making of The West of England Combined Authority Order 2017 (“WECA Order”), The West of England Combined Authority (“WECA”) came in to force on 9th February 2017. The West of England Combined Authority Order devolves certain powers to the West of England Combined Authority and makes provision concerning the constitution of the West of England Combined Authority and the conduct of its business. West of England Combined Authority is now constituted as a separate legal body and in order for it to operate lawfully the members of West of England Combined Authority are required to consider and make decisions (as necessary) on certain key issues of business.

Issues for Consideration

2. This report deals with the following items of business, each has a corresponding recommendation:-

Content	Recommendation	Appendix if applicable
Approval for the delivery of West of England Combined Authority transport functions in 2017/18	Recommendations 1-4	
Endorsement of the use of joint transport powers in 17/18 by the constituent councils and delegation of authority to the CEO/Monitoring Officer to endorse urgent amendments on behalf of the West of England Combined Authority	Recommendation 3	Appendix A
Approval of the concessionary travel policy delegation to the West of England Combined Authority Chief Executive to enter into the necessary agreements to achieve this.	Recommendation 2	
Approval of the making of the MetroBus Quality Partnership Schemes (QPS) and the signing of Voluntary Partnership Arrangements (VPA) with participating operators, authorising Bristol City Council and South Gloucestershire Council to implement	Recommendation 4	

Background

3.1 From the date the West of England Combined Authority came in to force certain functions transferred to it by operation of law. These functions primarily relate to transport operations and services, including, Concessionary Fares, Community Transport Grants and Local Bus information (including Real Time Information (RTI)). It is critical that appropriate arrangements are made with the constituent councils which facilitate the continued delivery of these functions and services from the date of the creation of the West of England Combined Authority and for the financial year 2017/18.

3.2 It is proposed that the operation of all services which on the coming into force of the West of England Combined Authority, became the responsibility of the West of England Combined Authority and which are subject to existing arrangements, shall be undertaken in accordance with the existing arrangements on behalf of the West of England Combined Authority, up to and for the financial year 2017/18. Thereafter the West of England Combined Authority shall determine how the functions are to be discharged. The Monitoring Officer has been given delegated authority to enter in to any agreements, including any inter-authority agreements as required to ensure all services which became the responsibility of the West of England Combined Authority continue to operate on behalf of the West of England Combined Authority in accordance with current arrangements until the end of the 2017/18 financial year.

The Issues

Community Transport

4.1 West of England Combined Authority is now responsible for the payment of community transport grants. The 3 councils currently commission community transport slightly differently through a combination of Service Level Agreements and the payment of grants. These services are a key part of the transport network, especially for those most vulnerable and are often delivered through community groups. The authorities have recently been considering Community Transport provision in the wider context and this will need to be reviewed by West of England Combined Authority for post 2017/18 delivery.

4.2 Given the need to ensure a consistency of service for the user and to give certainty of payments to community groups, it is proposed that in 2017/18 West of England Combined Authority commissions the 3 councils to continue to deliver these services in line with current arrangements. The budgets required are identified in the Budget Report also on the agenda for this meeting.

4.3 It is proposed that the role of community transport and the delivery mechanism is reviewed for future years.

Concessionary Travel

4.4 West of England Combined Authority is now the Travel Concession Authority for the West of England Combined Authority area and therefore has a statutory requirement to deliver the minimum statutory national Concessionary Travel scheme, providing free travel for eligible residents from 09.30 to 23.00 Monday to Friday and all day travel on weekends and bank holidays. In order to ensure the consistent delivery of this statutory obligation, it is proposed that the Diamond Travelcard scheme be continued and be delivered as it is currently in 2017/18.

4.5 The payment of operators and the back office system is managed by South Gloucestershire Council (SGC) on behalf of the 4 authorities, including North Somerset Council (NSC), with each individual authority undertaking to issue their own Diamond cards and to assess the eligibility of their residents for the time being.

4.6 It is proposed that agreements are put in place for West of England Combined Authority to commission the 3 councils to deliver the concessionary fares scheme for 2017/18 on behalf of West of England Combined Authority, in line with the principles of the previous inter authority agreement. This will need to be reviewed for future years.

Non – Statutory Enhancements

4.7 The councils currently deliver, or will be delivering by the end of March 17, non-statutory enhancements as follows:

	B&NES	BCC	SGC
Travel from 09.00 to 09.30 Mondays to Fridays			
Travel from 23.00 to 04.00 Mondays to Fridays			
Issuing and acceptance of companion passes			
All-day travel for persons registered blind			
Discounted travel on community transport			

4.8 It is considered that having a consistent scheme over the West of England Combined Authority area would be the optimum solution for 2017/18 in order to ensure that all West of England Combined Authority residents are receiving a consistent and equitable service from the West of England Combined Authority concessionary travel scheme.

4.9 In order to introduce a scheme consistent with the current maximum across the WECA authorities B&NES would have to introduce an all-day concession for persons registered blind. Whilst costing this is not an exact science, as it will depend on the number of blind people living and travelling in B&NES, it is helpful to consider that this costs BCC around £9k per annum. It is unlikely that introducing this in B&NES would cost more than this. It would not be possible for this to be in place immediately, though this could be implemented during 2017/18.

4.10 It is recommended that West of England Combined Authority approve the introduction of all-day travel for the blind in B&NES to ensure a move towards an equitable scheme and that authority be delegated to the West of England Combined Authority Chief Executive to enter into the necessary agreements to achieve this.

Bus Services

4.11 The West of England Combined Authority now has joint powers for the provision of socially necessary bus services with the constituent councils. This means that both West of England Combined Authority and the constituent councils can use the relevant powers in the Transport Act 1985 with the approval of the other organisation but cannot use the powers unilaterally. Despite this, the nature and role of these services will need to be considered through the development of the bus strategy which is a West of England Combined Authority responsibility to progress.

4.12 The 3 councils currently support a significant number of socially necessary bus services and a proportion of those contracts expire in 2017/18. It is proposed that services that are due to be re-tendered in 2017/18 should be done for the shortest period possible, where possible with an annual extension or arrangements/contracts with break clauses.

4.13 Appendix A contains a full list of the services that the 3 councils plan to support in 2017/18. It is proposed that West of England Combined Authority approve these services for 2017/18, for delivery by the relevant constituent council.

4.14 The bus market is a flexible system within which operators may choose to change or de-register services with eight weeks notice. In order that the councils can react to these changes quickly, it is proposed that authority be delegated to the West of England Combined Authority Chief Executive to approve urgent contract changes and report back to the next West of England Combined Authority Committee should there not be a scheduled West of England Combined Authority Committee meeting. If appropriate the West of England Combined Authority Chief Executive will consult with members of West of England Combined Authority Committee prior to exercising the delegation.

Bus Information and Real Time

4.15 West of England Combined Authority is now responsible for the production of a bus information strategy and the provision of bus information. Real Time Information (RTI) and the TravelWest website are currently managed by Bristol City Council (BCC) on behalf of 4 councils (including North Somerset). BCC are currently leading on the procurement of a new RTI contract on behalf of the 4 councils.

4.16 Production and updating of roadside timetable displays, data verification, local management of Traveline (SWPTI) and publicity leaflets for contracted bus services are functions carried out by the individual councils currently.

4.17 Given the need to ensure a consistency of service provision to the users of these services it is proposed that the 3 councils be commissioned to continue to deliver these services in 2017/18 and that BCC continues to lead on the re-procurement of the RTI contract. As part of this process, and in order to ensure service continuity, it is necessary to extend the current contract arrangements by up to 6 months. Future RTI contract arrangements will need to be considered during 2017/18.

Quality Partnership Agreements

4.18 There is currently a number of Quality Partnership Schemes (QPS) in place across the West of England area. Upon its creation, West of England Combined Authority has the powers available in Part 2 of the Transport Act 2000 to enter into QPS arrangements within the West of England Combined Authority area. It is recognised that West of England Combined Authority has the responsibility for QPS arrangements and will have a role in the further negotiation of existing contracts.

MetroBus

4.19 The three MetroBus schemes encompass over £200m of capital funding in the West of England economy, invested in new transport infrastructure, and bus passenger facilities, ticketing and information across Bristol, South Gloucestershire and North Somerset, as well as complementary cycling, walking and public domain improvements. The schemes are being promoted, delivered and funded by Bristol City, North Somerset and South Gloucestershire Councils, together with £113 million funding support from the Department for Transport, as well as contributions from developers and businesses including Bristol Airport.

4.20 The procurement strategy for the provision of MetroBus services involves the registration of services by bus operators on a commercial basis, under existing local transport legislation. In consultation with bus operators, MetroBus has developed a Quality Partnership Scheme (QPS) to specify how the services are to be provided. The QPS, which is to be 'made' by the councils and the West of England Combined Authority, sets the quality criteria which need to be met by operators in order to access MetroBus infrastructure, as well as those to be met by the local authorities in maintaining the infrastructure.

4.21 These criteria include vehicle and emission standards, minimum frequencies, maximum fares, and smart and integrated ticketing obligations. The QPS also sets out the MetroBus facilities, particularly significant bus priority infrastructure, which MetroBus vehicles will be entitled to use.

4.22 The QPS is supported by a Voluntary Partnership Agreement (VPA). The VPA will be entered into by delegated representatives of the participating councils, the West of England Combined Authority and operators, and forms a legally binding agreement to commit operators to meeting and maintaining the service standards set out in the QPS.

4.23 Members of the West of England Joint Transport Board (JTB) agreed in January 2016 to proceed with the making of the QPS. Since then, operator intentions have been further clarified and are close to being confirmed, and the QPS is now scheduled to be made during March 2017. It is recommended that West of England Combined Authority approves the making of the QPS and delegates responsibility to South Gloucestershire Council to authorise on behalf of West of England Combined Authority and the constituent councils.

Consultation

4.24 Significant informal discussions have been held with potential MetroBus operators over several years leading to the drafting of the QPS. Operators subsequently submitted formal Expressions of Interest in providing MetroBus services in response to a formal advertisement in the trade press.

4.25 Development of the QPS has been undertaken in conformance with requirements and recommendations contained within relevant current legislation and statutory guidance. In particular:

- Formal notice has been published;
- Consultation complying with statutory guidance has been undertaken; and
- No 'Admissible Objections' by 'Relevant Operators' (terms as defined in legislation) to the proposals within the QPS in relation to maximum fares and minimum frequencies have been received; and no objections to the inclusion of Facilities more than 5 years old have been received.

4.26 A formal Notice of making will be published within 14 days of scheme making.

Options

Delivery Options

5.1 When considering the delivery mechanisms for community transport, concessionary travel and bus information the following options were considered:

- Delivery in a 'Business as Usual' way by commissioning service delivery from the constituent councils; and
- Changes to the current delivery mechanism by delivery by West of England Combined Authority or third parties.

5.2 On balance, given that the West of England Combined Authority came into being on the 9th February, any options for changing this delivery model have been ruled out because of the need to provide consistent services and the lead in time required to put into place amended delivery arrangements for year 1.

Supported Services

5.3 As this is a joint power, West of England Combined Authority has the following options when considering the provision of supported bus services:

- To endorse the plans of the constituent councils
- Not to endorse the plans of the constituent councils
- To consider supporting bus services directly.

5.4 Given the timescales, the need to enable the delivery of socially necessary bus services and the absence of a centrally agreed bus strategy, options 2 and 3 are not considered workable for the first year of the West of England Combined Authority.

Financial Implications (including implications eg VAT)

6.1 The financial implications of the arrangements covered by this report are detailed in the Budget Report. The detailed budget report is provided for this meeting of the West of England Combined Authority.

Tim Richens, Interim Chief Financial Officer – Tel: 01225 477468

Legal Implications

7. The West of England Combined Authority Order 2017 came in to force on 9th February 2017. This report gives effect to the provisions for the West of England Combined Authority Order 2017.

John McCormack – Interim Monitoring Officer – 01454 865980

Human Resources Implications

8. There are no significant human resources implications directly related to the contents of this report.

Environmental Implications

9. The report sets out measures to ensure the continued delivery of a number of functions which have now passed to the West of England Combined Authority. These are around community transport, concessionary travel, bus services, quality partnerships and bus information which seek to promote the use of sustainable modes of transport and therefore have a positive impact environmentally.

Social Implications

10. The continued operation of supported bus services and community transport are critical to helping promote social inclusion and enable residents, particularly those who are vulnerable to access work, education and leisure facilities.

Economic Implications

11. None arising directly from this report.

Equality Impact Assessment

12.1 The obligations in relation to the public sector equalities duty under section 149 of the Equality Act 2010 (PSED) have been assessed and it has been concluded that the immediate decisions primarily relate to the arrangements that are required to be in place to enable the West of England Combined Authority Order to be lawfully implemented. In respect of the recommendations to deliver existing operations on a consistent basis across the area, there are decisions that could be deemed to impact on the rights of groups or individuals with a protected characteristic or others protected under the PSED. In so far as this report relates to decisions affecting those services, the recommendations are that current arrangements are maintained or in the case of the Concessionary Travel Scheme, enhanced.

12.2 As a body exercising public functions, West of England Combined Authority is under an obligation to have regard to the PSED when exercising its functions. As the West of England Combined Authority establishes its own policies and takes decisions relating to the discharge of functions for which it has responsibility, these will be subject to the PSED.

12.3 The West of England Combined Authority understands its Public Sector Equality Duty (PSED) obligations under section 149 of the Equality Act 2010 and will ensure that it complies with its PSED obligations.

John McCormack – Monitoring Officer – 01454 865980

Risks, Mitigations & Opportunities

13. This report enables West of England Combined Authority to ensure that it is delivering the functions conferred by The West of England Combined Authority Order 2017 (“WECA Order”) and is able to act in accordance with those provisions.

RECOMMENDATION

14. It is recommended that:

1. Authorisation be delegated to the Monitoring Officer to enter into the necessary agreements to commission the delivery of community transport, bus information and Real Time Information, and concessionary travel as outlined above.
2. That Members approve the proposed change to the concessionary travel scheme to include all-day blind concessions in B&NES and that authority be delegated to the West of England Combined Authority Chief Executive to enter into the necessary agreements to achieve this.
3. That Members endorse the list of bus services as set out in appendix A for delivery as a joint power by the constituent councils.
4. That members approve the making of the MetroBus Quality Partnership Schemes and the signing of Voluntary Partnership Arrangements with participating operators and that Bristol City Council and South Gloucestershire Council be authorised to implement the same on behalf of West of England Combined Authority.

Author

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Background Papers

None

Appendices

Appendix A – Supported Bus Services and Park & Ride Services for 2017/18

Appendix A

Supported Bus Services for 2017/18

This appendix confirms all of the bus services that have approval for operation in 2017/18 by the constituent councils.

It is these services that require endorsement by West of England Combined Authority as a joint power.

UA	Service	Description
B&NES	17	Southmead – Keynsham (daily)
B&NES	20A & 20C	University of Bath circular (Mon – Fri)
B&NES	20A & 20C	University of Bath – Twerton (Mon – Fri)
B&NES	20A & 20C	University of Bath - Twerton (Mon – Fri eve peak)
B&NES	20A & 20C	University of Bath circular (Sat)
B&NES	67	West Harptree – Bristol (Mon – Fri)
B&NES	82	Paulton – Radstock (Mon - Fri)
B&NES	172	Bath – Paulton (Mon – Sat evenings)
B&NES	172	Bath – Paulton (Sun & PH evenings)
B&NES	177	Midsomer Norton – Bristol (Mon-Fri)
B&NES	179	Bath - Writhlington (daily)
B&NES	179	Bath – Writhlington (Mon-Sat evenings)
B&NES	185	Clutton – Trowbridge (Thurs)
B&NES	267	Bath – Frome (Mon – Sat evenings)
B&NES	636,640	Hengrove/Bishop Sutton – Keynsham (Fri)
B&NES	636,757	Hengrove – Keynsham / Odd Down – Midsomer Norton (Weds)
B&NES	636,668	Hengrove – Keynsham / Camerton – Bristol (Mon)
B&NES	663, 664, 665	Keynsham local services (Mon – Sat)
B&NES	672	Bristol – Blagdon (Mon – Sat)
B&NES	672	Bristol – Blagdon (Mon – Fri evening peak)
B&NES	683	Keynsham – Wells (Tues)
B&NES	700, 716, 734, 779	Bath city services (Mon – Sat)
B&NES	701	Lower Bristol Road – Sion Hill (University terms)
B&NES	752	Hinton Blewett – Bath (Weds)
B&NES	754	Hinton Blewett – Radstcok (Mons)
B&NES	768	Clutton – Bath (Mon – Fri)
B&NES	768	Bath – Writhlington (Mon – Fri)

B&NES	A4	Journey via Chandag Estate(Mon – Fri early morn)
B&NES	RA3 & RA4	Green Park – Ralph Allen School (school days)
B&NES	FareCar 1	Langridge FareCar shared taxi service
B&NES	FareCar 2	Wellow FareCar shared taxi service
B&NES	PARK & RIDE	Park & Ride Services
B&NES	620	Old Sodbury – Bath (Mon – Sat)
B&NES	94	Trowbridge – Bath (Mon –Fri)
B&NES	265	Bath – Warminster (Mon – Sat evenings)
B&NES	265	Bath – Warminster (Sun & PH)
BCC	1	Broomhill to Cribbs Causeway (Mon-Sat evenings)
BCC	2	Stockwood to Cribbs Causeway (Mon-Sat evenings)
BCC	5	The Centre to Downend (Mon-Sat mornings)
BCC	5	The Centre to Downend (Mon-Sat evenings)
BCC	5	The Centre to Downend (Sundays)
BCC	6	The Centre to Kingswood (Mon-Sat evenings)
BCC	7	The Centre to Staple Hill (Mon-Sat evenings)
BCC	18	Henbury to Lyde Green (Mon-Sat evenings)
BCC	18	Henbury to Lyde Green (Sundays)
BCC	18A	Avonmouth to Lyde Green (Saturdays)
BCC	24	Ashton Vale to Southmead Hospital (Mon-Sat evenings)
BCC	36	The Centre to Hengrove Park (Mon-Sat evenings)
BCC	36	The Centre to Hengrove Park (Sundays)
BCC	50	The Centre to Hengrove Park (Mon-Sat evenings)
BCC	90	Broadmead to Hengrove Depot (Mon-Sat evenings)
BCC	77	The Centre to Southmead Hospital (Mon-Sat)
BCC	902	Portway Park and Ride to The Centre (Mon-Sun)
BCC	904	Brislington Park and Ride to The Centre (Mon-Sun)
BCC	903	Long Ashton Park and Ride to The Centre (Mon-Sat)
BCC	17	Keynsham to Southmead Hospital (Mon-Sat evenings and Sundays)
BCC	52	Broadmead to Hengrove Park (Mon-Fri)
BCC	515	Stockwood to Imperial Park (Mon-Sat)
BCC	505	Long Ashton Park and Ride to Southmead Hospital (Mon-Sun)
BCC	506	Southmead Hospital to Create Centre/Broadmead (Mon-Sat)
BCC	508	Shirehampton to Southmead Hospital (Mon-Sat)

BCC	511	Hengrove to Bedminster (Mon-Sat)
BCC	512	Totterdown to Bedminster/Broadmead (Mon-Sat)
BCC	513/514	Knowle to Brislington Village/Brislington Tesco (Mon-Fri)
SGC	16	Hanham to Bristol Parkway Station (Mon-Sat)
SGC	19/19A	Cribbs Causeway to Bath Bus Station (Daily)
SGC	46	Bristol Bus Station – Yate Shopping Centre(Daily)
SGC	77	Thornbury – Bristol City Centre (Mon – Sat)
SGC	84	Yate – Wotton Under Edge via Cromhall (Mon – Sat)
SGC	85	Yate – Wotton Under Edge via Charfield (Mon – Sat)
SGC	86	Yate – Longwell Green (Mon – Sat)
SGC	615	Thornbury Town Service (Mon – Sat)
SGC	620	Old Sodbury – Bath (Mon – Sat)
SGC	622	Chipping Sodbury – Cribbs Causeway (Mon – Sat)
SGC	625	Severn Beach – UWE (Mon – Sat)
SGC	626	Wotton Under Edge – Bristol City Centre (Mon – Fri)
SGC	627	Cribbs Causeway – Thornbury (Sun & Bank Holidays)
SGC	628	Cribbs Causeway – Severn Beach (Sun & Bank Holidays)
SGC	634	Tormarton – Kingswood (Mon – Friday)
SGC	684	Wick – Keynsham (Tues and Thurs only)
SGC	680	Yate – UWE (Term times only)
SGC	948	Pucklechurch – Oldland (School days only)
SGC	963	Patchway – Winterbourne (School Day Only)
SGC	967	South Yate – Brimsham Green (School Days Only)
SGC	6	Bristol City Centre – Kingswood (Daily)
SGC	7	Bristol City Centre – Staple Hill (Daily)
SGC	17	Southmead – Keynsham (Daily)
SGC	18/18A	Emersons Green – Henbury (Daily)
SGC	35	Marshfield – Bristol City Centre (Mon – Sat)
SGC	41	Yate – Malmesbury (Mon – Sat)
SGC	X49	Yate – Bristol City Centre (Daily)
SGC	78/ 79	Bristol City Centre – Thornbury (Daily)
SGC	79	Bath – Tormarton (Mon – Fri)
SGC	82	Southmead Hospital – Yate (Daily)
SGC	228	Bath Circular via Marshfield (Mon – Sat)

ITEM: 9

WEST OF ENGLAND COMBINED AUTHORITY (“WECA”)

DATE: 15 MARCH 2017

REPORT OF THE INDEPENDENT REMUNERATION PANEL (IRP) TO SOUTH GLOUCESTERSHIRE COUNCIL ADVISING THE WEST OF ENGLAND COMBINED AUTHORITY

3 MARCH 2017

Membership of the IRP

Mr John Maslen (Chair)

Mr Steve Birch

Mr William Alexander

Mr Ian Bell

Supported by

Graham Russell (Independent Adviser)

John McCormack (Monitoring Officer)

Neil Young (Democratic Services)

Introduction

1. The IRP met on 3 March 2017 to consider a report titled :-
“REPORT TO THE SOUTH GLOUCESTERSHIRE COUNCIL INDEPENDENT REMUNERATION PANEL TO ASSESS THE LEVEL OF REMUNERATION AND ALLOWANCES FOR THE WEST OF ENGLAND COMBINED AUTHORITY MAYOR AND APPOINTED MEMBERS.” The report is attached as **Appendix A** to this document.
2. We thank our independent adviser and the officers above for their support in this process. We reviewed the report with interest and found it very helpful in enabling us to form our recommendations to the Combined Authority.

Background

3. The report was particularly helpful in the following respects (i) it covered the legislative provisions which underpin the respective roles of the Combined Authority and the West of England Mayor and it described what has been devolved (ii) it give a helpful overview of the devolution deal and how it is envisaged that it might work (iii) it provided comparative figures for different levels of national mayoral remuneration and (iv) it contained the draft job description and person specification for the role.
4. Clearly the role will carry significant responsibility, however, as with all newly established arrangements there is an absence of hard evidence about how the role will deliver with regard to its strategic functions like, the transport infrastructure, the development of skills and ultimately economic development.

Level of Remuneration

5. We considered the information provided about the levels of remuneration for mayors nationally and compared those roles against the role of the West of England Mayor. We felt that the remuneration required for immediate role sat somewhere in the middle of the levels indicated.
6. We recognise that in many cases a “city” Mayor will deal with a greater level of budget responsibility and a wider range of service provision. However, we felt that a simple comparison of this type would have lacked the necessary recognition of what this strategic role has the potential to deliver in respect of future economic growth for the region. The potential impact of the role was set out in the report attached. We also considered that the remuneration for the role should be sufficient to attract appropriate candidates.
7. We have weighed the information given in the report and we have unanimously agreed that a recommendation for the initial remuneration to be set at £62,000 per annum. This figure to be reviewed following one year of operation.
8. We also considered whether the Combined Authority should replicate the South Gloucestershire Council Scheme for Travel and Subsistence Allowances. We unanimously agreed that it should. The SGC scheme is attached as **Appendix B** to this report.
9. **RECOMMENDED: The initial remuneration for the West of England Mayor be set at £62,000 per annum. This figure to be reviewed by the IRP following one year of operation.**
10. **RECOMMENDED: The West of England Combined Authority replicate the South Gloucestershire Council Scheme for Travel and Subsistence Allowances.**

John Maslen

IRP Chair

REPORT TO THE SOUTH GLOUCESTERSHIRE COUNCIL INDEPENDENT REMUNERATION PANEL TO ASSESS THE LEVEL OF REMUNERATION AND ALLOWANCES FOR THE WEST OF ENGLAND COMBINED AUTHORITY MAYOR AND APPOINTED MEMBERS

1 PURPOSE

- 1.1 The purpose of this report is to assess the level of remuneration and allowances that should be payable to the person to be elected as Mayor for the West of England Combined Authority (WECA) and to make recommendations to WECA.

2 BACKGROUND

- 2.1 Under the powers in the Local Democracy, Economic Development and Construction Act 2009 (the 2009 Act) the WECA will be created early in 2017 as a separate statutory corporation. WECA will be a Mayoral Combined Authority and the first elected Mayor for the WECA will be elected on 4 May 2017.
- 2.2 Certain functions must be exercised by the Mayor personally under the 2009 Act, including setting the Mayoral Budget and the Mayoral functions as specified in the Order creating the WECA. The Mayor is also a member of the Combined Authority and is responsible for Chairing meetings of the Combined Authority. A more full description of the role, responsibilities and a "person specification" for the elected Mayor is set out at Appendix 1.
- 2.3 The elected Mayor may appoint one of the Members of the Combined Authority to be the Deputy Mayor. The Deputy Mayor will therefore be a Member of a constituent council. There are three constituent councils: Bath and North East Somerset, South Gloucestershire and Bristol City Council, each of which is able to appoint one member and two substitute Members.
- 2.4 The Mayor may delegate functions to the Deputy Mayor and also other Officers of WECA. Functions may be delegated to a Committee of the Combined Authority but only where the Secretary of State has made an Order to authorise the exercise of any function in this way.
- 2.5 The creation of the WECA and the Devolution Deal agreed with Central Government for the area will bring around £1 billion into the West of England. The deal has been summarised as follows:-

"A new, directly elected West of England Mayor will act as chair of the West of England Combined Authority and will exercise the following powers and functions devolved from central government:

- *Responsibility for a consolidated, devolved local transport budget, with a multi-year settlement.*

- *The ability to franchise bus services, subject to necessary legislation and local consultation, which will support the Combined Authority's delivery of smart and integrated ticketing.*
- *Responsibility for a new Key Route Network of local authority roads that will be managed and maintained by the Combined Authority on behalf of the Mayor.*
- *Powers over strategic planning, including to adopt a statutory spatial development strategy which will act as the framework for managing planning across the West of England region.*

The West of England Combined Authority, working with the Mayor, will receive the following powers:

- *Control of a new additional £30 million a year funding allocation over 30 years, to be invested in the West of England Single Investment Fund, to boost growth.*
- *Responsibility for the 19+ Adult Education Budget, which will be devolved from academic year 2018/19.*
- *Joint responsibility with the government to co-design the new National Work and Health Programme designed to focus on those with a health condition or disability and the very long term unemployed. The West of England Combined Authority will also bring forward a proposal to pilot more intensive support for those furthest from the labour market.*

In addition:

- *The government will work towards closer cooperation with the West of England Combined Authority on trade and investment services, including joint activities with UKTI.*
- *The government will work with the West of England Combined Authority to realise the economic potential of the Bristol and Bath Science Park and Food Enterprise Zone at J21 Enterprise Area, and to support the development of the West of England Growth Hub.*
- *The government will work with the West of England Combined Authority to agree specific funding flexibilities. The joint ambition will be to give the West of England Combined Authority a single pot to invest in its economic growth.*

Further powers may be agreed over time and included in future legislation."

2.6 The role of Mayor is key in delivering the requirements of the Devolution Deal.

3 IRP TO CONSIDER REMUNERATION

3.1 South Gloucestershire Council will consider the matters set out in this report at a meeting of its IRP, rather than establishing a new IRP for WECA.

- 3.2 The ability to pay allowances was set out in the draft Order that was published with a view to establishing WECA.
- 3.3 The draft West of England Combined Authority Order requires the IRP to consider a report under Regulation 20 of the Local Authorities (Members' Allowances) (England) Regulations 2003 and then any remuneration approved by WECA must not exceed the amount specified in any recommendation made by the IRP.
- 3.4 We note from the draft Order that no remuneration is to be payable by WECA to Members appointed to the Combined Authority by the constituent councils; and that only travel and subsistence allowances are payable to such members (under Schedule 1 paragraph 8 of the Draft Order). This means that either WECA or each Council appointing Councillors to the Combined Authority may provide such members with travel and subsistence allowances when carrying out that work. This will include the Council Members appointed as Scrutiny Committee and Audit Committee Members as well as those appointed as WECA Members.
- 3.5 As no remuneration is to be paid by WECA, it will be for each individual Council to determine whether there should be any change to existing special responsibility allowances payable to those members who are appointed as the Council's representative on WECA.

4 LEVEL OF REMUNERATION

Elected Mayor

- 4.1 In setting the level of remuneration for the elected Mayor of WECA, Members of the IRP may wish to consider other appropriate levels of remuneration for Local Authority elected Mayors and elected Police and Crime Commissioners. We understand that the DCLG has indicated, as a guide, that the level of Police and Crime Commissioner remuneration should be considered as comparable.
- 4.2 The first Police and Crime Commissioners were elected in 2012 and the second elections took place in 2016. The Home Affairs Select Committee reviewed Police and Crime Commissioner remuneration in 2013 and established that remuneration ranged from £65,000 - £100,000 per annum.
- 4.3 West Yorkshire, Greater Manchester and West Midlands Police and Crime Commissioners were paid £100,000 and Cumbria, Gloucestershire and Lincolnshire were paid £65,000. Most were paid between £75,000 – £85,000. It is likely since that date that there may have been a small increase. The full text of the Select Committee paper with details of the remuneration of all of the Police and Crime Commissioners that responded may be accessed at: <http://www.publications.parliament.uk/pa/cm201314/cmselect/cmhaff/69/6906.htm>
- 4.4 Although DCLG suggest that Police and Crime Commissioner remuneration should be considered as a comparable figure, it would also be appropriate to have regard to other local authority elected Mayors' remuneration including:

Mayor of London	£143K;
Mayor of Hackney	£79K;
Mayor of Liverpool	£79K;
Mayor of Bristol	£66K;
Mayor of Mansfield	£54K
Mayor of Watford	£66K.

- 4.5 Clearly some of the authorities above are bigger than WECA will be (e.g. London) and a number are significantly smaller (e.g. Mansfield and Watford).

Travel and Subsistence Allowances

- 4.6 Current travel and subsistence allowances payable by SGC are as set out in Appendix 2 to this report. Members of the IRP may consider that these are reasonable and should be replicated as suggested, or that an alternative range of allowances be adopted by WECA.

5 RECOMMENDATIONS

- 5.1 Members of the Independent Remuneration Panel are requested to consider the information set out in this report and make recommendations to the WECA and constituent councils as to:-

- The remuneration for the West of England Mayor, and
- A scheme of allowances for the WECA

*Originally Appendix 1 to the Report to the
South Gloucestershire Council Independent Remuneration Panel*

DRAFT JOB DESCRIPTION AND PERSON SPECIFICATION FOR A WEST OF ENGLAND COMBINED AUTHORITY MAYOR

Job Role

Strategic Leadership

- 1 To promote the Vision for the West of England Combined Authority (WECA)
"A prosperous economy with a rising quality of life for all".
- 2 To drive economic growth.
- 3 To promote transport improvements, inward investment and tourism.
- 4 To be a prominent leader working with Central Government, partners, members of the public, business, the community and voluntary sector and others to promote initiatives of benefit to the area.

Functional Leadership

- 5 To exercise powers relating to local transport, to take responsibility for a devolved and consolidated transport budget, to exercise the powers relating to the development of the spatial development strategy, to create Mayoral Development Corporations and to exercise specified powers relating to, land acquisition, appropriation and planning process to accelerate housing delivery, and to exercise functions relating to economic development and economic regeneration..
- 6 To be consulted on or call in planning applications of potential strategic importance for determination.
- 7 To be the Chair of the Combined Authority.
- 8 To appoint a Deputy Mayor

Collaboration and Consultation

- 9 To ensure effective co-ordination and liaison with the leaders of the constituent councils of Bath and North East Somerset and South Gloucestershire and the elected Mayor for Bristol City Council to:
 - Set the strategy for the Combined Authority area, and the Combined Authority's input into any wider West of England Strategies
 - Agree priorities for the future development of the Combined Authority, including any proposals for additional money and powers for the region

- Agree the schemes and projects for investment
 - Deliver the MCA's functions, including its responsibilities for attracting and supporting business in the region, infrastructure and skills development.
 - Agree a performance management framework to track progress in delivering the MCA's objective of inclusive growth. The performance framework will track finances, schemes and projects and the day to day responsibilities of the MCA
- 10 To work with the West of England Local Enterprise Partnership; seeking to align different interests to a common cause.
- 11 To ensure that partners, the public and interested organisations are consulted as required by legislation or as may be considered appropriate by the Mayor.

Financial

- 12 To determine the Mayoral precept within the budgetary allowances allowed by legislation.
- 13 To set the Mayoral budget for the WECA, subject to approval by constituent council members (and if not approved by a two thirds majority of the WECA to prepare a new budget).
- 14 With the agreement of the local business community through the West of England Local Enterprise Partnership to introduce a supplement of up to 2p in the pound on business rates in the area to fund infrastructure.
- 15 To oversee other financial arrangements of the combined authority including the ability to levy constituent councils
- 16 To make grants in accordance with the most recent determination made by the Secretary of State and in accordance with appropriate rules and procedures adopted by the WECA.

Governance and Accountability

- 17 To ensure high standards of governance and accountability to Government, the constituent councils and the public.
- 18 To ensure value for money in the use of public resources, consistent with public sector fiduciary duties.
- 19 To act in accordance with the seven Nolan Principles of Public Life and to comply with the adopted Code of Members' Conduct
- 20 To influence, persuade and coordinate wider interests within the West of England.

- 21 To empower others to deliver, including the Deputy Mayor, Members and Officers of WECA and to agree the scope of any delegation.
- 22 To follow the WECA Constitution, adopted Codes of Conduct, rules and procedures. To represent WECA on other fora and outside bodies.
- 23 To have regard to the advice of Statutory Officers of WECA, particularly the Head of Paid Service, the Chief Finance Officer and Monitoring Officer.
- 24 To act as an ambassador for the WECA.

Draft Person Specification

- 1 Leadership qualities including the ability to:-
 - Articulate the Vision;
 - Drive forward outcomes;
 - Demonstrate a sense of passion for the West of England Combined Authority area;
 - Influence, persuade and co-ordinate a wide range of interests;
 - Act as the leading ambassador for WECA.
- 2 Strong drive and commitment to deliver the Vision and intended outcomes for WECA.
- 3 Strong appreciation of the role of local government and understanding of the need to collaborate with the constituent councils.
- 4 Adept at developing strong relationships including with central Government, the Leaders and elected Mayor of the constituent councils, the Police and Crime Commissioner, business, the community and voluntary sector and the public.
- 5 Act in accordance with the seven Nolan Principles of Public Life and ensure that personal actions are beyond reproach, promoting and upholding high standards of personal conduct as well as ensuring that the Combined Authority operates with high standards of probity and propriety.
- 6 Experience of or ability to chair meetings effectively.
- 7 Ability to embrace constructive dissenting Members to harness their energy and enthusiasm in supporting desired Combined Authority outcomes.
- 8 Ability to place the interests of the WECA above any other interests whether political, geographical or commercial.
- 9 Experience of promoting collaboration rather than competition to secure desired outcomes.
- 10 Ability to lead a team of committed professional officers and to manage them through the WECA Head of Paid Service.
- 11 Strong commitment to address social inequality and promote diversity.
- 12 Ensure that any personal or business interests are not allowed to influence the operation of WECA should they come into conflict.

*Originally Appendix 2 to the Report to the
South Gloucestershire Council Independent Remuneration Panel*

SGC SCHEME FOR MEMBERS' TRAVEL AND SUBSISTANCE		
1.	Introduction	<p>Members are entitled to claim reimbursement for travel and subsistence costs incurred in approved duties in accordance with the same arrangements as apply to employees.</p> <p>These are set out below and will be updated from time to time following any changes to the employees' scheme.</p>
2.	Car Allowances	Where a Member uses a private car on official business (ie on 'approved duties'), the member will receive an allowance in accordance with the Inland Revenue Authorised Mileage Allowance Payment Scheme (AMAPS).
3.	Mileage Rates	The Inland Revenue AMAPS rate is currently 45p per mile for all vehicles.
4.	Car Parking	Members will be reimbursed for any car parking charges whilst undertaking 'approved duties', subject to production of receipts.
5.	Fines and Penalties	The Council will not be liable for any parking fines or road traffic penalties. Incurred by Members, regardless of the circumstances.
6.	Calculating Mileage	Mileage is calculated from the home base of the Member.
7.	Car Insurance	<p>Members who use their own vehicle or a vehicle registered or insured in someone else's name, on 'approved duties' must ensure that the insurance covering that vehicle is adequate.</p> <p>The cover must be sufficient to permit the Member to drive the vehicle for business purposes. Members should contact the Motor Insurers for any advice.</p>

<p>8.</p>	<p>Passenger Allowance</p>	<p>(a) The allowance of 5p per mile will be paid to the driver, in respect of one or more passengers who are fellow members or Council employees carried on Council business. This will mean that, in accordance with the Inland Revenue Scheme, Tax and National Insurance deductions would not be made on these payments.</p> <p>(b) Claims for Passenger Allowance should be made through the on-line claim 'My View'.</p> <p>(c) Drivers who are to claim the passenger allowance must satisfy themselves that their Motor Insurers will not consider the receipt of the additional allowance paid for the carrying of a passenger as being the hire or reward within the terms of their Policy.</p> <p>(d) Passenger mileage allowance is restricted to the drivers paid business mileage on the day of the claim.</p>
<p>9.</p>	<p>Motor Cycle Allowances</p>	<p>The Council has adopted the Inland Revenue Authorised Mileage Payment Scheme (AMAPS) for employees who use a motor cycle for official journeys. With effect from 1 April 2006 the rate is 24p per mile.</p>
<p>10.</p>	<p>Cycle Allowance</p>	<p>A cycle allowance will be payable for use of cycles for appropriate short journeys related to 'approved duties' A payment would be made on the basis of a flat rate per day when the cycle is used for authorised business purposes. The current rate is £2.33 per day or 20p per mile (whichever is the greater).</p>
<p>11.</p>	<p>Travel</p>	<p>This is on the basis of standard class rail travel together with the cost of reserved seating if required, subject to the journey being on 'approved duties'.</p>

<p>12.</p>	<p>Meals</p>	<p>Members are entitled to claim subsistence expenses in situations where they are working or are on a conference/seminar/training course away from their base and do not arrive home until after 8.30 pm. To be eligible they must necessarily incur expenditure and be on official business more than 3 miles from their home, administrative centre or establishment where they normally take their meals.</p> <p>Upon production of receipts, employees will be reimbursed for their actual expenditure up to the maximum South Gloucestershire allowance (currently £10).</p> <p>Claims cannot be made where a meal or buffet is provided, unless the Member has specific dietary requirements which preclude their participating in the arrangements.</p>
<p>13.</p>	<p>Reimbursement of Expenses</p>	<p>The following situations are to be regarded as “exceptional circumstances”. Expenses must relate to ‘approved duties’ and have actually been incurred and claims supported by receipts.</p>
<p>14.</p>	<p>Visits abroad</p>	<p>In these circumstances the type of expenses which will be eligible for reimbursement will be agreed with the Member in advance, by the Chief Executive or an officer authorised to act on her behalf, and all reasonable claims for accommodation, meals and refreshments will be reimbursed.</p>
<p>15.</p>	<p>Meetings/Conference/ Training /Seminars involving one or more over-night stays away from home</p>	<p>Where these involve one or more overnight stays away from home, the type of expenses which will be eligible for reimbursement will be agreed with the Member in advance by the Chief Executive or an officer authorised to act on her behalf, and all reasonable claims for accommodation and meals will be reimbursed.</p>
<p>16.</p>	<p>Situations involving long distance travel</p>	<p>In situations where a Member, in order to attend a Meeting, Conference, Training Event or Seminar, is required to leave home before 6.30am, then the cost of breakfast will be reimbursed.</p>

APPROVED DUTIES FOR THE PAYMENT OF MEMBERS TRAVEL, SUBSISTENCE AND CARERS ALLOWANCES

- All formal meetings which form part of the Council's constitution and where the councillor is:
 - a) a member of the body concerned;
 - b) is acting as a substitute or where they have been specifically invited to attend or;
 - c) where a councillor is attending to speak on an issue on behalf of the constituents of their ward
- Attendance at tender opening sessions where required by Standing Orders
- Councillors' seminars called under the provision of Standing Orders
- Training and development activities under the Councillors Development Programme
- Approved external conferences
- Meetings of outside bodies to which appointed
- Attendance by councillors or other office holders (ie, those in receipt of special responsibility allowances) at briefings, meetings or events (either within South Gloucestershire or outside) in their official capacities and in the furtherance of their official duties)
- Travel undertaken by the Chair and Vice Chair in connection with their official duties where council transport is not provided

ITEM: 10

WEST OF ENGLAND COMBINED AUTHORITY (“WECA”)

DATE: 15 MARCH 2017

BUDGET SETTING REPORT 2017/18

Purpose of Report

1. To consider and approve a Budget in respect of Mayoral Functions and the WECA for 2017/18

Issues for Consideration

2. This report deals with the following items:
 - **The Budget Narrative (Appendix 1)**
 - **The proposed Mayoral Budget for 2017/18 (Appendix 2)**
 - **The proposed WECA Budget for 2017/18 (Appendix 3)**
 - **The WECA Capital Programme 2017/18 to 2020/21 (Appendices 3 and 4)**

The Budget Proposal

3. This Budget proposal represents the first for the WECA and covers the financial year 2017/18. As the first Budget, it is brought forward under transitional arrangements to ensure an appropriate Budget is in place for the Mayoral Budget and the WECA Budget together with the respective capital programme provisions.
 - 3.1 Normally the annual Budget Process would require the Mayoral Budget to be agreed by the WECA prior to the consideration of the WECA Budget, including any contribution to meet Mayoral Costs. This process is set out in specific legislation and will be used from 2018/19 onwards.
 - 3.2 Whilst much of the detailed strategic and organisational planning work for the WECA is under development and will need the input of the Mayor following the Mayoral elections in May 2017, a number of general Strategic and Budget Principles have been used to inform the proposed Budget. These are set out as a Budget Narrative at Appendix 1.
 - 3.3 As a general principle all costs have been kept to a minimum to cover anticipated running and delivery costs for functions that will be exercised by the Mayor and WECA in 2017/18. Where practicable, service continuity will be maintained by commissioning the majority of all delivery work through the constituent councils and minimising changes to funding arrangements and distribution.

- 3.4 **The proposed Mayoral Budget** is set out in detail at Appendix 2 and includes provision for the Mayoral election and Mayoral office costs. The primary expenditure relates to the funding of Highway Maintenance and Transport Improvement Grants that have been passed from the DfT to the Mayor in accordance with the devolution agreement. This includes over £1M of funding for the highest level of highways maintenance incentive grant.
- 3.5 **The proposed WECA Budget** is set out in detail at Appendix 3 and includes provision for the Governance, Management and Administration of the WECA's functions and responsibilities, including the considerable funding streams for Infrastructure, Transport and Skills.
- 3.6 Funding for these costs will come from the transfer (via a Levy) of existing costs previously met by the constituent councils for transport delivery functions, retention of business rate growth (previously paid to central government) and a reasonable charge against the new grant funding provided by the government.
- 3.7 No additional costs should fall on the constituent councils over and above the actual costs incurred in 2016/17. Where possible efficiencies will be sought through economies of scale, optimising the use of existing resources and delivering value for money.
- 3.8 **The proposed Capital Programme** is set out in Appendix 4 with specific details provided in Appendix 2 and Appendix 3 for Mayoral and WECA capital items respectively. The programme focuses on the Highways and Transport Capital Grants, together with preparatory work in identifying, prioritising and developing the future infrastructure programme.
- 3.9 The recommendations set out in this report will provide appropriate resources to enable the continued progress and development of the WECA together with the delivery of key functions and responsibilities..

Financial Implications

4. There financial implications are set out in the specific Budget proposals set out in the Appendices to this Report.

Legal Implications

5. The Budget proposals have been developed in accordance with appropriate Local Government Regulations, including the specific funding and related governance requirements set out in the The West of England Combined Authority Order 2017 and The Combined Authorities (Finance) Order 2017.

Human Resources Implications

6. The funding for the staffing establishment for Mayoral and WECA functions are set out in the Appendices to this report. There are no direct human resource implications arising from the report itself although the following points should be noted.
- 6.1 The budget for the staffing establishment for Mayoral and WECA functions as set out in the Appendices remains subject to the assessment of an independent remuneration panel and appropriate grading review respectively.
- 6.2 Existing Local Enterprise Partnership and Invest in Bristol & Bath employees will transfer to the WECA under TUPE arrangements including the protection of terms and conditions.

Environmental Implications

7. None arising directly from this report.

Social Implications

8. None arising directly from this report.

Equality Impact Assessment

9. All key service delivery functions will continue to be delivered by the relevant constituent councils and impact assessments for service delivery, particularly highways and transport are included as appropriate within their individual Budget reports. Specific provision has been put into place to ensure that the Concessionary Travel scheme across the WECA area is consistent in line with the highest common denominator.

Risks, Mitigations and Opportunities

10. There is no statutory requirement for the Chief Finance Officer to produce a Section 25 report on the Robustness of the Budget Estimates for the WECA as is the case for most local authorities. This report would provide specific assurances relating to the robustness of the Budget Proposals. However the key elements have been assessed by the Chief Finance Officer as set out below:
- The estimates produced for the purposes of the proposed Budget are based on reasonable assumptions and in accordance with standard accounting practice.
 - Robust financial management arrangements and controls will be put into place including budget monitoring and reporting.
 - Whilst the WECA will initially operate with limited financial reserves a range of options have been identified to manage unforeseen costs.
 - A full three-year Medium Term Financial Plan will be developed for the WECA during the year as part of the 2018/19 Budget development process.
 - An independent review will be undertaken to ensure consistency and appropriateness of constituent council estimates for the cost of transferring transport functions.

RECOMMENDATIONS

The WECA is recommended to:-

1. Approve the Mayoral Budget for 2017/18 together with the funding contribution from the WECA of £1.81M (including one-off election costs) as set out in Appendix 2 .
2. Agree the specific Highways and Transport Capital Grant allocations totalling £20.475M to the constituent councils for 2017/18 as set out in Appendix 2, Annex 1 (table 2).
3. Approve the WECA Budget for 2017/18 as set out at Appendix 3.
4. Approve the Levy to be issued to the constituent councils totalling £15.281M in respect of transferring Transport functions as set out at Appendix 3.
5. Agree that no additional contributions should be requested from the constituent councils to meet the costs of the WECA.
6. Request the Monitoring Officer to commission appropriate delivery arrangements for concessionary fares, community transport grants and other relevant transport functions from the constituent councils to ensure continuity of related services for 2017/18 in accordance with the budgetary provisions set out in Appendix 3
7. Approve the WECA capital programme for 2017/18 as set out at Appendix 4 including the planned sources of funding, and noting that no borrowing is anticipated for 2017/18.
8. Notes that the WECA will operate with limited financial reserves for 2017/18 and that any unforeseen costs will be met in accordance with the options set out in Appendix 3 (Para 9.3).

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Background Papers

None

APPENDIX 1

Narrative for the West of England Combined Authority Budget

The West of England is one of the UK's most prosperous regions. The creation of the West of England Combined Authority offers us the opportunity to build on this and make it even better for everyone.

Working with our constituent councils and partners including the West of England Local Enterprise Partnership, North Somerset Council and other local service providers, our aim is to deliver inclusive economic growth for the region and address some of the challenges we face together.

We are in the process of developing an ambitious strategy for the region that will give greater us greater clarity about what we want to achieve together. Whilst still in the early stages of development we are expecting the strategy to prioritise three areas:

- Businesses that fulfil their potential
- World class skills for employment
- Effective resilient infrastructure; helping people to live, work and get around

The creation of the West of England Combined Authority will mean that we can be more ambitious in our joint delivery of the strategy and these priorities. It will make it easier for us (West of England Combined Authority and constituent councils) to collaborate and to take collective decisions about what is best of the region; cutting across the divides of council boundaries.

In terms of operation the West of England Combined Authority intends that the Combined Authority will be:

- 1. Lean and efficient making the most of existing resources (only doing things once – across the WoE)**
- 2. Can deliver the vision for inclusive economic growth in the West of England**
- 3. Makes the most of existing capabilities (recognising the strengths and capacity within the constituent councils)**
- 4. Accountable and transparent governance**

The West of England Combined Authority will work in partnership with constituent councils to ensure that there is a clear, transparent process for prioritising investment. Future delivery mechanisms will be designed in the most efficient and effective way taking account of constituent councils existing capabilities and capacities. Clarity over any potential risks associated with delivery will be reached between West of England Combined Authority and constituent councils ahead of any project or service starting.

APPENDIX 2

1. Budget Summary

- 1.1. The Mayoral Budget relates to those functions that fall under the specific responsibility of the Mayor in accordance with the West of England Combined Authority (WECA) Order 2017.
- 1.2. For 2017/18 these functions primarily relate to the payment of Highways and Transport Capital grants – further powers and responsibilities will be conferred following the Mayoral Elections in May 2017 and as subsequently set out in the WECA Order.
- 1.3. The Budget proposal also includes the costs of the Mayor and related office expenses and election costs.
- 1.4. The funding for the Mayoral budget comes from the Retained Local Business Rates Pilot to meet the majority of Transport Costs together with grant funding from the Department for Transport and a contribution from the West of England Combined Authority.
- 1.5. As 2017/18 represents the first year for the Mayoral Budget, the Budget Proposal is to be agreed by the WECA as a transitional arrangement prior to the election of the Mayor, in accordance with relevant statutory provisions.
- 1.6. The proposed Mayoral budget for 2017/18 is set out at Annex 1 (Table 1)

2. Mayoral Costs

- 2.1. Provision has been included for the relevant allowance for the Mayor which will be subject to an assessment of an Independent Remuneration Panel. Additional costs related to a single policy support officer, running costs and expenses are also provided for.
- 2.2. Mayoral elections will be held every 4 year and the costs associated with this are an appropriate charge to the Mayoral Fund. For future years it is proposed to provide for annual provisions to spread the costs of this over the election term period.

3. Transport and Highways Capital Grants

- 3.1. The West of England Combined Authority is the Transport Authority and assumes a number of functions and responsibilities as part of this role. The Mayor will be responsible for the payment of £20.475M of transport related annual capital grant funding streams previously distributed directly by the Department for Transport (DfT), including:
- Highways maintenance grants
 - Highways incentive grants
 - Integrated transport grants
 - National productivity investment fund grants
- 3.2. As proposed capital grants, funding is transferred (where appropriate) as a Revenue Contribution to Capital Outlay (RCCO) to the WECA Capital programme as set out at Appendix 4 before distribution to the constituent councils.
- 3.3. For 2017/18 it is proposed that no changes are made to the distribution of this funding to the constituent councils as set out in the Roads Funding announcement by DfT on 13th January 2017. This results in a grant distribution to the constituent councils as set out at Annex 1 (Table 2). Details of the specific highways and transport priorities and schemes supported by this funding is therefore set out within the Budgets for each of the constituent councils and appropriate monitoring arrangements will be put in place by the WECA.
- 3.4. As a devolution area, the constituent councils will automatically receive the highest level of Highways Incentive Grants worth a total of £1.061M in 2017/18 to the area.
- 3.5. Going forwards, distribution may change to reflect future proposals and priorities including meeting the costs of the Key Route Network which will be agreed during the course of the financial year.

4. Other Mayoral Costs

- 4.1. No provision is made at this point for any further costs associated with the delivery of Mayoral functions. This will be considered further for future years recognising support that may be available from the WECA and the constituent councils.

5. Mayoral Budget Funding

- 5.1. **The Business Rates Retention Pilot** - has been agreed by the constituent councils to incorporate funding for the core Highways and Transport Grants from the DfT. This provides for a degree of stability and flexibility on how this funding might be used going forwards.
- 5.2. A proportion of Business Rates (5%) collected by the constituent councils will therefore be allocated to the WECA, the majority of which (£17.572M) is payable directly to the Mayoral Budget to replace the grant funding which would have been received from the DfT.
- 5.3. **A DfT – Capital Grant** of £2.903M will be paid to meet the one-off costs for 2017/18 of the National Productivity Investment Fund (as set out at Appendix 4).
- 5.4. **A Contribution from WECA** can be requested by the Mayor as part of the annual Mayoral Budget setting process to meet any costs not met by other sources of funding. For 2017/18 a transitional process is in place and the Contribution will be agreed as part of the wider WECA Budget setting process. A Contribution of £1.81M is proposed to meet the Mayoral costs and the one-off costs associated with the Mayoral election.
- 5.5. In the future, the Mayor will be able to propose a **Supplementary Business Rate** of up to 2p per £ of rateable value in agreement with local business for infrastructure schemes. Full details of this scheme and how it will operate have yet to be set out by Government and no such proposals are permitted for this first year 2017/18.
- 5.6. Total funding for the Mayoral Revenue Budget is £19.382M for 2017/18

Table 1 – The Mayoral Budget (Fund) 2017/18.

MAYORAL FUND		
	£000's	£000's
<u>Revenue Expenditure</u>		
Mayoral Expenses / Support		165
Mayoral Election Costs (May 2017)		1,645
Planning, Transport & Housing Strategy		-
Contributions to Capital - Highways & Transport Grants		
Integrated Transport Grants	5,183	
Highways Maintenance Grants	11,328	
Highways Incentive Grants	1,061	
		17,572
Total Expenditure		19,382
<u>Income</u>		
Business Rates Retention Pilot	17,572	
Funding contribution from WECA (Gainshare)	1,810	
		19,382
Total Income		19,382

ANNEX 2

Table 2 - Highways & Transport Grant Allocations

2017/18 Highways & Transport Capital Grants to Constituent Councils					
	Highways Maintenance	Highways Incentive	Productivity Investment	Integrated Transport	TOTAL
	£000's	£000's	£000's	£000's	£000's
Bath & North East Somerset Council	3,352	314	788	1,163	5,617
Bristol City Council	3,460	324	1,105	2,743	7,632
South Glos Council	4,516	423	1,010	1,277	7,226
					-
Mayoral Fund Total	11,328	1,061	2,903	5,183	20,475

APPENDIX 3

1. Budget Context

- 1.1. The West of England Combined Authority (WECA) Budget relates to all the functions with the exception of those relating specifically to the Mayor which are set out separately at Appendix 2. The WECA Budget may include any specifically agreed contributions from the WECA to meet Mayoral costs.
- 1.2. The financial year 2017/18 represents the first full budget for the WECA and as such it is based upon a combination of costs derived from each of the constituent councils for any transferring functions, together with an estimate of specific costs associated with the delivery of the new authority's functions and statutory responsibilities.
- 1.3. The funding for the WECA comes from 3 main sources:
 - Gainshare funding provided by the Government as part of the Devolution Deal
 - A levy on the constituent councils for the costs of functions that have transferred to the WECA (e.g. transport)
 - A small share of business rates under the 100% Business Rates Retention Pilot
- 1.4. There are no additional costs related to the West of England Combined Authority falling on any of the constituent councils.
- 1.5. The proposed WECA Budget is set out at Annex 1 (Table 1). During the course of 2017/18 it is anticipated that a detailed medium term financial plan will be developed for the WECA.

2. Transport Services

- 2.1. The WECA is now the Transport Authority for the West of England and a range of related functions and responsibilities and full details are set out in a separate report from transport officers on this Agenda. For 2017/18 the primary focus will be to maintain the delivery of concessionary fares, community transport and bus related information systems to ensure continuity of service. The assumptions set out below have therefore been used as a basis for the Budget in line with proposals for service delivery from lead transport officers.
- 2.2. **Concessionary Fares** – based upon a standard concessionary fares scheme, the WECA will commission the core bus related contracts directly from South Gloucestershire Council who currently provide this service. Smaller commissions will then be put in place for the constituent councils to continue to assess eligibility and issue of related travel passes.
- 2.3. **Community Transport Grants** – grant funding will be made to each of the constituent councils in line with existing financial allocations and, each council will continue to maintain their existing approach to the support for these services for 2017/18.
- 2.4. **Bus Information Services** – the WECA will commission appropriate bus information services to reflect existing arrangements within the constituent councils, including the commission to Bristol City Council as lead for real time information services.
- 2.5. Bristol City Council are currently undertaking appropriate procurement for real time information services including the Metrobus extension and therefore any resulting costs arising from this may need to be reflected at the appropriate time as a variation to the proposed commissions and levy (as set out at para's 2.7 and 8.2).
- 2.6. **Supported Bus Services** – no specific financial provision is proposed within this Budget as these services are joint powers going forwards. A suitable mechanism will be agreed with the constituent councils to ensure these powers are appropriately exercised going forwards.
- 2.7. The proposed value of commissions with each of the constituent councils in respect of the functions set out above is set out at Annex 1 (Table 2). The Monitoring Officer will make the necessary contractual arrangements relating to each of these functions.

- 2.8. **Future arrangements** – going forwards the WECA will consider opportunities to deliver efficiencies through revised approaches to service delivery and provision. All such proposals will be subject to the approval of the WECA.

3. WECA Delivery and Running Costs

- 3.1. As far as practicable all costs related to the running and delivery of WECA functions and responsibilities have been kept to a minimum whilst recognising that the organisation will have delivery, statutory, fiduciary and governance costs which will need to be met.
- 3.2. The WECA will be responsible for over £415M of agreed funding over the next five years and the proposed running costs represent an average of 2.1% per annum. This benchmarks favourably against the existing 2.9% for current WoE LEP costs per annum of funding and the national allowance of 4% used for running costs as a proportion of regional growth funding.
- 3.3. The estimated delivery and running costs within this Budget proposal represent a maximum limit within which the WECA will operate. A number of posts, including statutory senior officer roles, will be subject to a formal independent grading review once the full range of responsibilities and accountabilities have been agreed. Any further resources required will be subject to specific approval of the WECA.
- 3.4. **None of these delivery and running cost will fall on the constituent councils. Further details are set out below:**

Infrastructure

- 3.5. Provision has been made for resources to manage, develop and commission the range of infrastructure related functions which will form part of the responsibilities of the WECA including Transport, Highways and Infrastructure Investment programmes.
- 3.6. As far as practicable existing resources will be utilised to deliver these arrangements and future work will be required to identify potential opportunities with the constituent councils to deliver efficiencies around the delivery arrangements.
- 3.7. No specific financial provisions are proposed for 2017/18 in respect of strategic and delivery functions for planning and housing recognising the joint spatial planning work already underway across the West of England. Further detailed proposals will be considered by the WECA as appropriate.

Skills & Employment

- 3.8. It is anticipated that, subject to ongoing discussions with the Skills Funding Agency, the WECA will take on responsibility for the 19+ Adult Education Budget, which will be devolved from academic year 2018/19. As such the WECA will then be responsible for allocations to providers and the outcomes to be achieved, consistent with statutory entitlements.
- 3.9. This is a new area of responsibility and some preparatory and specialist commissioning work is likely to be required. No provision has been made in the proposed budget at this time, however we will seek further clarity on the requirements and resourcing from the SFA and constituent councils. Where appropriate, any amendments to resourcing required will be subject to the approval of the WECA.

Resources

- 3.10. Includes estimated costs for Finance, Information Technology, Accommodation, Procurement, Audit and the range of support services and charges necessary to meet statutory and fiduciary responsibilities. A range of support services will be commissioned directly from the constituent councils to support value for money and efficiency of delivery.

Corporate and Governance

- 3.11. Provides for the costs related to governance arrangements for the WECA, including democratic support and monitoring officer, together with strategy development, performance management and the Chief Executive office.

4. One-Off Funding Allocations and Provisions

- 4.1. The following non-recurring allocations are included within the proposed Budget:
- £500K to each of the constituent councils (a total of £1.5M) to reimburse their direct costs for the set-up and implementation of the WECA. This includes reimbursing funding allocated from the reserves, staff time, back-fill arrangements, professional fees and expenses.
 - Up to £150K to meet any further one-off costs to the WECA in relation to the ongoing set-up of the authority including but not limited to systems, statutory requirements, fiduciary arrangements, professional fees and equipment.

5. 2017/18 to 2020/21 Capital Investment Programme

- 5.1. The proposed WECA Capital programme is set out at Appendix 4 and recognises the specific Mayoral and WECA Capital Schemes based upon the specific underlying funding and statutory functions.
- 5.2. Schemes are set out on an Approved basis for 2017/18 and Indicative for future years. This may be varied by the WECA as individual schemes are identified and prioritised for inclusion in the programme. The specific capital proposals for the WECA are as follows:
- 5.3. **Up to £400K to support the modelling and prioritisation of Schemes** – this will produce details of the proposed capital projects for prioritisation and approval of the WECA. These costs will then be allocated as development costs for the approved schemes.
- 5.4. **Up to £2M to support the development of Prioritised Schemes** – this funding will be specifically allocated to support further business case, feasibility and development of prioritised schemes. **The actual value required will be determined following approval by the WECA of the propositions to be taken forward for further development.** It is anticipated that delivery of this work will include commissioning of appropriate skills and expertise from the constituent councils as the preferred suppliers and external professionals if required.
- 5.5. **Up to £300K for WECA IT Hardware, Software and Accommodation Alterations** – subject to identification of suitable office accommodation for the WECA and the provision of IT support services from the appropriate constituent council to meet the needs of the WECA.
- 5.6. **Capital Funding** - no borrowing is proposed for the WECA to meet capital commitments for 2017/18. All capital costs will be met from the appropriate allocation of government Gainshare grant funding.

6. Accountable Body Functions

- 6.1. The WECA will act as the Accountable Body for the West of England Local Enterprise Partnership and Invest in Bristol & Bath from 1 April 2017 taking over this role from Bath & North East Somerset Council, and Bristol City Council respectively. Appropriate transition arrangements are in place to ensure the smooth transfer of associated funding streams.
- 6.2. The LEP and associated accountable body functions are funded from existing grants and contributions with no costs falling on the WECA.

- 6.3. Staff roles supporting these activities will transfer to the WECA and appropriate arrangements are in place to ensure all legal and statutory requirements relating to such staff transfers are met.
- 6.4. It is anticipated that following transfer, the staffing structures of the LEP and WECA teams will be reorganised to provide the most efficient and effective delivery and support structure to meet the functions and responsibilities to meet the new governance arrangements.

7. Mayoral Costs

- 7.1. The WECA will make a proposed contribution of £1.81M in 2017/18 to meet Mayoral costs primarily those relating to the Mayoral Election and Mayoral Office Costs. Further details are set out in the Mayoral Budget at Appendix 2.

8. Funding

- 8.1. The funding to meet the costs of the WECA are received from the following sources:
- 8.2. **A Levy on the constituent councils** limited to meet the costs associated with transport functions transferring to the WECA. It is proposed that the Levy is set in line with the estimated costs which would have been incurred by the relevant constituent council (i.e. a revenue neutral basis). The proposed Levy for each council is set out at Annex 1 (Table 3).
- 8.3. **The 100% Business Rates Retention Pilot** as agreed by the constituent councils means a proportion of Business Rates (5%) collected by the constituent councils will be allocated to the WECA, the majority of which (£17.572M) is allocated to the Mayoral Budget to replace the grant funding which would have been payable by DfT.
- 8.4. A relative proportion of business rates growth (previously paid to central government) will be retained by each of the participating WoE councils including the WECA. For 2017/18 this is estimated at £945K for the WECA. Further details relating to the 100% Business Rates Retention Pilot can be found in the formal decisions approved by each of the constituent councils in October 2016.
- 8.5. The sustainability of this funding will need to be reviewed as the government moves to a national 100% business rates retention system from 2020.
- 8.6. **Gainshare Revenue Contribution** – as part of the WoE Devolution Deal, the government has allocated £30M per year to the WECA for a 30 year period. This will be used primarily for infrastructure investment with an element available to meet set-up and running costs.

- 8.7. For 2017/18 the proposed allocation of Gainshare funding to meet set-up and running costs is £3.884M. This is higher than will normally be the case as it includes historic set-up costs and the Mayoral election costs.
- 8.8. Other income includes estimated interest on cash flow balances for investments in line with the approved WECA Treasury Strategy.
- 8.9. No contributions are required from the constituent councils to meet any WECA costs.

9. Reserves

- 9.1. The WECA will not be established with any general or earmarked reserves or balances transferring from the constituent councils. Over time it will be the intention to establish a risk assessed level of reserves based on the specific activity and financial risks to the WECA.
- 9.2. A full range of financial controls and budget monitoring will be put in place to provide early identification of any potential cost variations and manage financial risks as far as practicable within the Approved Budget.
- 9.3. In the event of extraordinary costs arising the WECA will be able to consider a range of options to deal with these:
- Re-prioritisation of financial commitment and commissions.
 - Use of any flexibility available in the applications of funding streams.
 - Use of the Gainshare funding as appropriate.
 - Request voluntary contributions from the constituent councils (for example if newly introduced policies or discretionary measures in a particular council, affects the aggregate demand across the region resulting in funding pressures).
 - An application to the government emergency Bellwin fund if qualifying criteria are met (only available for significant unforeseen emergency circumstances).
 - Appropriate use of reserves as set out in 9.4 below
- 9.4. An element of the reserve of £278K related to LEP functions and potential liabilities will be available to the WECA as Accountable Body to meet financial risks relating to these functions.

Table 1 – The WECA Budget 2017/18.

WECA FUND		
	£000's	£000's
<u>Revenue Expenditure</u>		
Transport Functions		
Concessionary Fares	13,209	
Community Transport	1,702	
Bus and Real Time Information	371	
Other - including commissioning and delivery	-	
	-	15,281
WECA Delivery & Running Costs		
Infrastructure	200	
Skills & Employment	-	
Resources	581	
Corporate & Governance	678	
	678	1,459
One-off Set Up and Implementation Costs		1,650
Contribution to Mayoral Fund		1,810
Capital Financing		-
		20,200
<u>Income</u>		
Levy from CA's For Transport Functions	15,281	
Contributions from CA's	-	
Business Rates Retention	945	
Gainshare - revenue contribution	3,884	
Interest on balances	90	
	90	20,200
Total Income		20,200

Table 2 – Transport Commissions to Constituent Councils

Payments to Constituent Councils for Commissioned Services				
	Concessionary Fares	Community Transport	Bus and RTI	TOTAL
	£000's	£000's	£000's	£000's
Bath & North East Somerset Council	49	379	53	480
Bristol City Council	113	886	271	1,270
South Glos Council	13,047	437	47	13,531
				.
Total	13,209	1,702	371	15,281

Table 3 – LEVY to the WECA by the Constituent Councils for Transport

WECA LEVY	
	TOTAL
	£000's
Bath & North East Somerset Council	4,211
Bristol City Council	8,475
South Gloucestershire Council	2,596
Total	15,281

10.

WECA and Mayoral Capital Programme 2017/18 to 2020/21												
	Spend				Funded by:							
	Approved	Indicative	Indicative	Indicative	17/18				18/19	19/20	20/21	
	17/18	18/19	19/20	20/21	Gainshare	DfT Grant	RCCO	Total	RCCO	RCCO	RCCO	
	£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	£'000
WECA Capital												
Infrastructure												
Economic Model & Scheme Prioritisation	400				400			400				
Project Development incl Project officer	2,000				2,000			2,000				
	2,400				2,400			2,400				
WECA Capital - other												
IT	200				200			200				
building alterations	100				100			100				
	300				300			300				
Mayoral Capital								-				
Highway and Transport Grants	20,475	17,572	17,752	17,752	0	2,903	17,572	20,475	17,572	17,752	17,752	
Grand Total	23,175	17,572	17,752	17,752	2,700	2,903	17,572	23,175	17,572	17,752	17,752	
Note: RCCO indicates a Revenue Contribution to Capital Outlay												

ITEM: 11

WEST OF ENGLAND COMBINED AUTHORITY (“WECA”)

DATE: 15 MARCH 2017

OPERATIONAL POLICIES

Purpose of Report

- 1 This report advises members of the need for the West of England Combined Authority to adopt a suite of operational policies to ensure the West of England Combined Authority can perform its functions and manage its employees and staff in accordance with adopted policies and procedures.
 - 1.1 That gives delegated authority to the Interim Chief Executive to develop the suite of policies and procedures required for the lawful and efficient operation of West of England Combined Authority. Where appropriate some of these will be brought back to West of England Combined Authority for approval.
 - 1.2 As detailed on the agenda, West of England Combined Authority was created by the West of England Combined Order on 9th February 2017. The West of England Combined Authority is constituted as a local authority and as such it must comply with a range of statutory requirements and must ensure that it has in place appropriate operational policies.

Issues For Consideration

- 2 In terms of statutory requirements, the West of England Combined Authority will be required to comply with certain legislative requirements for which it will require operational policies. Examples of policies it will need to adopt include (but are not limited to) the following: Freedom of Information Act 2000 (FOIA), Data Protection Act 1998 & 2003, Information Regulations 2004, Pay Policy Statement, Data Transparency Regulations, data sharing, business continuity procedures.
 - 2.1 As it employs staff and/or engages individuals or organisations to work for or on its behalf it will need policies that set out clearly how staff and employees will be recruited, managed and work within the organisation. Examples of policies it will need include, recruitment and selection processes, managing performance, ill health, grievance and disciplinary procedures, whistleblowing, ICT Security and Use policies.

- 2.2 In addition the West of England Combined Authority will need to have in place policies that are available to members of the public to enable the public to comment on the activities of the West of England Combined Authority. This will include the development of policies, including a published complaints procedure. The Member Code of Conduct forms part of the Constitution. Consideration will need to be given as to whether the West of England Combined Authority should adopt a safeguarding policy.
- 2.3 The above paragraphs provide an indication of the nature of the policies and procedures that should be adopted by the West of England Combined Authority, it is not exhaustive and many policies will evolve as the work of the West of England Combined Authority evolves.
- 2.4 Officers will prepare a full list of the policies and procedures required for the lawful and efficient operation of West of England Combined Authority. Where appropriate these will be brought back to West of England Combined Authority for approval. This shall include, but not be limited to, the approval of the Pay Policy.

Consultation:

- 3 There has been no consultation in relation to the content of this report. However appropriate consultations/briefings will be undertaken in relation to specific policies, particularly HR related policies.

Other options considered:

- 4 There are no other options to be considered that arise as a direct result of this report.

Risk management/assessment:

- 5 It is important that the West of England Combined Authority as a public body and an employer has all necessary policies and procedures to enable it to operate lawfully and in a transparent manner. Failure to have required policies could expose the authority to a risk of challenge.

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 minimizing 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.

Economic Impact assessment:

- 7 There are no Economic Impacts to be considered that arise as a direct result of this report.

Resource and Legal Implications:

- 8 Certain policies are required by law, e.g. the Freedom of Information Publication Scheme, others such as Data Protection and HR employee management policies should be put in place as a priority so as to manage risks appropriately. Certain policies will be required to ensure compliance with the financial regulations contained in the Constitution.
- 8.1 As the authority develops and grows as an employer, so policies will need to be reviewed.

Finance Implications:

- 9 There are no direct financial implications that arise from this report. However failure to adopt appropriate policies could expose the West of England Combined Authority to financial risks.

Advice given by: Tim Richens, Interim Chief Financial Officer, West of England Combined Authority

Legal Implications:

- 10 The adoption of appropriate policies and procedures is essential so as to ensure the actions and decisions of the West of England Combined Authority do not expose the authority to unnecessary risk of challenge.

Advice given by: John McCormack, Interim Monitoring Officer, West of England Combined Authority

Land/Property Implications;

- 11 There are no land/property implications that arise as a direct result of this report.

Advice given by: No Advice Required

Human Resources Implications:

- 12 Staff who TUPE to the new Combined Authority will do so with their existing contractual terms and conditions including any policies and procedures regarded as part of their contracts. These policies will have been consulted on by the outgoing Local Authority with unions in the past. There may be some differences in policies and procedures between the different contributing Authorities although these are not likely to be substantial. Managers in the new organisation will however need to be aware that when managing staff, there might be different policies applying within their teams depending on which Council their staff were employed by.

- 12.1 New recruits to the Combined Authority will be appointed under a West of England Combined Authority contract with West of England Combined Authority policies and procedures. These could be policies adopted from one of the contributing Authorities as these have already been consulted on with unions. Future changes to policies could be considered as the organisation evolves and where changes are substantive, they would need to be consulted on with unions at the time.

Advice given by: Catherine Lovett – Senior Human Resources Consultant BANES

Recommendation:

- 13 That West of England Combined Authority gives delegated authority to the Interim Chief Executive to prepare and submit to the West of England Combined Authority a comprehensive list of policies and procedures for approval by the West of England Combined Authority (including but not limited to the Pay Policy).

Author:

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Background Papers

Any person wishing to inspect the Background Papers, used in the preparation of this Report, should seek the assistance of the Contact Officer for the meeting, who is and who is available by telephoning Joanna Greenwood on 0117 35 76324. Writing to West of England Combined Authority Office, Engine Shed, Station Approach, Temple Meads, Bristol, BS1 6QH. Email: Joanna.greenwood@westofengland.org.

ITEM: 12

WEST OF ENGLAND COMBINED AUTHORITY (“WECA”)

DATE: 15 MARCH 2017

SINGLE POT ASSURANCE FRAMEWORK

Purpose of Report

1. The West of England Combined Authority is required by Government to approve an assurance framework which sets out how schemes funded through the Single Pot will be appraised, monitored and evaluated. This report seeks endorsement and adoption of the approved assurance framework.

Background

2. As part of the devolution deal the West of England has been granted a single capital pot which will initially comprise the multi-year consolidated transport settlement and the grant-based investment fund ('Gain Share'). Government have detailed their expectations of the way that schemes coming forward through the single pot will be identified, appraised and evaluated with a view to ensuring due accountability, transparency and value for money. The requirements are detailed in the Single Pot Assurance Framework National Guidance.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/516215/Single_Pot_Assurance_Framework.pdf

3. Whilst localities have the freedom to determine how to apply the practices and standards set out in the guidance, frameworks are required to be agreed by Department for Communities and Local Government (DCLG) Accounting Officer in advance of receipt of any funding.

West of England Combined Authority Single Pot Assurance Framework

4. Government have confirmed that they will make the initial £30m payment of the investment fund in 2016/17, and the second payment early in 2017/18. This has necessitated the commencement of the process of Government sign off of the draft assurance framework in parallel with approval by West of England Combined Authority. The assurance framework has now been reviewed by Government and they have confirmed it meets their expectations. A copy of the framework is provided in Appendix 1.

5. Key aspects of the West of England Combined Authority assurance framework to note are:

- All decisions related to scheme prioritisation and funding approvals will be taken by the West of England Combined Authority.
- The assurance framework only covers the schemes to be delivered through the Gain Share funding and not the wider Single Pot or any other funding.

- The way that schemes are to be prioritised for funding will be included in the framework when this has been agreed by the West of England Combined Authority in advance of the prioritisation process being undertaken.
- The framework is a living document and is required to be reviewed annually and amended, although any significant changes need to be agreed by Government.
- The framework, and in due course other information regarding scheme prioritisation, appraisal, decision making by the West of England Combined Authority and evaluation will be published on the West of England Combined Authority website to ensure the required transparency,

Financial Implications

10. The Assurance Framework sets out how schemes funded through the Single Pot will be appraised, monitored and evaluated. The body of the report sets out how this supports effective financial governance of the West of England Combined Authority.

Tim Richens, Interim Chief Financial Officer – Tel: 01225 477468.

Legal Implications

11. The submission and approval of an Assurance Framework is a prerequisite stage in the devolution process. The purpose of the Assurance Framework is set out in the report.

John McCormack – Interim Monitoring Officer – 01454 865980

Human Resources Implications

12. There are no significant human resource implications immediately arising from this report.

Environmental Implications

13. None arising directly from this report.

Social Implications

14. None arising directly from this report.

Economic Implications

15. None arising directly from this report.

Equality Impact Assessment

16. None arising directly from this report.

Risks, Mitigations and Opportunities

17. The assurance framework identifies the proposed approach for risk management for both constituent schemes within the investment programme and the programme overall.

Appendices

Appendix 1: West of England Combined Authority Single Pot Assurance Framework

RECOMMENDATIONS

The West of England Combined Authority is recommended to:-

1. Note and adopt the approved Single Pot Assurance Framework

Author

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Background Papers

None

WEST OF ENGLAND
Combined Authority

BATH & NORTH EAST SOMERSET
BRISTOL
SOUTH GLOUCESTERSHIRE

Single Pot Assurance Framework

16 February 2017

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1 Purpose of the document

1.1 Context

The 'Single Pot' approach to funding is a significant fiscal agreement in devolution deals which reduces ring fences and consolidates funding lines for which the West of England Combined Authority is the accountable body.

Localities in receipt of a Single Pot as part of their devolution agreement with Government are required to have an assurance framework that explains the arrangements for the Combined Authority to:

- Appraise projects and allocate funding; and
- Monitor and evaluate projects to ensure that they achieve value for money and projected outcomes.

As set out in the National Guidance for Single Pot Assurance Frameworks (April 2016) issued by the Department for Communities and Local Government (DCLG), the Strategic Economic Plan (Growth Strategy) for the area, will provide the basis for investment decisions alongside the delivery of statutory requirements, conditions of funding, and other local transport objectives. In performing its role the West of England Combined Authority (WECA) will ensure that it acts in a manner that is lawful, transparent, evidence-based, consistent and proportionate.

The West of England Devolution Deal sets out details of the powers and functions devolved to the WECA and the new directly elected West of England Mayor from central government. The powers, funding lines and functions of WECA and West of England Mayor will be confirmed in the West of England Order.

Throughout this document the term 'the WECA' is used to describe the meeting of the West of England Combined Authority, and 'WECA' is used to describe the working of the Combined Authority.

1.2 Scope of the assurance framework

WECA will establish a Single Investment Fund (WoESIF) through which it will administer the West of England Single Pot allocation of funding from HM Government alongside any other local and national funding sources which may subsequently be included.

This assurance framework is for the WoESIF which will initially comprise the additional £30m per annum allocations of grant-based investment funds (sometimes called 'Gain Share'), which will be subject to a five-yearly Gateway Review by Government. In line with the Devolution Deal this is in the control of WECA, working with the West of England Mayor.¹ Other exceptional costs will be funded via the Single Pot related to the establishment of the WECA and election costs for the Mayor as agreed by the WECA.

¹ No spending commitments beyond the initial five-year allocation will be made until the West of England Mayor is in office and has agreed to the WECA investment strategy. The West of England Mayor will also have the authority to review all investment decisions related to this funding, taken before their appointment.

The WoESIF will also provide the opportunity to combine funding to maximise economic impacts. All projects funded through the WoESIF will be subject to the agreed prioritisation, appraisal, and monitoring and evaluation framework, including value for money assessments tailored to the nature and scale of the proposed investment.

This assurance framework will be updated regularly to ensure that it remains fit for purpose. Furthermore, other funding sources may subsequently be aligned with the WoESIF to ensure that an integrated, comprehensive and strategic approach to promoting growth within the West of England is adopted. Where these fall within the scope of this framework it will be updated accordingly. Where there are significant changes to the framework, or when wholly new funding streams are added to the West of England Single Pot, revisions will be agreed with the Department for Communities and Local Government.

1.3 What is an assurance framework and who it is for?

This assurance framework is required to explain 'how localities will appraise, monitor and evaluate projects to achieve value for money'. It will provide the Departmental Accounting Officers and Parliament with the assurance that WECA, as the accountable decision-making authority, is effectively managing the risks associated with the allocation of devolved funding and that robust systems are in place to ensure resources are spent with regularity, propriety, and value for money, whilst at the same time achieving projected outcomes.

The assurance framework also outlines clear and transparent procedures for all stakeholders in the West of England area (including the constituent Local Authorities, the West of England LEP, other key partner agencies, businesses and residents) regarding the delivery and spending associated with the WoESIF. The assurance framework and the WoESIF will be managed in accordance with the usual local authority checks and balances, including those set out in the Local Government Fiscal Framework and the Local Government Accountability System Statement

1.4 Status and structure of the framework

This assurance framework will be reviewed annually to ensure that it remains fit for purpose.

The remainder of this document is set out in the following sections:

- Section 2: Describes the governance and decision-making structures and outlines the transparency that will apply to all decision making.
- Section 3: Sets out the procedures for prioritising projects, appraising projects and developing appropriate business case documentation to satisfy the value for money assessment.
- Section 4: Outlines the procedures required for monitoring and evaluating projects and the overall WoESIF.
- Section 5: Provides a summary of the key assurances required by DCLG and how they will be met by WECA.

2 Governance and decision-making structure

2.1 West of England Combined Authority Governance

WECA was established on [Insert date] with responsibility for strategic decision making in respect of economic growth.

The geographical area covered by WECA includes the local authority areas of Bath and North East Somerset, Bristol and South Gloucestershire. The governance structure of the WECA is shown in Figure 2.1.

The detailed structure and functioning of WECA is outlined in the constitution.

- **The WECA** – The West of England Mayoral Combined Authority (MCA) is responsible for the West of England Mayoral Combined Authority (in compliance with the West of England Combined Authority Order). The constitution of the WECA is published on the WECA website [add link once published] which includes the code of conduct.
- **Joint West of England Committee** - The Joint West of England Committee is responsible for any relevant functions that fall outside those set out in the West of England Combined Authority Order.
- **Audit Committee** – the functions of the Audit Committee include review and scrutinising the authority's financial affairs.
- **Scrutiny Committee** – the functions of the scrutiny committee primarily relate to scrutinising the work of the WECA and making appropriate recommendations as to the discharge of its functions.

All other boards in the structure are advisory and have no delegated responsibility

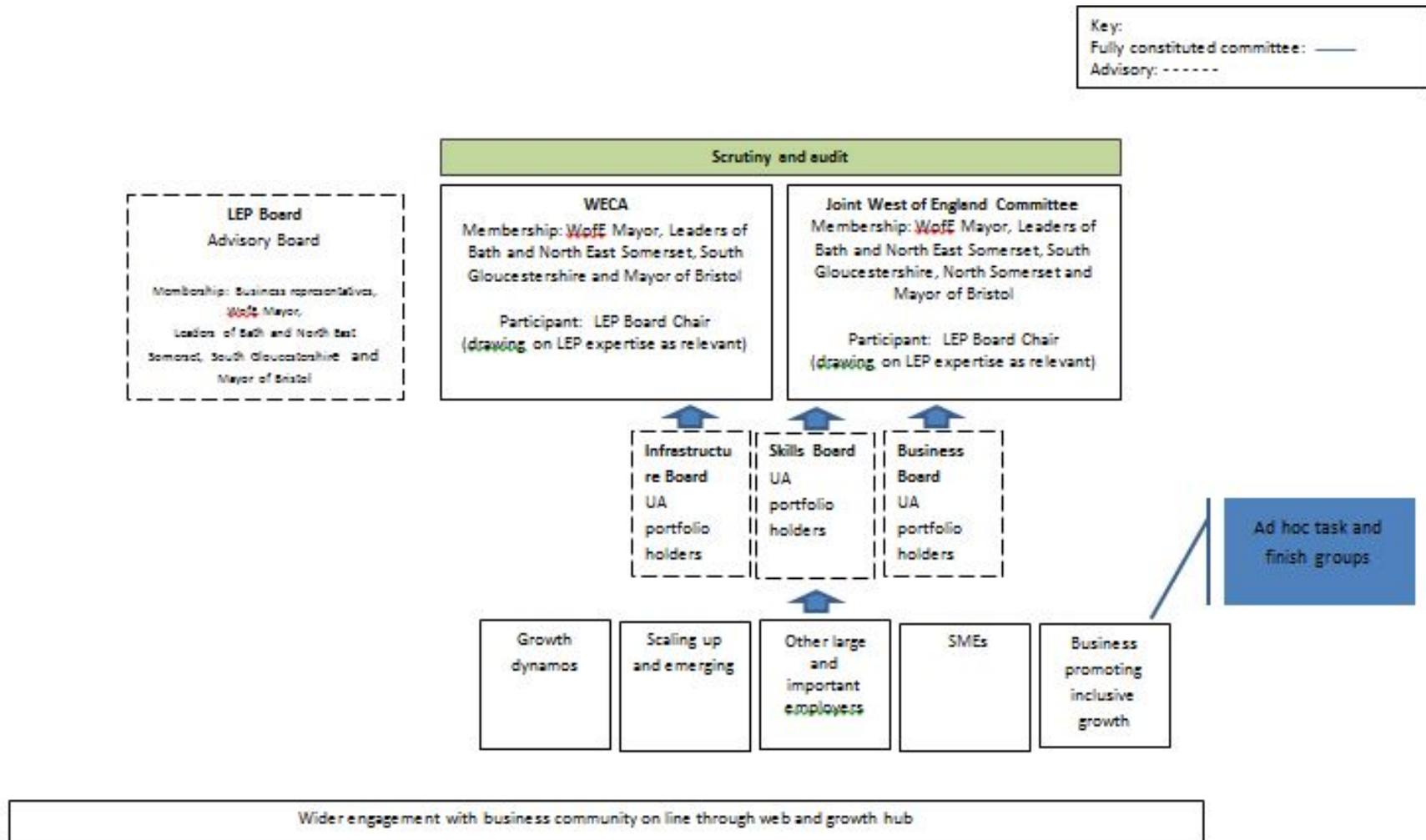
2.1.1 WoE Local Enterprise Partnership (LEP) – roles and responsibilities

The WoE LEP is led by the WoE LEP Board. This is a partnership which brings together business and political leaders, and is business led with a business chair, with the clear purpose of economic growth and job creation in the region. The LEP Board role includes:

- Representing business expertise and views in the region at the WECA and at the Joint West of England Committee.
- Working with the WECA and the Joint West of England Committee to develop regional strategies.
- Working with the WECA on plans for future devolution for the region.
- Giving views on the broader investment plan.

A number of sub-groups comprising of expert members from a variety of backgrounds and sectors provide expert advice and support to the LEP Board.

Figure 2.1: WECA Governance Structure



2.2 Combined Authority – management and administrative arrangements

2.2.1 WECA design principles

The management and administrative arrangements of WECA are currently being designed and will meet the needs of the evolving strategic agenda and delivery of growth in a manner that will satisfy the five-year gateway review in assessing the impact of the WoESIF.

The constituent councils of WECA have agreed the below organisational design principles:

- Can deliver the regional economic vision and business plan
- Is lean and efficient making the most of existing resources
- Makes the most of existing capabilities (within the LEP and local authorities)
- Accountable and transparent governance
- Has a strong and developed partnership with North Somerset Council

As required by the Order the executive structure will include the following statutory officers:

- Head of Paid Service
- Treasurer (Section 151 officer)
- Monitoring Officer

2.3 Accountable body role and financial management

2.3.1 Investment decisions

All investment decisions, including ensuring the effective allocation of the WoESIF in line with the regional growth strategy, will be the responsibility of the WECA

2.3.2 Decision making process and roles and responsibilities

WECA will be the Accountable Body for the SIF, which includes the single pot funding devolved to the Authority.

Accountable bodies are responsible for the proper administration and financial probity of external funds received. They are legally constituted bodies with a statutory role. The Accountable body must ensure the effective use of public money and have responsibility for the proper administration of funding received and its expenditure.

As the Accountable Body, WECA will be responsible for overseeing policy, the prioritisation of funding, ensuring value for money, evaluating performance and managing risk. WECA will:

- Hold the WoESIF and make payments in accordance with the decisions of the WECA ;
- Ensure that SIF funding is approved and allocated in a manner that is lawful, transparent, evidence-based, consistent and proportionate;
- Ensure that the decisions and activities conform to the legal requirements with regard to equality and diversity, environmental, EU issues and other relevant legislation and guidance;
- Ensure through its Section 151 Officer that the SIF funds are being used appropriately, prudently and in accordance with decisions made, and relevant guidance/legislation for the intended purpose;
- Record and maintain the official record of proceedings relating to decisions made on all investment projects.

The SIF funds will be accounted for in such a way that they will be separately identifiable, with individual cost centres. WECA will prepare quarterly financial statements for the WECA in relation to the overall fund, costs of the investment projects, and profiling of spend.

The specific roles and responsibilities related to the management and administration of the SIF and decision making will be as follows:

- **The WECA** – will make all project investment decisions in relation to the SIF.

2.3.3 Risk Management

A key role of the assurance framework is to ensure that risk is identified, monitored and managed appropriately, both at a corporate level for WECA and at a programme and project level. The risks associated with individual SIF projects are discussed at Section 3.5.1 and will require consideration as part of the business case development. The risks associated with the overall SIF fund are being identified, in conjunction with plans to mitigate these risks, and these will be added to the WECA Corporate Risk Register. The Corporate Risk Register will be monitored by the Section 151 Officer and the Head of Paid Service in line with policy, and reported to the Audit Committee.

2.3.4 Internal and External Audit

The devolved funding from HM Government will be held and managed WECA. In doing so the funds will be subject to financial management arrangements and subject to Internal Audit in accordance with the Accounts and Audit Regulations (2015) and in compliance with the mandatory Public Sector Internal Audit Standards. This will provide independent and objective assurance regarding the effectiveness of WECA's risk management, control and governance processes.

The Section 151 Officer will be responsible for reporting on the financial management and assurance of the SIF to WECA Audit Committee through the delivery and outturn of the annual Internal Audit plan and published accounts. The Committee has an overall remit to:

- Review and scrutinise the authority's financial management – including all funding awarded through devolution;

- Review and assess the authority's risk management, internal control and corporate governance arrangements; and
- Report and make recommendations to the WECA in relation to these issues.

All SIF funding decisions taken by the WECA will also be subject to review through WECA annual external audit, which will undertake cost benefit analysis and assess the extent to which resources have been used economically, efficiently and effectively in delivering its services and activities.

2.3.5 Scrutiny

The WECA Overview and Scrutiny Committee shall have the power to:

- (i) Review or scrutinise decisions made or other actions taken, in connection with the discharge of any functions which are the responsibility of t WECA;
- (ii) Make reports or recommendations to the WECA on matters that affect the WECA area or the inhabitants of the area;
- (iii) Make reports or recommendations to the WECA with respect to the discharge of any functions which are the responsibility of WECA.
- (iv) In so far as the business of the Local Enterprise Partnership Board (LEP) relates to the discharge of functions of WECA, the WECA Overview and Scrutiny Committee shall have the power to scrutinise the LEP as set out in (i) –(iii) above.

2.3.6 WECA policies

To facilitate effective administration and management processes, the following policies and procedures are currently under development:

- Confidential reporting (whistleblowing)
- Complaints
- Code of conduct for Officers and Members
- Freedom of Information
- Data Protection
- Declaration of interests

2.4 Transparency

WECA is committed to being open, transparent and accountable. A bespoke WECA website is currently under development. The website will provide information in relation to:

- Who WECA is and what they do
- WECA spending
- Priorities and performance

- How the WECA makes decisions
- WECA policies and procedures

WoESIF scheme business cases will be published before funding approval is given. External opinion expressed on these business cases by the public and other stakeholders will be made available to the WECA to inform decision making.

2.5 Stakeholder engagement

The Growth Strategy being developed will provide the basis for guiding investment decisions made by the WECA. The Growth Strategy will be informed by consultations with key stakeholders and partner agencies from across the West of England.

3 WECA Investment Fund - Project Lifecycle

3.1 Prioritisation

3.1.1 Prioritisation Process

A West of England Single Investment Fund (WoESIF) will be created from the £900m investment as agreed as part of the West of England Devolution Deal. It is essential that the process of prioritisation of projects for the WoESIF is both robust and transparent. The detail of the methodology to be used, including prioritisation process and metrics, will be formally agreed in advance of its application. The outcomes will be published on the WECA website and an audit trail retained. The WoESIF will be used to support the prioritisation process and the necessary scheme feasibility work and specification to enable the development of Outline Business Cases (see 3.2.1).

3.1.2 Scheme Identification

Candidate schemes for funding through the WoESIF will be identified through their fit with the strategic and economic policy and plans for the area including the West of England Strategic Economic Plan, emerging Joint Spatial Plan, Local Transport Plan and Economic Strategy, and Mayoral Combined Authority Plans. This scheme identification process will be guided by a set of eligibility criteria [Note: the exact criteria to be included here once agreed]. The long list will be subject to 'gap analysis' to ensure that key interventions at the programme level have been considered for inclusion.

3.1.3 Long List Assessment

Once a long list of interventions is agreed this will be subject to a multi-criteria assessment using a prioritisation tool to generate a medium list. This will use a weighted scorecard applied proportionately and will draw on quantitative and, where not readily available, qualitative data. [Note: the exact approach and criteria to be included here once agreed].

Guidance will be provided to scheme promoters to ensure consistency of data and requirements. Data inputs will be reviewed through a challenge session to ensure robustness and identify any information gaps.

3.1.4 Medium List Assessment

Once the long list assessment has been undertaken a medium list will be generated which will be subject to further assessment through the production of Outline Business Cases. This programme will be tested to establish the economic impact and will be subject to financial modelling to develop a clear investment plan for WECA over the lifetime of the economic strategy. The Outline Business Cases will provide a description of the intervention, scheme cost, approach and timescales for delivery and the other information required to enable this assessment. [Note: the way the economic model to be used to be included once agreed] This will establish the initial WoESIF programme which will be approved by the WECA.

3.2 Business Case Development

3.2.1 Business Case Stages and Proportionality

The business case development and appraisal process will apply the principle of proportionality, with more detailed information being required for large, complex or contentious projects. The application and appraisal process for WoESIF will involve three stages, as follows:

- **Outline Business Case (OBC)** – this will provide the underlying justification for the project and will be used in the prioritisation and programme development stage (see section 3.1.4).
- **Full Business Case (FBC)** – this will confirm the strategic context, make a robust case for change and identify the preferred option for delivery from a shortlist of options considered based upon how well it meets scheme objectives. It will include a detailed business case for the project consistent with HMT's guidance on the five case business case model which is developed to a level where it is capable of being given approval in principle. If the FBC is endorsed the applicant will be requested to submit an FABC.
- **Final Approval Business Case (FABC)** – this will add details of contractual and delivery arrangements along with confirmation of costs and benefits.

In the interests of efficiency and to avoid duplication, business cases will build upon, augment and draw upon the recommendations from the previous stages. The final recommendations on the FABC will be included in the contractual agreements for funding. For smaller projects (less than £3m) the FBC and FABC stages may be combined depending on the level and quality of information provided and in keeping with the principle of proportionality. Where assumptions have been made, these should be clearly set out in the Business Case, with sufficient sensitivity testing carried out on these assumptions to demonstrate the robustness of the economic assessment.

3.2.2 Scheme Development Funding

Projects within the identified WoESIF programme will be eligible to submit for scheme development support from the WoESIF. This will be based on the submission of Scheme Development Funding Application Form which will identify tasks, timescales and costs for bringing forward an FBC. All submissions will be appraised by WECA.

FBC submissions should include the costs for bringing forward an FABC which will be considered as part of the FBC submission.

3.2.3 Outline, Full and Final Approval Business Case Requirements

The FBC will be the first substantive business case document and will in particular need to demonstrate the strategic case for the project, through a thorough options appraisal to justify the preferred option. The assessment of Value for Money (VfM) will, in particular, underpin the economic case and the decision to move forward to the next stage of the appraisal process. This will follow the latest Green Book business case guidance and take account of project specific appraisal guidance published by the relevant government department, such as the DCLG Appraisal Guide (see Appendix 1).

At FABC stage, the investment proposal will build on the information provided in the FBC and confirm that the project has the necessary contractual/procurement and delivery arrangements in place for the project to proceed.

The information that will be required for the FBC is set out in Appendix 2. [Note: Local Growth Fund Full Business Case template].

3.2.4 Due Diligence

The WECA is committed to undertaking due diligence activities that support effective decision-making and project appraisal. In relation to the WoESIF applications, the nature and timing of due diligence will depend on the individual project or scheme, the cost of the scheme and the potential impact of the project. WECA will be responsible for determining when the due diligence is carried out and by whom. A level of due diligence will be carried out by WECA, but external agencies will also be commissioned to carry out this function as appropriate.

3.3 Appraisal

3.3.1 Appraisal Criteria

The appraisal process for the WoESIF will be consistent with HM Treasury's Green Book and Business Case Appraisal process, including supplementary and departmental guidance, such as the Department for Transport's (DfT) WebTAG appraisal guidance for transport schemes over £5m and DCLG's Appraisal Guide. This will be based on the five cases model:

- **Strategic case** – which provides a compelling case for change and explains how the project fits with the objectives of the organisation and wider public sector agendas.
- **Economic case** – which describes how the project/preferred option represents best public value.
- **Commercial case** – which demonstrates that the deal is attractive to the market, can be procured and is commercially viable.
- **Financial case** – which confirms that the proposed spend is affordable.
- **Management case** – which confirms that what is required from all parties is achievable.

Projects will be appraised against these criteria and should also meet minimum thresholds and requirements (for example, a Benefit Cost Ratio that is at least acceptable and meets the established guidance for that project type).

For transport projects, the expectation is that all schemes must achieve “high” VfM (where benefits are at least double costs as set out within DfT's guidance) at all stages of the approval process. VfM for these schemes will be independently verified on behalf of WECA as part of the assessment process. It is expected that this will be via a commission to a specialist transport consultant, fully independent from the scheme promoter and with no involvement in the development of the scheme being appraised. This review will be resourced through the WoESIF. The independent assessment will be published and made available to the WECA as part of the decision making process

Notwithstanding the above principles on VfM WECA will be able to approve transport schemes with lower VfM, having regard to specific circumstances including:

- Evidenced and compelling wider economic, social and environmental benefits.
- The ability of the scheme to address multiple WECA policy objectives.
- Significant levels of match funding being provided by the scheme promoter.

Such projects must have been subject to earlier rigour to assess options for de-scoping, or to explore higher VfM alternatives, and these considerations will be tested as part of the independent review of the business case and reported as part of decision making to the WECA. This will include considering the robustness of the evidential basis to enable the WECA to determine the relative weights to be afforded to the different aspects of the case.

The recommendations to the WECA will clearly explain the rationale for approving a lower VfM scheme and the implications of the recommendation. [Note: further information to be included on how this process of review and recommendation will operate once mechanism agreed].

3.3.2 Assessing Value for Money

It is useful to keep in mind that good VfM, as defined by HM Treasury is the optimal use of resources to achieve the intended outcomes. 'Optimal' being 'the most desirable possible given expressed or implied restrictions or constraints'. VfM is not just about achieving the lowest initial price, it is defined as the optimum combination of whole life costs and quality, with due regard to propriety and regularity.

The NAO uses three criteria to assess the VfM of government spending i.e. the optimal use of resources to achieve the intended outcomes:

- **Economy** - minimising the cost of resources used or required (inputs) – spending less.
- **Efficiency** - the relationship between the output from goods or services and the resources to produce them – spending well.
- **Effectiveness** - the relationship between the intended and actual results of public spending (outcomes) – spending wisely.

For the WoESIF, the WECA will make investment decisions based on a range of evidence, such as the strategic case and other local impacts and analysis of cost effectiveness (including GVA impact at the local level), as well as the wider VfM appraisal. This evidence will be consistent with HM Treasury's Green Book and other relevant departmental appraisal guidance.

As set out in the National Guidance, in addition to following the Green Book business case guidance, the methodology used to assess VfM will also need to be in line with the established guidance prescribed by relevant government departments. These are set out in Appendix 1.

Whilst recognising the national BCR will remain the universal metric to assess VfM, WECA will take account of a range of evidence when deciding to invest in a project (such as the local impacts on the economy and investment unlocked) within the context of a wider VfM appraisal. In the event that the national BCR is low/poor, WECA may still decide to invest in a project

based on the strength of evidence presented within the overall business case, including the strategic case and local impacts.

External advice will be commissioned where required including for independent review of business cases. The assessments will be proportionate to the relative size of the schemes being promoted, but will, as a minimum, provide independent validation of the assumptions made by scheme promoters.

Further safeguards will put in place to avoid any conflict of interest that may arise between consultants acting on behalf of scheme promoters and those that are being asked to provide independent assessments on behalf of WECA.

As is the case for VfM statements, the appraisal reports will be signed off by the s151 Officer [Note: name to be inserted once confirmed] or an alternate [Note: named officer to be confirmed once known] if there is any potential conflict of interest. The appraisal reports will be presented to the WECA as part of the decision-making process.

3.4 Approval process

3.4.1 Approval process and timeline

To ensure the WoESIF is managed strategically an officer of WECA will be identified who will be responsible for the overall management of the programme and that linkages are made within the portfolio of projects seeking investment. The steps outlined below, highlight the WoESIF appraisal and approval process for individual projects, which are shown in greater detail in the flowchart in Figure 3.1 [Note: this to be inserted once confirmed]

The time taken to assess projects will depend on the nature and complexity of the proposal, as the FBC may be combined with the FABC for investments under £3m. The stages for submission broadly relate to:

- 1) Outline Business Case will be submitted for assessment and prioritisation (see in section 3.1).
- 2) Scheme included within the WoESIF will then proceed to an FBC or the FBC/FABC combined which will then be appraised by WECA.
- 3) A report and recommendation will then be submitted to the WECA on the approval of the scheme.
- 4) Following submission of a FABC an approval decision will be made by the WECA.
- 5) Where projects are being recommended for approval that have low value for money, the FBC/FABC must provide supporting evidence that the project meets the other core criteria, for example having a strong strategic rationale for approving the project.
- 6) WECA will prepare an offer letter/contract for agreement by the applicant.
- 7) Independent assessments of WoESIF schemes will be reported to the WECA as part of the recommendations made on the merits of individual applications. These appraisals will form appendices to these reports, and will form a part of the WECA's public agenda pack that is available to view on-line.

The offer letter will, in particular, set out the following which will be monitored by WECA:

- A financial profile including quarterly expenditure.
- A profile of outputs and outcomes to be achieved with key milestones for delivery.
- Projected impacts and a timetable for their achievement.
- A risk management log detailing potential risks to the successful delivery of the project and how they will be managed.

3.5 West of England SIF Programme Management

Within WECA, a performance management system will be used to collate, record and report on the progress of individual projects and the WoESIF overall. Where projects do not achieve their milestones for delivery, projects will need to provide evidence to demonstrate that they will be able to get back on track or seek approval for change. Projects that consistently fail to meet projected performance (financial and outputs) may have funding withdrawn. Projects 'at risk' will be reviewed, and the outcomes of this process will be referred back to the WECA, prior to any withdrawal of funding and decision on expenditure incurred.

There are a number of mechanisms that will ensure effective management of the SIF to maximise the economic impact within the area. These include:

- Appointment of an officer within WECA with overall responsibility for management and reporting on the performance of the SIF to the Departmental Accounting Officer within DCLG (and Parliament).
- Establishing mechanisms and identifying roles to effectively monitor, evaluate and review the performance of projects in the WoESIF in respect of delivery, expenditure and outputs/outcomes.

A monitoring system will be established for the WoESIF to record financial expenditure and claims and the achievement of outputs and outcomes. Quarterly financial reports will be submitted to the WECA alongside the achievement of key performance indicators (KPIs) – that will capture outputs and outcomes achieved in pursuing WECA's overall growth and wider objectives.

3.5.1 Risk management

A programme risk register will be established for the overall WoESIF and will be maintained as part of the Corporate Risk Register. As set out in section 2.3.3, it will be monitored (alongside the performance monitoring procedures) by Internal Audit and reported to the Audit Committee. The s151 Officer will be responsible for the identification and management of risk for the WoESIF.

A risk management strategy and risk register will form part of the management case of each scheme OBC or FBC. Risks will be managed through appropriate mitigation measures agreed with the project applicant prior to approval of the scheme. Key and current risks will form part of the regular scheme highlight reporting.

Overall risk management for the WoESIF will have regard to the ongoing monitoring of achieved investment performance against projected growth. Appropriate measures will be adopted to ensure that the monitoring of investments provides an informed basis for future investment decisions.

3.5.2 Project Closure

All projects will be required to produce a project closure report at the end of the project (within 3 months of completion), which demonstrates that:

- All activities have been delivered in accordance with the offer letter.
- All funding has been spent appropriately in line with the projected financial profile for the project.
- There are no outstanding risks or actions that need to be taken to sign the project off by WECA.
- All relevant outputs and key milestones have been achieved.

The project closure report will capture the immediate success of the project and also agree next steps related to the monitoring and evaluation requirements of the funding.

4 Monitoring and Evaluation

4.1.1 Overview

The WECA is developing a comprehensive performance management system and an evaluation framework that will operate at both the corporate level and at the individual programme/project level. This will enable WECA to:

- Monitor impacts and progress towards organisational goals, and to understand whether projects are on track to deliver projected outputs and outcomes.
- Assess the additionality of activities (and impacts) and to assess whether a project or programme has achieved VfM.
- Identify the sustainability of impacts, and the equity implications of activities.
- Maintain scrutiny and accountability.
- Inform future investment prioritisation and resource allocation.
- Identify what works (and what does not), and in what circumstances, to inform future activities and delivery and the sharing of best practice.

4.1.2 Performance Monitoring

All projects funded by the WoESIF, regardless of the size, will have an effective monitoring and evaluation plan in place which will form a key part of the business case. This will enable assessment of the effectiveness and impact of investing public funds, and the identification of best practice and lessons learnt that can inform decisions about future delivery. The monitoring plan will guide the collection of data from individual projects and will be designed to ensure that it captures information required by WECA and government.

Individual monitoring and evaluation plans will be proportionate, correspond with procedures for appraisal, and be in line with the latest government department guidance where relevant. These plans will identify the resources required to deliver the proposed monitoring and evaluation activities. All transport schemes (over £5m) will follow Monitoring and Evaluation Guidance for Local Authority Major Schemes.

All monitoring and evaluation plans (which will form part of Business Cases) and interim and final monitoring and evaluation reports will be published on the WECA website.

The offer letter will set out the key milestones for the delivery of the scheme together with the outputs and outcomes detailed in the business case and embodied in the monitoring and evaluation plan. Quarterly monitoring returns will be used to capture progress against these agreed milestones and metrics and will include information related to:

- Delivery.
- Expenditure.
- Outputs and outcomes.

The individual project monitoring information will feed into an overall monitoring plan for the WoESIF, which will be published and reported to the WECA, including the extent to which projects are contributing to the overall objectives of WECA. The achievement of wider impacts will be gathered as part of the evaluation work.

4.1.3 Evaluation and Benefits Realisation

The evaluation component of individual projects' monitoring and evaluation plans will need to complement the five-year Single Pot investment fund Gateway Review. This government evaluation will focus on identifying the impact of investments made using the Gain Share funding.

All projects will be required to produce a benefits realisation plan as part of their business case, which identifies the outcomes (benefits) they are planning to deliver, how outcomes will be measured, a baseline assessment, and how they intend to implement, monitor and assess the project to identify whether the benefits have been realized in line with the approach and timescales set out in the monitoring and evaluation plan.

Projects will be requested to produce a project closure report (within 3 months of project completion) and within this re-confirm the monitoring activities set out in the Benefits Realisation Plan. The report will also require applicants to identify lessons learnt to inform the future delivery of projects through the WoESIF and more widely.

4.1.4 Five-Year Gateway Review

WECA will be subject to five-yearly Gateway Reviews to assess investment impact of Gain Share funding. At this stage, the Government has suggested that the Gateway Review will focus on evaluating the performance of the investment fund with economic growth becoming the primary measure for assessing impact.

An independent panel, as agreed with HM Government, is to be commissioned to undertake the Review and this external assessment provides a further incentive to encourage appropriate project appraisal, assurance and VfM processes.

4.1.5 Annual Assurance Framework Review

The WoESIF assurance framework will be subject to an annual review (at a minimum) to ensure that it remains fit for purpose and up to date. Where significant changes are made, for example as a result of additional powers or funding, adjustments made to the assurance framework will be agreed with DCLG.

The prioritisation, appraisal and approval processes underpinning the WoESIF will also be reviewed on an ongoing basis to ensure that they remain proportionate and provide the sufficient assurances regarding VfM and the best use of public resources.

5 Summary of Key Assurance Requirements

A summary of the key assurances in relation to the WoESIF are out in Figure 5.1. This includes key responsibilities for management and delivery and oversight. WECA will have overall accountability for the assurance framework.

Figure 5.1 - Summary of assurance functions and reporting arrangements

Function	Responsibility for delivery/management:	Overview:
Growth Strategy	WECA	The WECA
WoESIF prioritisation of funding	WECA	The WECA
Appraisal of WoESIF applications (including VfM)	WECA	The WECA
Due Diligence	WECA	The WECA
Approval of WoESIF applications	WECA	The WECA
Financial management of WoESIF	WECA Chief Finance Officer	The WECA Audit committee
Performance management	WECA Head of Paid Service	The WECA Scrutiny Committee
Risk management	WECA Chief Finance Officer	Audit Committee
Scrutiny	WECA Monitoring Officer	Scrutiny Committee
Assurance	Internal Audit	Audit Committee
Contract management - WoESIF project performance, monitoring and closure	WECA	Chief Finance Officer
Benefits realisation and evaluation	WECA	The WECA

6 Appendix 1

6.1 Methodology to assess Value for Money for Various Scheme Types

6.1.1 Transport

The standard against which WECA will assess the robustness of the economic case of transport projects with a capital cost in excess of £5m will be the established methods and assumptions within WebTAG. Schemes will also be subject to the minimum requirements on VfM assessment, assurance and evaluation of transport projects set out in Appendix B of the Single Pot Assurance Framework National Guidance based on the requirements for the Local Growth Fund. The modelling and appraisal of transport schemes, defined as any scheme that significantly changes the transport network infrastructure, must be developed in accordance with the guidance published in WebTAG (the DfT's appraisal guidance). The central case used in scheme appraisals will also need to be based on forecasts which are consistent with the latest version of NTEM (the DfT's planning dataset). Appraisal results from this central case will be clearly reported to decision makers. At both stages of the approval process, the economic case will also be reviewed and updated to reflect changes in the scheme's scope and cost, and extant WebTAG / NTEM guidance.

A VfM statement and a monitoring and evaluation plan will be required for all transport projects of £5 million and above, in line with DfT advice on assessing VfM² and monitoring and evaluation³. This VfM statement will be produced by scheme promoters and independently scrutinised by WECA, drawing on independent technical support and ensuring there are no conflicts of interest. The statement will be signed off by the Chief Finance Officer, who will be responsible for overseeing the commissioning and monitoring of the review process, and this will be formally recorded. The economic case including the VfM statement will be published and presented to the WECA as part of the decision-making process at each stage in the approval process.

All transport schemes (over £5m) seeking funding will follow the most recent monitoring and evaluation guidance for local authority major schemes in regard to publishing monitoring and evaluation plans. These will be published on the WECA website as part of business case approval prior to data collection. Interim and final monitoring and evaluation plans will also be published on the WECA website. Plans will be produced one year and around 5 years post completion.

Monitoring and evaluation plans will be reviewed as part of business case approval including identifying the level of monitoring and evaluation for the scheme with regard to guidance⁴ and the resources identified to undertake the proposed activities.

6.1.2 Housing

Homes and Communities Agency good practice, advice and guidance will need to be adhered to, alongside DCLG's appraisal guide for residential and non-residential development. To assist

² <http://www.gov.uk/government/publications/value-for-money-advice-for-local-transport-decision-makers>

³ <http://www.dft.gov.uk/publications/evaluation-local-major-schemes>

⁴ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/9154/la-major-schemes-monitoring-evaluation.pdf

the decision making process, each business case will need to provide estimates of the Benefit Cost Ratio and Net Present Public Value.

6.1.3 Skills Capital

Skills Funding Agency good practice, advice and guidance will provide a reference for skills capital projects. These projects will be expected to follow the same business case process and requirements as other schemes within the WoESIF.

6.1.4 Enterprise, innovation and business support

These projects will need to demonstrate ability to deliver VfM through evidence-based business cases aligned with HM Treasury Green Book guidance, with a commitment to publishing results to add to the evidence base on what works and contribution to local and national policy goals on productivity and growth

6.1.5 Regeneration

Projects will need to be in line with the National Planning Policy Framework and the Planning Practice Guidance. Projects beyond housing and transport interventions, for example enabling works, land assembly, utilities and/or public realm projects, the DCLG appraisal guide will be useful in helping to appraise the costs and benefits of these types of interventions.

7 Appendix 2

7.1 Full Business Case Template