

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Item	Decision
1.	Apologies for Absence	Apologies for absence were received from Councillor Maria Crompton (Sandwell), Councillor Shaun Davies (Telford & Wrekin) and Councillor Sebastian Lowe (Rugby).
2.	Minutes - 13 November 2020	Agreed as a correct record.
3.	Forward Plan	Noted, with the addition of the WM2041 Five Year Plan being considered at the WMCA Board on 19 March 2021.
4.	Financial Monitoring Report 2020/21	<p>(1) The financial outturn position as at the end of November 2020 was noted.</p> <p>(2) The latest forecast for 2020/21, incorporating the latest view of the impact of COVID-19, was noted.</p> <p>(3) The £2.5m WM5G guarantee was approved.</p> <p>(4) The proposed changes to the Joint Data Team contract was approved.</p>
5.	WMCA Draft Budget 2021/22	<p>(1) The consolidated revenue budget monitoring position as at 30 November 2020 was noted.</p> <p>(2) The draft WMCA consolidated revenue budget was approved for consultation, which included:</p>

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		<ul style="list-style-type: none"> (a) the budget requirement for transport delivery 2021/22 comprising three elements: <ul style="list-style-type: none"> (i) £114.7m a year to be funded from the existing transport levy mechanism; (ii) £3.9m to be funded from grant awarded by the Commonwealth Games Organising Committee; and (iii) a transfer from earmarked reserves of £3.9m. (b) the WMCA Delivery budget requirement for 2021/22 of £141.9m comprising of five elements: <ul style="list-style-type: none"> (i) £129.7m Adult Education spending to be funded from Adult Education Budget funding devolved by the Department for Education. (ii) £5.1m to be funded from other devolution deal grants. (iii) £4.6m to be funded from Constituent Authority fees (fees to remain at the same level as 2020/21). (iv) £0.4m to be funded from Non-Constituent Authority and observer fees (fees to remain at the same level as 2020/21). (v) £2.1m to be funded from other income, including a £1.2m use of reserves created from WMCA's share of 2020/21 Business Rates.

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		<p>(3) The inherent risks included within 2021/22 Budget assumptions were noted.</p> <p>(4) The Mayoral Office budget for 2021/22 of £0.8m, to be funded from additional Mayoral capacity funding of £0.8m, was approved for consultation and scrutiny.</p> <p>(5) It was noted that there would be no mayoral precept during 2021/22.</p> <p>(6) The WMCA’s indicative 5 year Medium Term Financial Plan was noted.</p> <p>(7) It was noted that a full Strategic Plan would be completed following the 2021 Mayoral election, to inform the annual Medium Term Financial Planning exercise to be completed in 2021/22.</p> <p>(8) The draft Capital Programme was approved.</p> <p>(9) The planned spend on the Investment Programme over the year period was noted.</p> <p>(10) The matters identified by Overview & Scrutiny Committee that arose out of the Mayoral Q&A on 11 December 2020 were noted.</p>
6.	Black Country Land & Property Investment Fund - Programme Update and Reprofile Approval	<p>(1) The programme progress delivered to date of the Black Country Land & Property Investment Fund programme managed by the Black Country LEP and its Single Accountable Body (Walsall Metropolitan Borough Council) was noted.</p> <p>(2) The previous derogations which had been approved and provided for the Phoenix 10 and i54 Western extension projects were noted.</p>

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		<p>(3) It was noted that the Black Country LEP utilised its LEP Assurance Framework, which was compliant with the Government’s National Assurance Framework, to manage the Black Country Land & Property Investment Fund programme and would continue to do so until programme closure.</p> <p>(4) The programme management costs that were agreed at the start of the programme in 2017 (as part of the £53.04m allocation) and were not due to exceed their overall budget were noted.</p> <p>(5) It was approved that the Black Country Land & Property Investment Fund programme be re-profiled to allow expenditure and outputs to be claimed up to March 2025.</p> <p>(6) It was approved that programme management costs within this fund be reprofiled for an additional year to March 2026 to ensure that the expenditure and outputs were audited in line with the Black Country Assurance Framework.</p>
7.	West Midlands Digital Roadmap	The West Midlands Digital Roadmap and a commitment to collaboration on the five missions outlined within the roadmap were agreed.
8.	Young Combined Authority Vision and Priorities for the West Midlands	The development of the Young Combined Authority’s ‘vision and priorities’ document was noted and endorsed, including through reflecting on where proposals could inform WMCA policy, delivery and future devolution asks.

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
9.	Recovery Co-ordination Group Community Recovery Roadmap and Prospectus	<p>(1) The endorsement of Levelling-up the ‘West Midlands: Our Roadmap to Community Recovery and Prospectus for Government’ made at the Recovery Forum on 20 November 2020 was re-confirmed.</p> <p>(2) The further update on the Community Recovery work programme was noted.</p>
10.	New Stations Package 1 - Full Business Case	<p>(1) The Full Business Case for new stations Package 1 (Darlaston and Willenhall stations) was authorised.</p> <p>(2) A total project budget of £55.84m based on the Estimate at Completion for the scheme at Full Business Case stage was agreed, subject to the WMCA securing the funding for the project.</p> <p>(3) The release of £6m from the WMCA Investment Programme was authorised, subject to Department for Transport approval of sufficient Rail Network Enhancement Pipeline funding being made available.</p> <p>(4) It was noted that the WMCA intended to be the accountable body for the entirety of the funding package.</p> <p>(5) It was noted that the costs included within the Full Business Case were the current best estimates prior to the completion of single option development (GRIP 4).</p> <p>(6) The BCR of 6.5, representing very high value for money for the scheme, was</p>

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		<p>noted, and the continued very high value for money for the scheme even taking into account the Department for Transport’s COVID-19 long-term impact scenario, leading to a BCR of 4.7 in a reasonable worst case scenario, was noted.</p> <p>(7) The aim of securing funding in Quarter 1 2021 to enable the project to proceed as per stated timescales was noted.</p> <p>(8) The WMCA Monitoring Officer and WMCA Director of Finance were jointly authorised to award contracts to the successful tenderer for the design and build stage, subject to:</p> <ul style="list-style-type: none"> (i) The project being within the £55.84m recommended budget; (ii) Adequate funding being secured to allow for the delivery of the new stations; (iii) All funding agreements being signed and sealed to the satisfaction of the WMCA Director of Director and the WMCA Monitoring Officer; (iv) The operating costs of the stations being fully quantified and affordable. <p>(9) Delegations to the WMCA Monitoring Officer and WMCA Director of Finance to enter into the various funding agreements and contracts which would be reasonably required to enable delivery of the new stations, including (if necessary) the issuing of a Letter of Intent to ensure the project schedule was maintained whilst funding agreements were being finalised, subject to the risks of doing so being acceptable to the WMCA Section 151 Officer and the WMCA Monitoring Officer, were approved.</p>

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
11.	New Stations Package 2 - Full Business Case	<ul style="list-style-type: none"> <li data-bbox="840 451 2078 520">(1) The Full Business Case for new stations Package 2 (Camp Hill line stations) was authorised. <li data-bbox="840 563 2078 668">(2) A total project budget of £61.4m based on the Estimate at Completion for the scheme at Full Business Case stage was agreed, subject to the WMCA securing the funding for the project. <li data-bbox="840 711 2078 817">(3) The release of £9m from the WMCA Investment Programme was agreed, subject to Department for Transport approval of the Rail Network Enhancement Pipeline funding. <li data-bbox="840 860 2078 928">(4) It was noted that the WMCA intended to be the accountable body for the entirety of the funding package. <li data-bbox="840 971 2078 1077">(5) It was noted that the costs included within the Full Business Case were the current best estimates prior to the completion of single option development (GRIP 4). <li data-bbox="840 1120 2078 1225">(6) It was noted that further economic analysis was ongoing to understand the impact of the latest COVID-19 growth scenarios on demand and benefits and that to date the scheme had consistently returned positive BCRs. <li data-bbox="840 1268 2078 1337">(7) The aim of securing funding in Quarter 1 2021 to enable the project to proceed as per stated timescales was noted. <li data-bbox="840 1380 2078 1417">(8) Authority was jointly delegate to the WMCA Monitoring Officer and the WMCA

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		<p>Director of Finance to authorise the award of contracts to the successful tenderer for the design and build stage, subject to:</p> <ul style="list-style-type: none"> (i) The project being within the £61.4m recommended budget; (ii) Adequate funding being secured to allow for the delivery of the new stations; (iii) All funding agreements being signed and sealed to the satisfaction of the WMCA Director of Finance and the WMCA Monitoring Officer; (iv) The operating costs of the stations being fully quantified and affordable. <p>(9) Delegations to the WMCA Monitoring Officer and WMCA Director of Finance to enter into the various funding agreements and contracts which would be reasonably required to enable delivery of the new stations, including (if necessary) the issuing of a Letter of Intent to ensure the project schedule was maintained whilst funding agreements were being finalised, subject to the risks of doing so being acceptable to the WMCA Section 151 Officer and the WMCA Monitoring Officer, were approved.</p>
12.	Perry Barr Railway Station and Bus Interchange - Full Business Case	<ul style="list-style-type: none"> (1) The Full Business Case for the Perry Barr Transport Interchange was authorised. (2) The critical timescales for the project to secure Full Business Case approval for both the rail station and bus interchange if the project was to be complete in time for the Commonwealth Games was noted.

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		<p>(3) The estimated cost of £30.98m which was inclusive of the rail station and bus interchange works was noted.</p> <p>(4) The funding secured for the scheme and the current funding shortfall of £9.5m, and the work being done by WMCA to resolve the funding gap, was noted.</p> <p>(5) It was noted that the cost increase was partly driven by the re-design following initial stakeholder feedback, and that the proposals assumed a revised station design which had received initial endorsement from key stakeholders.</p> <p>(6) It was noted that the scope and costs of both the station and the interchange continued to be refined and that the risks to scope and cost uncertainty were mitigated by the inclusion of a project-based contingency.</p> <p>(7) The delegations of the authorisation of the award of contracts to the principle contractor for the rail station and Delivery Agent for the bus interchange to the WMCA Monitoring Officer and WMCA Director of Finance was approved, subject to:</p> <ul style="list-style-type: none"> • The funding shortfall for the scheme being addressed; • The contract/s being within the approved budget; • All funding agreements being signed and sealed to the satisfaction of the WMCA Director of Finance and the WMCA Monitoring Officer; • The future operating costs of the rail station and bus interchange being fully quantified and affordable. <p>(8) The delegations to the WMCA Monitoring Officer and WMCA Director of Finance to enter into the various funding agreements and contracts which would be</p>

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		reasonably required to enable delivery of the station/ bus interchange improvements were approved.
13.	Midland Metro Buy Before Boarding	<p>(1) The contents of the report highlighting the progress that had been made to date towards the delivery of the ‘Midland Metro Buy Before Boarding’ project and the findings regarding accessibility and inclusion was noted.</p> <p>(2) An increase in the interim cash flow funding from £1.7m to £4.5m to enable the inclusion of Ticket Vending Machines to ensure that the payment solution was fully inclusive and accessible was approved.</p> <p>(3) It was noted that the final decision to proceed would be taken once the actual costs were received from suppliers via the procurement and following a final review of the borrowing model to confirm overall affordability.</p>
14.	Midland Metro Byelaws	<p>(1) The background to the existing Midland Metro byelaws was noted.</p> <p>(2) The proposed changes to the Midland Metro byelaws was noted.</p> <p>(3) Approval was granted to progress the changes in accordance with the powers conferred upon the WMCA by section 49 of the Midland Metro Act 1989.</p>
15.	Midland Metro Penalty Fare	<p>(1) The background to the existing Midland Metro Penalty Fare regime was noted.</p>

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		<p>(2) The proposed changes to the Penalty Fare amount and payment system was noted.</p> <p>(3) The proposal to commence consultation on a new Penalty Fare amount and two tier system was approved.</p>
16.	Audit, Risk & Assurance Committee - 26 October 2020	The minutes were noted.
17.	Investment Board - 9 November 2020	The minutes were noted.
18.	Transport Delivery Committee - 9 November 2020	The minutes were noted.
19.	Strategic Economic Delivery Board - 19 November 2020	The minutes were noted.
20.	Overview & Scrutiny Committee - 23 November 2020	The minutes were noted.
21.	Environment & Energy Board - 9 December 2020	The minutes were noted.

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
22.	Overview & Scrutiny Committee - 11 December 2020	The minutes were noted.
23.	Investment Board - 14 December 2020	The minutes were noted.
24.	Skills Advisory Board - 14 December 2020	The minutes were noted.
25.	Transport Delivery Committee - 14 December 2020	The minutes were noted.
26.	Public Service Reform Board - 14 December 2020	The minutes were noted.
27.	Exclusion of the Public and Press	The public and press were excluded for the remainder of the meeting.
28.	Ring & Ride Customer Contact Transformation	<p>(1) The transfer of the Ring & Ride booking centre and associated customer contact activity was approved, currently provided by National Express Accessible Transport, to the direct management of Transport for West Midlands resulting in:</p> <p>(a) Accountability for delivering the services more particularly set out in sections 3 and 4 of the report.</p>

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		<p>(b) An increase to the establishment to deliver the proposed services, funded from existing budgets and to be managed under the TUPE regulations.</p> <p>(2) Officers were instructed to carry out the transfer of activities and associated staff from National Express Accessible Transport to the WMCA to facilitate a seamless transition in spring 2021.</p>
29.	The Marches Help to Own (H2O) Project, Wolverhampton	<p>(1) A WMCA equity investment of up to £4.78m from the WMCA’s devolved housing and land funds alongside City of Wolverhampton Council investment to enable the delivery of 100 Help to Own units on the Marches site in Wednesfield through the creation of a new Real Estate Investment Trust or other suitable structure as an exceptional proof of concept pilot for a new affordable housing product called ‘Help to Own’ was approved, envisaging that the investment would be in the form of equity but with the potential for the inclusion of capped first loss or other provisions to ensure viability, subject to further detailed due diligence.</p> <p>(2) It was noted that the funding was fully compliant with the WMCA’s Single Commissioning Framework approved by the Investment Board, the Housing & Land Delivery Board and this board in March 2019 and which had been operational from 1 April 2019, and that that the scheme had progressed through each Single Commissioning Framework Gateway Approval point on the way to this board.</p> <p>(3) It was noted that this funding was considered to be compliant with the requirements set by central Government for devolved housing and land funds administered by WMCA.</p>

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		<p>(4) It was noted that this proposal had been co-developed with officers from the City of Wolverhampton Council, the promoter of the Help to Own Marches project.</p> <p>(5) It was noted that the 100 units would be purchased from WV Living, a private limited company set up by the City of Wolverhampton Council.</p> <p>(6) It was noted that the pilot would be subject to ongoing evaluation with six monthly reports of progress to the Investment Panel and Investment Board, as well as annual reports to this board.</p> <p>(7) It was noted that this proposal had been jointly developed by WMCA s151 Officer, Monitoring Officer, Director of Investment & Commercial Activities and Director of Housing & Regeneration.</p> <p>These resolutions were subject to:</p> <p>(8) The results of detailed accounting, taxation and legal advice in relation to the Marches Help to Own Real Estate Investment Trust, which was to be jointly commissioned by the WMCA and the City of Wolverhampton Council.</p> <p>(9) The City of Wolverhampton Council confirming that it had secured all necessary approvals and funding to co-invest in the project.</p> <p>(10) Availability of the debt funding at the terms detailed in the proposal.</p> <p>(11) The WMCA and the City of Wolverhampton Council being involved in the selection of the property manager by Frontier Development Capital, the proposed manager of the Help to Own Real Estate Investment Trust.</p>

West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 15 January 2021

Agenda Item No	Topic	Decision
		<p>(12) The completion of the detailed legal and financial documentation and due diligence to establish the Marches Help to Own Real Estate Investment Trust to the approval of the WMCA Director of Housing & Regeneration, WMCA Head of Governance, and WMCA Director of Finance.</p> <p>(13) The Ministry of Housing, Communities & Local Government assurance that this novel investment and the re-use of returns to deliver the purposes and intent of the Land Fund and to reduce the net investment commitment from WMCA was compliant with agreed terms of the Land Fund and accepted as an exceptional proof of concept project.</p>
30.	Date of Next Meeting	Friday 12 February 2021 at 11.00am