

**West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 14 January 2022**

<b>Agenda Item No</b>	<b>Item</b>	<b>Decision</b>
1.	Apologies for Absence	Councillor Lee Barron (Midlands TUC), Councillor Kerrie Carmichael (Sandwell), Shaun Davies (Telford & Wrekin), Simon Foster (Police & Crime Commissioner) and Councillor Seb Lowe (Rugby).
2.	Chair's Remarks	<p><b>(a) New Members</b> The Chair welcomed Anita Bhalla (Greater Birmingham &amp; Solihull LEP) and Councillor Kerrie Carmichael (Sandwell) who had recently been appointed to sit on the board.</p> <p><b>(b) Jack Dromey MP</b> The Chair expressed his sadness at the recent death of Jack Dromey, MP for Birmingham Erdington. Members of the board observed a minute's silence in his memory.</p>
3.	Minutes - 19 November 2021	Agreed as a correct record.
4.	Forward Plan	Noted.
5.	Draft WMCA Budget 2022/23	<p>(1) The draft 2022/23 WMCA consolidated revenue budget was approved for consultation, including:</p> <p>(a) The budget requirement for transport delivery in 2022/23 comprising four elements:</p>

**West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 14 January 2022**

<b>Agenda Item No</b>	<b>Topic</b>	<b>Decision</b>
		<ul style="list-style-type: none"> <li>(i) £117.0m to be funded from the existing transport levy mechanism;</li> <li>(ii) £18.7m to be funded from grant awarded by the Commonwealth Games Organising Committee;</li> <li>(iii) Use of £4.5m Business Rates retention income;</li> <li>(iv) Transfer from earmarked reserves of £3.6m.</li> </ul> <p>(b) The budget requirement for non-transport delivery in 2022/23 of £161.9m comprising of five elements:</p> <ul style="list-style-type: none"> <li>(i) £142.7m adult education spending to be funded from Adult Education Budget funding devolved by the Department for Education;</li> <li>(ii) £6.7m to be funded from devolution deal grants;</li> <li>(iii) £1.2m to be funded from other income, notably investments;</li> <li>(iv) £4.6m to be funded from constituent authority fees (fees to remain at the same level as 2021/22);</li> <li>(v) £0.5m to be funded from non-constituent authority and observer fees (which represents an increase of £5,000 a year per non-constituent authority from 1 April 2022);</li> <li>(vi) Use of £6.0m business rates retention income.</li> </ul>

**West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 14 January 2022**

<b>Agenda Item No</b>	<b>Topic</b>	<b>Decision</b>
		<ul style="list-style-type: none"> <li>(2) The Mayoral Office budget for 2022/23 of £0.8m, to be funded from additional Mayoral Capacity Funding, was approved for consultation and scrutiny.</li> <li>(3) The draft 2022/23 Capital Programme of £536m was approved for consultation.</li> <li>(4) The planned spend on the Investment Programme over the period was noted.</li> <li>(5) It was noted that there would be no Mayoral precept during 2022/23.</li> <li>(6) The WMCA’s commitment to work with the Mayor and Leaders to develop a long-term, sustainable budget and plan throughout 2022, building on the 2022/23 agreed Aims &amp; Objectives and a sustainable financial plan was noted.</li> <li>(7) The matters identified by Overview &amp; Scrutiny Committee that arose out of the Mayoral Q&amp;A on 15 December 2021 were noted.</li> </ul>
<b>6.</b>	Financial Monitoring 2021/22	<ul style="list-style-type: none"> <li>(1) The financial position as at 30 November 2021 was noted.</li> <li>(2) The latest 2021/22 forecast was noted.</li> <li>(3) The update on Local Authority Delivery Phase 3 funding was noted.</li> <li>(4) The supplementary appointment of Louise Cowen and Kate Taylor as Deputy Section 151 Officers with effect from 14 January 2022 was approved.</li> </ul>

**West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 14 January 2022**

<b>Agenda Item No</b>	<b>Topic</b>	<b>Decision</b>
7.	Equality Scheme 2022-24	The 2022/24 Equality Scheme and Action Plan was approved.
8.	City Region Sustainable Transport Settlement Programme	<p>(1) The progress made regarding the regional City Region Sustainable Transport Settlement bid since the original submission was approved by the board in September 2021 was noted.</p> <p>(2) The approach to prioritisation and development of the final programme for submission to Government was noted.</p> <p>(3) The submission to Government of the City Region Sustainable Transport Settlement programme level business case was approved, noting that the revised programme was within the region’s indicative allocation of £1.050bn.</p> <p>(4) The Executive Director of Transport for West Midlands and the Director of Finance, in consultation with the Mayor and the Portfolio Lead for Transport, were given delegated authority to agree any final adjustments which were required to the programme and associated documentation, these changes could be developed to the submission as the local authority and the Transport for West Midlands officer team continued to liaise with the Department for Transport and the Treasury after submission in order to confirm the programme and secure a full grant confirmation from the Government, however, this board would formally consider the final programme and any funding conditions which were applied by the Government before accepting and adopting the final programme.</p> <p>(5) The use of the Single Assurance Framework to provide assurance around investment decisions was approved, noting the additional measures set out in the programme business case to ensure the ability to meet the City Region</p>

**West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 14 January 2022**

<b>Agenda Item No</b>	<b>Topic</b>	<b>Decision</b>
		<p>Sustainable Transport Settlement fund requirements, including the establishment of additional capacity for the Investment Panel to provide technical expert advice to the existing Investment Board on decisions to be made under the Single Assurance Framework.</p> <p>(6) The approach to the establishment and management of a ‘soft contingency’ element to the City Region Sustainable Transport Settlement programme was approved.</p> <p>(7) The monitoring and reporting arrangements were approved.</p> <p>(8) The approach regarding the replacement funding for Integrated Transport Block (Local Network Improvement Plan) and highway maintenance was noted.</p> <p>(9) The approach to managing a pool of reserve schemes which could be accelerated if required during the programme life was noted.</p> <p>(10) The next steps were noted.</p>
<b>9.</b>	West Midlands Future Bus Delivery Options	<p>(1) The key risks in the future delivery of bus services in the region that Transport for West Midlands were working with Government, bus operators and other partners to mitigate were noted.</p> <p>(2) The opportunities associated with Enhanced Partnership was noted, along with the level of commitment and process that it would place on all partners, particularly Transport for West Midlands, local authorities and bus operators.</p>

**West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 14 January 2022**

<b>Agenda Item No</b>	<b>Topic</b>	<b>Decision</b>
		<p>(3) The continued assessment of the business case for franchising in line with WMCA assurance processes (Single Assurance Framework) and legislation within the Bus Service Act 2017 be supported as a possible mechanism to address the referenced challenges should Enhanced Partnerships fail to effectively deliver the WMCA’s ambitions.</p>
10.	West Midlands Local Transport Plan 5: Draft Core Strategy	<p>(1) The responses to the ‘Reimagining Transport’ Local Transport Plan Green Paper engagement was noted.</p> <p>(2) The proposed approach and timetable to developing the new West Midlands Local Transport Plan was agreed.</p> <p>(3) The draft Local Transport Plan Core Strategy document was approved for statutory consultation, noting that final design editing work supporting communications material would be completed following comments from this board.</p>
11.	Commonwealth Games Transport Plan	The responses to the draft Commonwealth Games Transport Plan consultation was noted and the Commonwealth Games Transport Plan was approved for publication in January 2022.
12.	Transport Delivery Committee - 15 November 2021	The minutes were noted.

**West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 14 January 2022**

<b>Agenda Item No</b>	<b>Topic</b>	<b>Decision</b>
13.	Environment & Energy Board - 1 December 2021	The minutes were approved.
14.	Investment Board - 13 December 2021	The minutes were noted.
15.	Overview & Scrutiny Committee - 15 December 2021	The minutes were noted.
16.	Employment Committee - 17 December 2021	The minutes were noted.
17.	Young Combined Authority Update and Charter	The report was noted.
18.	Exclusion of the Public and Press	The public and press were excluded from the meeting for the remainder of the meeting.
19.	West Midlands Co-Investment Fund	<p>(1) It was noted that on 23 July 2021, the WMCA Board approved the Outline Business Case for the West Midlands Co-Investment Fund, which allocated £12.5m from the WMCA Investment Programme, that the principles had not altered, and no further funding was being requested from WMCA.</p> <p>(2) It was noted that West Midlands Pension Fund had indicated it would provide, as a minimum, the remaining £12.5m required to launch the West Midlands Co-</p>

**West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 14 January 2022**

Agenda Item No	Topic	Decision
		<p>Investment Fund, subject to its approvals process, and that the West Midlands Co-Investment Fund would not launch until funding was in place for the full £25m.</p> <p>(3) It was noted that the risks and rewards arising from the £25m fund between the WMCA and the West Midlands Pension Fund were intended to be split equally and that any deviation from this principle would be agreed by the Director of Finance, in consultation with the seven constituent area Finance Directors.</p> <p>(4) It was noted that the delivery vehicle options appraisal concluded with a preferred option of utilising West Midlands Development Capital, subcontracting investment management to a third-party Fund Manager (subject to procurement process).</p> <p>(5) Approval was delegated to the Director of Finance (supported with advice and in consultation with the Finance Directors Group) to flex the fund’s equity/debt investment ratio based on market evidence.</p> <p>(6) The request for the potential increase to the investment size of the Fund pre/post fund launch was approved, subject to:</p> <ul style="list-style-type: none"> <li>• The WMCA’s own investment of £12.5m not increasing (ie. no further funds were required from WMCA sources, as a result of third-party investor interest).</li> <li>• There being no detriment to risk or rewards to the WMCA and the objectives and targets indicated in the Full Business Case were to be achievable.</li> </ul>



**West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 14 January 2022**

<b>Agenda Item No</b>	<b>Topic</b>	<b>Decision</b>
		<ul style="list-style-type: none"> <li>• WMCA Statutory Officers agreeing to the amendments (supported by advice and in consultation with the seven Finance Directors Group).</li> <li>• Any new investor entering the fund would be subject to due diligence and ultimately approved at the Investment Board.</li> </ul> <p>(7) The negotiation and approval of commercial terms with the Funding Partner and Fund Manager was delegated to the Director of Finance.</p> <p>(8) It was noted that WMCA had the potential to recycle part or all of its £12.5m grant contribution (subject to fund performance).</p>
<b>20.</b>	City Region Sustainable Transport Settlement Submission - Scheme Schedule	<p>(1) The City Region Sustainable Transport Settlement programme schedule which formed the basis of the region’s response within its indicative £1.050bn allocation under the national City Region Sustainable Transport Settlement fund was approved.</p> <p>(2) It was noted that the City Region Sustainable Transport Settlement programme schedule contained values for schemes which were indicative and that these would be challenged/assured through the WMCA Single Assurance Framework, with final allocations approved as part of any full business case approval for each scheme by WMCA Board or in line with the relevant delegations which included the Investment Board.</p>
<b>21.</b>	Wednesbury - Brierley Hill Metro	The update was noted.

**West Midlands Combined Authority – Decisions taken by the WMCA Board on Friday 14 January 2022**

<b>Agenda Item No</b>	<b>Topic</b>	<b>Decision</b>
	Extension Update	
22.	Friday 11 February 2022 at 11.00am	The date of the next meeting was noted.