



WMCA Board

Date: Friday 12 January 2024

Time: 11.00 am **Public meeting** Yes

Venue: Council Chamber, Birmingham City Council, Council House, Victoria Square, Birmingham, B1 1BB

Membership

Constituent Members

Andy Street (Chair)
Councillor Bob Sleigh (Vice-Chair)

Councillor Adrian Andrew
Councillor Mike Bird
Councillor Paul Bradley
Councillor Kerrie Carmichael
Councillor John Cotton
Councillor Ian Courts
Councillor George Duggins
Councillor Steve Evans
Councillor Patrick Harley
Councillor Abdul Khan
Councillor Bob Piper
Councillor Stephen Simkins
Councillor Sharon Thompson

Appointing Authority

Mayor of the West Midlands Combined Authority
Solihull Metropolitan Borough Council

Walsall Metropolitan Borough Council
Walsall Metropolitan Borough Council
Dudley Metropolitan Borough Council
Sandwell Metropolitan Borough Council
Birmingham City Council
Solihull Metropolitan Borough Council
Coventry City Council
City of Wolverhampton Council
Dudley Metropolitan Borough Council
Coventry City Council
Sandwell Metropolitan Borough Council
City of Wolverhampton Council
Birmingham City Council

Non-Constituent Members

Councillor Shaun Davies
Councillor Matthew Dormer
Councillor Tony Johnson
Councillor Susan Juned
Councillor Lezley Picton
Councillor Derek Poole
Councillor Izzi Seccombe
Councillor Paul Turner
Councillor Kristofer Wilson
Councillor David A Wright

Telford & Wrekin Council
Redditch Borough Council
Cannock Chase District Council
Stratford-on-Avon District Council
Shropshire Council
Rugby Borough Council
Warwickshire County Council
Tamworth Borough Council
Nuneaton and Bedworth Borough Council
North Warwickshire Borough Council

Observers Awaiting Membership

Councillor Ian Davison

Warwick District Council

Co-Opted Member

Lee Barron

Midlands Trades Union Congress

Observer Members

Councillor Greg Brackenridge

Simon Foster

West Midlands Fire Authority

West Midlands Police & Crime Commissioner

Quorum for this meeting shall be at least one member from five separate Constituent councils

If you have any queries about this meeting, please contact:

Contact

Dan Essex, Governance & Scrutiny Manager

Telephone

07824 547452

Email

dan.essex@wmca.org.uk

AGENDA

No.	Item	Presenting	Pages
Items of Public Business			
1.	Apologies for Absence	Chair	None
2.	Declarations of Interest Members are reminded of the need to declare any disclosable pecuniary interests they have in an item being discussed during the course of the meeting. In addition, the receipt of any gift or hospitality should be declared where the value of it was thought to have exceeded £25 (gifts) or £40 (hospitality).	Chair	None
3.	Chair's Remarks (if any)	Chair	None
4.	Minutes - 17 November 2023	Chair	1 - 10
5.	Forward Plan	Chair	11 - 16
6.	Regional Activity & Delivery Update	Chair	Verbal Report
Finance			
7.	WMCA Draft Budget 2024/25	Councillor Bob Sleigh	17 - 62
8.	Financial Monitoring Report 2023/24	Councillor Bob Sleigh	63 - 90
9.	European Athletics Championships 2026	Councillor Bob Sleigh	91 - 102
10.	Amendments to the WMCA Constitution to incorporate Police & Crime Commissioner Functions	Councillor Bob Sleigh	103 - 106
Culture & Digital			
11.	West Midlands Digital Roadmap (2024-2027)	Councillor Patrick Harley	107 - 154
Minutes			
12.	Investment Board - 13 November 2023	Councillor Bob Sleigh	155 - 164
13.	Economic Growth Board - 16 November 2023	Councillor Stephen Simkins	165 - 170
14.	Audit, Risk & Assurance Committee - 4 December 2023	Mark Smith	171 - 176

15.	Investment Board - 11 December 2023	Councillor Bob Sleigh	177 - 182
16.	Transport Delivery Overview & Scrutiny Committee - 11 December 2023	Councillor John McNicholas	183 - 188
17.	Wellbeing Board - 12 December 2023	Councillor Izzi Seccombe	189 - 194
18.	Joint Overview & Scrutiny Committees - 14 December 2023	Councillor Cathy Bayton	195 - 198
19.	Environment & Energy Board - 21 December 2023	Councillor John Cotton	199 - 204
20.	Young Combined Authority Update - January 2024	YCA Representatives	205 - 208
Date of Next Meeting			
21.	Friday 9 February 2024 at 11.00am	Chair	None



**West Midlands
Combined Authority**

WMCA Board

Friday 17 November 2023 at 11.00am

Minutes

Constituent Members

Andy Street (Chair)	Mayor of the West Midlands Combined Authority
Councillor Mike Bird	Walsall Metropolitan Borough Council
Councillor Paul Bradley	Walsall Metropolitan Borough Council
Councillor John Cotton	Birmingham City Council
Councillor Ian Courts	Solihull Metropolitan Borough Council
Councillor George Duggins	Coventry City Council
Councillor Steve Evans	City of Wolverhampton Council
Councillor Patrick Harley	Dudley Metropolitan Borough Council
Councillor Peter Hughes	Sandwell Metropolitan Borough Council
Councillor Stephen Simkins	City of Wolverhampton Council
Councillor Bob Sleigh	Solihull Metropolitan Borough Council

Non-Constituent Members

Councillor Lee Carter	Telford & Wrekin Council
Councillor Matthew Dormer	Redditch Borough Council
Councillor Susan Juned	Stratford-on-Avon District Council
Councillor Derek Poole	Rugby Borough Council
Councillor Martin Watson	Warwickshire County Council
Councillor Kristofer Wilson	Nuneaton & Bedworth Borough Council

Observer Member

Simon Foster	West Midlands Police & Crime Commissioner
--------------	---

In Attendance

Councillor Cathy Bayton	Overview & Scrutiny Committee
Councillor John McNicholas	Transport Delivery Overview & Scrutiny Committee
Mark Smith	Audit, Risk & Assurance Committee

59. Apologies for Absence

Apologies for absence were received from Lee Barron (Midlands TUC), Councillor Kerrie Carmichael (Sandwell), Councillor Lezley Picton (Shropshire), Councillor Izzi Seccombe (Warwickshire) and Councillor Sharon Thompson (Birmingham).

60. Minutes - 13 October 2023

The minutes of the meeting held on 13 October 2023 were agreed as a correct record.

61. Forward Plan

The forward plan of items to be reported to future meetings of the board was noted.

62. Regional Activity & Delivery Update

The board received a presentation from the Chief Executive setting out the regional activity in recent months. More than £14.7m was being invested in skills training in order to meet the skills need of the region's tech sector. The region was set for 1,000 tech jobs boost as a result of significant investments from five innovation focussed companies. New figures had also shown WMCA funded schemes exceeding affordable housing targets, with nearly 33% of the 6,285 homes unlocked by WMCA investments since 2018 being affordable homes.

Resolved:

The update be noted.

63. Financial Monitoring Report 2023/24

The board considered a report from the Executive Director for Finance & Business Hub providing an update on the WMCA's finances as at 30 September 2023, an update on the medium-term financial plan and risks facing the WMCA.

Councillor Stephen Simkins expressed his concern at the potential impact to the retail sector in Wolverhampton city centre following the delays in completing the metro extension. The Executive Director for Transport for West Midlands explained that the delays had been caused by the need to align traffic signalling at St George's metro stop, and a communications plan had been implemented in order to mitigate the impact to the retail sector of these essential works.

Resolved:

- (1) The financial position as at 30 September 2023 be noted.
- (2) The early warning of a further projected overspend of £1.5m on the Metro Wolverhampton City Centre Extension project be noted, and the proposed funding solution and potential budget increase of £1.5m be approved.
- (3) The new grant awards to the WMCA be noted.
- (4) The updated financial planning position for the period 2024/25 to 2028/29 be noted.
- (5) The updated position on the Sustainable Warmth Competition be noted.
- (6) The Treasury and Prudential Indicators for the period ending September 2023 (Quarter 2) be noted.
- (7) The outcome of the annual review of the Single Assurance Framework, undertaken in accordance with the requirements mandated by Government, be noted.
- (8) The performance to date of the West Midlands 100% Business Rates Retention Pilot be noted.

- (9) The Memorandum of Understanding with the Government regarding the offer of 10-year, 100% Business Rate Retention for the West Midlands, in accordance with the Trailblazing Devolution Deal, be agreed.
- (10) Authority be delegated to the Section 151 Officer (following consultation with the relevant portfolio lead) for the ability to accept grants awarded to WMCA between 17 November 2023 and 12 January 2024, subject to the terms and conditions of those grants being acceptable to the Monitoring Officer, Section 151 Officer and the relevant Executive Director, and for the relevant Single Assurance Framework process being followed.

64. European Athletics Championships 2026

The board considered an update on the latest position regarding Birmingham's hosting of the European Athletics Championships in 2026. The Chief Executive confirmed that the Department for Culture, Media & Sport was awaiting confirmation of the WMCA's commitment to reprofiling of funding from the Commonwealth Games Legacy Enhancement Fund. A draft copy of the letter had been circulated to members of the board ahead of the meeting.

Councillor John Cotton welcomed the contents of the draft letter and stressed the importance of Birmingham City Council working closely with the WMCA and the region's other local authorities to ensure that the event could be staged successfully. Councillor Mike Bird indicated that further clarity was required as to Birmingham City Council's ability to be able to continue supporting the hosting of the championships. Councillor John Cotton explained that discussions were currently on-going and he expected this clarity to be available in December. He did not wish to see any additional financial burden fall on the WMCA in this regard.

Resolved:

The draft letter previously circulated to members of the board be agreed, signed by the Mayor and sent to the Department for Culture, Media & Sport.

65. West Midlands Investment Zone and Levelling Up Zones Update

The board considered a report of the Executive Director for Strategy, Economy & Net Zero providing an update on the development of Investment Zone and Levelling Up Zone work, seeking approval of the distribution of Investment Zone and Levelling Up Zone sites, seeking approval of Investment Zone governance proposals, and to endorse the direction of travel and further work on the detailed funding and financing plan that would underpin delivery.

The Executive Director for Strategy, Economy & Net Zero confirmed that all constituent authorities were to be represented on the West Midlands Investment Zone Joint Committee. In response to a question from Councillor Stephen Simkins, the Chair indicated that he would support a constituent member chairing the joint committee if that was its wish.

Resolved:

- (1) The overall proposition for business rate retention and tax incentive sites to be included in the West Midlands Investment Zone and for those 'Growth Zone sites' that would be included for business rate retention within Levelling Up Zones be approved.
- (2) The establishment and responsibilities of a joint committee to govern the implementation of the West Midlands Investment Zone, its terms of reference and that Warwickshire County Council, as a non-constituent authority, be given full voting rights on the Investment Zone Joint Committee be approved.
- (3) The work in progress regarding the finance and funding plan that would underpin delivery of the Investment Zone and Levelling Up Zone sites, and the key actions and principles that would guide its further development, be noted.

66. WMCA Air Quality Framework and Implementation Plan

The board considered a report from the Executive Director for Strategy, Economy & Net Zero providing an overview of the Air Quality Framework, and its associated Implementation Plan for the next two years. The report also highlights delivery priorities, including funding secured and required to expedite projects and programmes.

In order to accelerate the improvement of air quality in the WMCA area, one of the actions proposed was to identify stretch targets, as recommended by the Transport Delivery Overview & Scrutiny Committee, that were more ambitious in terms of timescales and pollutant concentration targets than the Government air quality targets, and which were closer to World Health Organisation targets for NO₂ and PM_{2.5}. This work would be done as part of the delivery of the Air Quality Framework Implementation Plan.

Councillor Ian Courts indicated his full support for the plan and urged that it be implemented as soon as possible. He was particularly concerned with congestion around schools and the impact this had on air quality. The Head of Environment indicated that the Regional Schools Engagement Programme work would be initiated shortly, which would seek to address these specific concerns.

Resolved:

- (1) The draft Air Quality Framework Implementation Plan be endorsed.
- (2) The regional approach to tackling air quality, as summarised in the Air Quality Framework Implementation Plan and outlined in detail in the Air Quality Framework, be endorsed.
- (3) Stretch targets, which were more ambitious in terms of timescales and pollutant concentration targets than the Government's air quality targets, and which were closer to World Health Organisation targets for NO₂ and PM_{2.5} be adopted as part of the development of the Regional Air Quality Framework.

67. WMCA Homelessness Taskforce: Update and Key Priorities

The board considered a report from the Executive Director for Strategy, Economy & Net Zero providing an update on the current work programme and priorities of the WMCA Homelessness Taskforce. Jean Templeton, Chair of the taskforce, and Councillor David Welsh, Chair of the Member Advisory Group, were also in attendance to share their thoughts with the board.

The Homelessness Taskforce's strategic objective was to design out homelessness in all its forms, and to promote sustainable and meaningful inclusion for all citizens of the WMCA region. The taskforce had sought to undertake activities with its local authority partners that were relevant and complementary to local strategies and commissioned services. When there had been added value to be gained, the taskforce had played a pivotal role in convening, commissioning and co-ordinating activity across the region.

Councillor Kristofer Wilson welcomed the work of the Homelessness Taskforce and encouraged it to expand into non-constituent member areas, where homelessness remained a challenge for authorities. He stressed the importance of early intervention and support to help individuals who might otherwise want to avoid seeking help. Councillor Stephen Simkins highlighted the role of better housing stock and a secure tenancy process to help address homelessness. Councillor Ian Courts acknowledged that there were both short and long term measures that were needed, but reiterated the value of early prevention before problems escalated.

The Chair thanked both Jean Templeton and Councillor David Welsh for the roles they played in this critical work area.

Resolved:

- (1) It be noted that the homelessness being experienced by vulnerable citizens across the WMCA region was actively inhibiting the region's ability to create a more prosperous, fairer and inclusive region for all, and that the Homelessness Taskforce had been one of the means by which the WMCA and its partners had collaborated to address this.
- (2) The WMCA and its partners' efforts to accelerate progress towards their joint aim of designing out homelessness in all its manifestations, including by continuing to embed homelessness prevention into the mainstream strategies, processes, and programmes of the WMCA through cross-directorate activity be noted, and the taskforce's adoption of a broader focus on all forms of homelessness be endorsed.
- (3) The Homelessness Taskforce's identified priorities for 2023/24 and beyond, including specific actions to commission a suitably experienced and qualified organisation to help investigate and articulate an evidenced-based economic case, and to consider how Government could be jointly lobbied to improve the current Local Housing Allowance model, be endorsed.

68. Update on HS2 Announcements and Network North Funding

The board considered a report from the Executive Director for Transport for West Midlands on the recent announcements relating to HS2 from Government, the reallocation of funding to the North and Midlands authorities, and the work being undertaken to assess the impacts on the region's economic outcomes as a consequence of these changes.

The Government recently undertook a review of the delivery of HS2 and on 4 October the Prime Minister announced that parts of the scheme were to be cancelled. The changes to the scope of HS2 meant that Phase 1 would be completed between London (Old Oak Common) and Birmingham, with a rescope Euston station which would require a private consortium to invest in its completion. Phase 1b to Crewe would be removed and the HS2 line would reconnect to the existing West Coast Mainline at Handsacre to provide rail connectivity North.

Councillor John Cotton indicated that Birmingham City Council wished to be fully engaged with discussions with the Government on the impact on the city of this decision, and Councillor George Duggins stressed the importance of involving all authorities in the future agreement of projects to be funded from the reallocation of funding.

Resolved:

- (1) The recent Government announcements in relation to the cancellation of parts of HS2 as a national project and the reallocation of funding as specified in the Network North document published following the Prime Minister's speech at the Conservative Party Conference in October 2023 be noted.
- (2) That programmes and projects utilising this funding would follow the existing governance routes and would come back to the WMCA Board for decisions over £20m and the Investment Board for decisions below that amount be noted.
- (3) It be noted that an assessment of the economic impacts for the region associated with these changes was being commissioned to help inform any future investment programmes and refresh of existing business cases that were predicated on the arrival of the full HS2 scheme and which would be subject to a future report to the Board.

69. Birmingham Eastside Extension

The board considered a report from the Executive Director for Transport for West Midlands providing an update on the schedule to the Birmingham Eastside Extension Metro scheme in relation to the pausing of works associated with HS2 construction of Curzon Street station and pending any further clarity to the HS2 design and programme following recent announcements from Government cancelling phase 2 north of Birmingham to Manchester.

Councillor John Cotton welcomed the approach proposed within the report and the clear commitment to identify the funding required to complete the extension in full. However, he did stress the need for a communications and engagement plan to mitigate the disruption caused by the works.

Resolved:

- (1) It be noted that sections of the Birmingham Eastside Metro Extension had been successfully delivered in Lower Bull Street (Section 1), as well as certain elements between Lower Bull Street and Moor Street Queensway (section 2), which included utility diversions and the demolition of a number of buildings, with works due to be completed in Digbeth (section 5) by the end of 2023.
- (2) The change to the delivery schedule for the Birmingham Eastside Extension scheme, which paused metro works whilst Curzon Street station was built following a signed Memorandum of Understanding between HS2 Ltd and the Department for Transport, as previously reported to the board, be noted, and that the Birmingham Eastside Extension schedule could also be impacted by further potential changes to the HS2 programme arising from the recent decision by the Government to cancel the northern parts of the scheme, further detail of which was awaited.
- (3) It be noted that this pause in delivery and any potential further changes to the HS2 programme would have an impact on cost due to inflation as previously reported and prolongation of the delivery to the full scheme as a consequence of HS2 works.
- (4) That the board remained committed to completing the full scheme and that work was ongoing with HS2 Ltd and Birmingham City Council to finalise designs for both the Curzon Street station and any resultant changes to the base metro design be noted, along with the work needing to be completed in order to produce the full scheme scope and costs including reimbursement from HS2 Ltd for the financial impact of delays (the subject of a further report to this board early next year).
- (5) It be noted that three options had been considered to assess the opportunity to release some early connectivity benefits whilst the scheme was paused as referred to in previous reports to meetings of the board on 17 March and 9 June 2023.
- (6) Option 3 be approved to undertake an interim scheme terminating at a temporary stop alongside Moor Street Queensway at a current cost estimate, of £245m which included all works completed to date.
- (7) That the additional funding required of £17m to complete this interim scheme would be provided through the overprogramming of City Region Sustainable Transport Settlement and provided for within the additional headroom provided following the Network North announcements reported in minute no. 68 above be noted.

- (8) Work commencing to progress both development and construction of option 3 be approved, subject to an agreed design and construction methodology with Birmingham City Council as the Planning and Highway Authority, being contained within the £245m estimate and following a value for money assessment and a successful outcome through the Single Assurance Framework.
- (9) It be noted that a comprehensive report would be brought to a future meeting of the board within the next six months, subject to all information available from delivery partners, setting out costs, funding strategy and the programme to complete the Birmingham Eastside Extension in full, including remaining works to sections 2, 3, 4 and 5 of the scheme, and that this report would include a revised full business case, including a value for money assessment that would require evaluation through the Single Assurance Framework.

70. New Stations Package 1: Project Costs Update

The board considered a report of the Executive Director for Transport for West Midlands on the cost and programme implications of the novation of the West Midlands Rail Programme (New Stations Package 1 Project) to Kier Integrated Services Ltd, following the administration of Buckingham Group Contracting Ltd in September 2023 due to financial insolvency.

A New Stations Package 1 Project Update report was noted by the board at its meeting on 13 October 2023. This provided details of the decision to novate the New Stations Package 1 Project to Kier Integrated Services Ltd, following the placing into administration of Buckingham Group Contracting Ltd. Following rigorous review, it was determined that novating the contract to Kier Integrated Services would minimise disruption to the programme, maintain the current integrated delivery strategy, and retain many of the same resources. It also protected the WMCA from negotiations with the administrators on the Buckingham Group Contracting account.

Resolved:

- (1) The cost pressures associated with the New Stations Package 1 project be noted.
- (2) The proposed funding solution to extend the over-programming of the City Region Sustainable Transport Settlement 1 be approved.
- (3) Authority be delegated to Section 151 Officer the ability to amend the project budget by up to £15.43m, subject to satisfactory assurances being received by the Executive Director for Transport for West Midlands with respect to the anticipated final cost.

71. Investment Board - 24 July 2023

The board considered the minutes of the Investment Board held on 24 July 2023.

Resolved:

The minutes of the meeting held on 24 July 2023 be noted.

- 72. Overview & Scrutiny Committee - 4 September 2023**
The board considered the minutes of the Overview & Scrutiny Committee held on 4 September 2023.
- Resolved:
- The minutes of the meeting held on 4 September 2023 be noted.
- 73. Transport Delivery Overview & Scrutiny Committee - 4 September 2023**
The board considered the minutes of the Transport Delivery Overview & Scrutiny Committee held on 4 September 2023.
- Resolved:
- The minutes of the meeting held on 4 September 2023 be noted.
- 74. Economic Growth Board - 22 September 2023**
The board considered the minutes of the Economic Growth Board held on 22 September 2023.
- Resolved:
- The minutes of the meeting held on 22 September 2023 be noted.
- 75. Audit, Risk & Assurance Committee - 4 October 2023**
The board considered the minutes of the Audit, Risk & Assurance Committee held on 4 October 2023.
- Resolved:
- The minutes of the meeting held on 4 October 2023 be noted.
- 76. Investment Board - 16 October 2023**
The board considered the minutes of the Investment Board held on 16 October 2023.
- Resolved:
- The minutes of the meeting held on 16 October 2023 be noted.
- 77. Housing & Land Delivery Board - 18 October 2023**
The board considered the minutes of the Housing & Land Delivery Board held on 18 October 2023.
- Resolved:
- The minutes of the meeting held on 18 October 2023 be noted.
- 78. Overview & Scrutiny Committee - 19 October 2023**
The board considered the minutes of the Overview & Scrutiny Committee held on 19 October 2023.

Resolved:

The minutes of the meeting held on 19 October 2023 be noted.

79. Transport Delivery Overview & Scrutiny Committee - 30 October 2023

The board considered the minutes of the Transport Delivery Overview & Scrutiny Committee held on 30 October 2023.

Resolved:

The minutes of the meeting held on 30 October 2023 be noted.

80. Transport Delivery Overview & Scrutiny Committee - 30 October 2023

The board considered the minutes of the Transport Delivery Overview & Scrutiny Committee held on 30 October 2023.

Resolved:

The minutes of the meeting held on 30 October 2023 be noted.

81. Overview & Scrutiny Committee - 6 November 2023

The board considered the minutes of Overview & Scrutiny Committee held on 6 November 2023.

In respect of minute no. 161 ('Inquorate Meeting'), the Director of Law & Governance drew the board's attention to another meeting that was inquorate due to insufficient members attending. The Chair stressed the importance of attendance given that members of the WMCA's scrutiny and audit committees were now paid an allowance, and the recent Deeper Devolution Deal increased the importance of the oversight role these meetings undertook.

In respect of minute no. 163(a) ('Letter received from the Police & Crime Commissioner'), Simon Foster repeated his offer to attend a future meeting of the Overview & Scrutiny Committee to discuss the proposed amalgamation of the role into that of the Mayor. He expressed his disappointment that a previous offer to attend the committee had been declined. Councillor Cathy Bayton noted his long-standing opposition to any planned amalgamation of the roles, but considered that this board remained the forum at which any changes to police governance in the region involving the WMCA should be debated.

Resolved:

The minutes of the meeting held on 6 November 2023 be noted.

82. Date of Next Meeting

Friday 12 January 2024 at 11.00am.

The meeting ended at 12.50pm.



West Midlands Combined Authority

Forward Plan

Forthcoming key decisions

Title of key decision:	Decision to be taken by and date:	Open or Exempt:	Portfolio Lead	Employee to contact:
Regional Activity & Delivery Update To receive an update on the latest activities of the WMCA.	WMCA Board 12 January 2024	Open	Andy Street Mayor	Laura Shoaf Chief Executive of the West Midlands Combined Authority
WMCA Draft Budget 2024/25	WMCA Board 12 January 2024	Open	Councillor Bob Sleigh Finance Portfolio Lead	Beverly Sullivan, Sally Truman Financial Planning and Coordination Manager, Lead Financial Planning Accountant
Financial Monitoring Report 2023/24 Financial Monitoring Report 2023/24 for January 2024 Board	WMCA Board 12 January 2024	Open	Councillor Bob Sleigh Finance Portfolio Lead	Beverly Sullivan, Sally Truman Financial Planning and Coordination Manager, Lead Financial Planning Accountant
European Athletics Championships To consider an update on the latest developments with this issue.	WMCA Board 12 January 2024	Open	Councillor Bob Sleigh Finance Portfolio Lead	
Constitution To seek delegated authority to update the constitution as a result of the transfer of Police & Crime Commissioner powers to the WMCA in May 2024.	WMCA Board 12 January 2024	Open	Andy Street Mayor	Helen Edwards Director of Law and Governance

<p>West Midlands Digital Roadmap 2024-2027 This is the update WMCA's initial Digital Roadmap that was developed in 2021. The SENZ directorate are producing an update to the Roadmap which reflects how the WMCA has heightened its ambitions for for digital and how it will work with partners to overcome regional challenges and take advantage of existing and emerging opportunities.</p>	<p>WMCA Board 12 January 2024</p>	<p>Open</p>	<p>Councillor Patrick Harley Culture & Digital Portfolio Lead</p>	<p>Mike Lewis Strategic Lead – West Midlands Digital Roadmap</p>
<p>WMCA Budget 2024/25 To present the proposed 2024/25 budget for approval</p>	<p>WMCA Board 9 February 2024</p>	<p>Open</p>	<p>Councillor Bob Sleigh Deputy Mayor</p>	<p>Beverly Sullivan, Sally Truman Financial Planning and Coordination Manager, Lead Financial Planning Accountant</p>
<p>State of the Region State of the Region for the West Midlands in 2024</p>	<p>WMCA Board 9 February 2024</p>	<p>Open</p>	<p>Andy Street Mayor</p>	<p>Si Chun Lam Head of Research, Intelligence and Inclusive Growth</p>
<p>Health of the Region To consider an update report reviewing the health of the region.</p>	<p>WMCA Board 9 February 2024</p>	<p>Open</p>	<p>Councillor Izzi Seccombe Wellbeing Portfolio Lead</p>	<p>Julia Cleary, Mubasshir Ajaz Head of Corporate Support & Governance, Head of Health and Communities • Strategy, Integration and Net Zero</p>
<p>Faith Strategic Partnership Board - Faith Covenant To agree the proposed Faith Covenant.</p>	<p>WMCA Board 9 February 2024</p>	<p>Open</p>	<p>Councillor Kerrie Carmichael Inclusive Communities Portfolio Lead</p>	

<p>Skills Bootcamps Change Request To seek approval of a business justification case for a change in the activity that would be delivered in respect of the Skills Bootcamp Provision from 1 April 2024.</p>	<p>WMCA Board 9 February 2024</p>	<p>Open</p>	<p>Councillor George Duggins Skills & Productivity Portfolio Lead</p>	<p>Louise Phipps Senior Delivery Manager- Higher Level Skills</p>
<p>WMCA Financial Monitoring Report - March 2024 To update on the latest financial position</p>	<p>WMCA Board 15 March 2024</p>	<p>Open</p>	<p>Councillor Bob Sleigh Deputy Mayor</p>	<p>Beverly Sullivan, Sally Truman Financial Planning and Coordination Manager, Lead Financial Planning Accountant</p>
<p>Skills Funding To consider the latest position regarding skills funding.</p>	<p>WMCA Board 15 March 2024</p>	<p>Open</p>	<p>Councillor George Duggins Skills & Productivity Portfolio Lead</p>	<p>Dr. Fiona Aldridge Head of Insight & Intelligence</p>
<p>WMCA's Overview & Scrutiny Committee and Transport Delivery Overview & Scrutiny Committee - Progress Update To provide a quarterly summary of the activity of work of the WMCA's overview and scrutiny function, as required by the Deeper Devolution Deal.</p>	<p>WMCA Board 15 March 2024</p>	<p>Open</p>	<p>Andy Street Mayor</p>	<p>Lyndsey Roberts Scrutiny Officer</p>
<p>Ring & Ride Update To provide an update on the latest activity.</p>	<p>WMCA Board 19 July 2024</p>	<p>Open</p>	<p>Councillor Mike Bird Transport Portfolio Lead</p>	<p>Pete Bond Director of Integrated Transport Services</p>

The Forward Plan

This document sets out known 'key decisions' that will be taken by the West Midlands Combined Authority (WMCA) over the coming months.

Forthcoming key decisions are published online to meet the statutory 28 day notification rule for each meeting where a key decision will be taken. Where it has not been possible to meet the 28 day rule for publication of notice of a key decision or an intention to meet in private, the relevant notices will be published as required by legislation as soon as possible.

What is a key decision?

Page
15

A 'key decision' means a decision of the Mayor, WMCA or officer which is likely:

- (a) to result in the WMCA incurring expenditure, making savings or generating income amounting to £1m or more; or
- (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the WMCA

The report relating to a decision, together with any other documents being considered, will be available five clear working days before the decision is to be taken (unless the documentation contains exempt information).

The forward plan also provides notice of when the WMCA may decide to exclude the press and public during consideration of a particular matter due to the potential for disclosure of confidential or exempt

information. The grounds upon which local authorities can exclude the press and public are specified by law and details of the exempt categories are available on request from the Governance Services team (governance.services@wmca.org.uk).

Councillors or members of the public wishing to:

- make a representation about why a matter should be heard in public, or
- submit information to the decision-making body about an item in the forward plan, or
- request details of relevant documents, or
- seek advice about the WMCA's decision-making arrangements,

should contact the Governance Services team: governance.services@wmca.org.uk



WMCA Board

Date	12 January 2024
Report title	WMCA Draft Budget 2024/25
Portfolio Lead	Finance - Councillor Bob Sleigh, Deputy Mayor
Accountable Chief Executive	Laura Shoaf, West Midlands Combined Authority email: laura.shoaf@wmca.org.uk
Accountable Employee	Linda Horne, Executive Director of Finance and Business Hub email: linda.horne@wmca.org.uk
Report has been considered by	WMCA Executive Board – 3 January 2024 WMFD – 4 January 2024

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

1. Approve for consultation the draft 2024/25 West Midlands Combined Authority consolidated revenue budget summarised in Section 4. This includes:
 - a) The budget requirement for Transport delivery in 2024/25 of £198.3m comprising three elements:
 - i. £122.9m to be funded from the existing Transport Levy mechanism
 - ii. £70.4m of grant funding
 - iii. Use of windfall gains from Treasury management of £5.0m.
 - b) The budget requirement for Portfolio delivery in 2024/25 of £262.0 million comprising of six elements:

- i. £142m Adult Education (including level 3) spending to be funded from Adult Education Budget funding devolved by the Department for Education¹
 - ii. £104.4m to be funded from Devolution deal grants
 - iii. £2.3m to be funded from other income, notably Investment income
 - iv. £4.6m to be funded from Constituent Authority fees (fees to remain at the same level as 2023/24)
 - v. £0.4m to be funded from Non-Constituent Authority and observer fees (fees to remain at the same level as 2023/24)
 - vi. Use of £8.3m Business Rates retention income.
2. Approve for consultation and scrutiny the Mayoral Office budget for 2024/25 of £7.0m, of which £0.9m to be funded from additional Mayoral Capacity Funding, and election costs of £6.1m funded from earmarked reserves.
 3. Note that there will be no Mayoral Precept during 2024/25.
 4. Review the Mayor's budget and set out in a report to the Mayor whether it is approved in its current form including any recommendations before 8th February.
 5. Approve for consultation the draft 2024/25 Capital Programme of £719.8m.
 6. Note the planned spend on the Investment Programme over the period.
 7. Note the West Midlands Combined Authority's ongoing commitment to work with the Mayor and Leaders to discuss a sustainable funding solution for transport which will meet the scale of ambition for the network.
 8. Note the matters identified by Overview and Scrutiny Committee and Transport Delivery Overview and Scrutiny Committee that arose out of the Mayoral Q&A on 14 December 2023.

1.0 Purpose

- 1.1. The purpose of this report is to set out the draft 2024/25 budget for consideration by the West Midlands Combined Authority Board, to allow for feedback to inform the Final 2024/25 budget to be approved in February 2023.
- 1.2. The report also sets out the medium term outlook for the organisation, and the steps being taken to ensure that the position is sustainable.
- 1.3. The WMCA Overview and Scrutiny Committee and Transport Delivery Overview and Scrutiny Committee has undertaken the scrutiny work and feedback following the Mayoral Q&A session on the budget which took place on 14 December 2023. A summary is attached to this report at Appendix 7.

2.0 Background

- 2.1. This report represents the first part of the formal process to determine the WMCA Budget, Levy and Precept levels for 2024/25. If approved, this report will form the basis for budget proposals to WMCA Board on 9 February 2024.

¹ The 2024/25 Adult Education Budget to be devolved from Department for Education will be confirmed in early 2024 and an update provided to Board via the Financial Monitoring report.

Strategic Context

- 2.2. The WMCA's Vision - to deliver a more prosperous and better-connected West Midlands which is fairer, greener and healthier - and six Aims and Objectives, as agreed by the WMCA in November 2021, drive the budget planning and medium term financial planning process. Resource allocation is aligned with these agreed Aims and Objectives and underpins the delivery of the WMCA's vision. The six Aims and Objectives to deliver the region's priorities which are outlined below:
- Promote inclusive economic growth in every corner of the region;
 - Ensure everyone has the opportunity to benefit;
 - Connect our communities by delivering transport and unlocking housing and regeneration schemes;
 - Reduce carbon emissions net zero and enhance the environment and boost climate resilience;
 - Secure new powers and resources from Central Government; and
 - Develop our organisation and our role as a good regional partner.
- 2.3. This report includes the proposed WMCA activities for 2024/25 alongside the funding requirement to deliver these (Appendix 4). This year's process builds on the success of the previous, with the budget being again planned from the bottom up, giving a more robust indication of the resources needed to deliver service activities. The budgets have been subject to rigorous internal review, challenge and scrutiny led by the Authority's S151 Officer to ensure that they were robust, deliverable and aligned with planned activities in 2024/25.

Economic Context

- 2.4. The WMCA is continuing to operate in a period of significant financial uncertainty. The WMCA's financial resilience is of utmost importance in order to be able to deal with these uncertainties, deliver statutory services and to have the ability to focus resources on key activities in support of the organisation's Aims and Objectives. The 2024/25 draft budget has been prepared using the best information available at the time of writing.
- 2.5. Over the past two years, CPI inflation has been at its highest level in 41 years, peaking at 11.1% in November 2022. Since that peak, inflation has gradually subsided, and was 4.6% in October 2023. The latest predictions from the Bank of England are for inflation to steadily reduce over the next year CPI to return to the 2% target by the end of 2025. Although there are some positive signals regarding UK inflation decelerating, the impact is being experienced across all services with impacts on the WMCA's cost base and income levels. To respond to this increase in price, base costs have been increased by 3% on 2023/24 levels and 15% for energy.
- 2.6. After 14 consecutive increases in interest rates, in September 2023 the Bank of England held interest rates at 5.25% and this remained unchanged at the review in December. Forecasters do not anticipate that the Bank of England will start to contemplate cuts until the first quarter of 2024. High interest rates affect the borrowing costs. As part of the strategy for minimising cost and managing the risk of interest rate change, the financial plans assume that borrowing will be limited in 2024/25 and will not be undertaken unless absolutely necessary. It is recognised that there will be some windfall gains on investment income arising from the higher interest rates. Due to the temporary nature of these windfall gains, the WMCA has been careful in its application to ensure that ongoing commitments are not created which increase the cost base further.

- 2.7. The UK economy has grown by 0.5% during the first three quarters of 2023. Whilst concerns of a deep recession have gone away, some remain around the economy's weak performance and signs of stress. It is likely that high interest rates, uncertainties around the upcoming General election and relatively low productivity will continue to impact on economic growth.

Political context

- 2.8. The most recent Autumn Statement, delivered on 22 November 2023, included a number of regional priorities, including the West Midlands' Investment Zone and the single settlement, both of which will positively impact the WMCA in future years. Approval was granted for the West Midlands' Investment Zone, with the potential to directly attract more than £2bn of new investment into the regional economy and a further £3.5bn overall, creating more than 30,000 jobs by 2034. The region would also be able to bid into a national £150m Investment Opportunity Fund to attract private investment. The Investment Zone is good news for the region as it should help in driving growth in advanced manufacturing, green industries, health-tech and underlying digital technologies. Government will continue to work with the WMCA and other partners to co-develop the plans for the Investment Zone, including priority development sites and specific interventions to drive cluster growth, ahead of the final confirmation of the plans.
- 2.9. The Statement also confirmed a single pot of funding for the West Midlands on a 4 year allocation cycle, leaving local leaders to decide for themselves on how best to allocate the money to help level up the region. Whilst discussions are still ongoing in respect of the quantum of funding and the formulae for the allocations, this is a significant milestone and benefits the region in terms of greater financial certainties and the avoidance of competitive bidding for funding. Payments will start at the next Spending Review period, expected to be in 2025. The process is being guided by the principle that the WMCA should not take on any additional responsibilities that are not properly resourced. As a matter of prudence, no attempt has been made to reflect any potential outcomes of single settlement within existing financial plans at this stage.
- 2.10. Following the confirmation of the cancellation of the northern leg of HS2 in October 2023, a £36bn package of transport interventions was announced across the North and Midlands called Network North. Within this a further £16.6m of BSIP funds has been announced for 2024/25, critical investment for delivering further improvements for transport. This is around 11% of the national allocation. It is anticipated that this can be used to continue to transform bus services and maintain current levels of service on the bus network for this period in line with existing guidance. A further £250m of revenue funding has been committed over a 5 -year period to support network stability, some of which (£24.9m) have been deployed in 2024/25 to fund existing pressures on the transport network. The existing £1.1bn award to WMCA as part of the City Regional Sustainable Transport Settlement (CRSTS) Fund has been uplifted by a further £2.6bn to allow the WMCA to continue its wide-ranging capital programme. The uplift includes £100m capital funding to help with delivery of the existing metro extensions and Arden Cross schemes. As a result of inflation and prolongation of some schemes, capital project budgets have been coming under significant pressure to deliver within their financial envelopes, so the WMCA taken advantage of the opportunity to present a rebased position for CRSTS to DfT for approval. At the time of finalising this report WMCA is awaiting DfT approval.
- 2.11. As part of the Autumn 2022 Statement, Government deferred reforms to local government funding to at least 2025/26 at the earliest. The reset of the business rates baseline will potentially reduce the business rates income available to the WMCA. This reset has the

effect of taking any business rate gains that have built up by the West Midlands pilot and redistributing it nationally based on relative need. Due to the uncertainties around timing and impact, the medium term financial plans do not yet reflect this potential pressure, but it is being monitored as a risk.

2.12. The Government has recently launched a consultation that focuses on the proposed transfer of Police and Crime Commissioner (PCC) functions to the Mayor of the West Midlands Combined Authority. The consultation has been designed to enable the Home Secretary to gather views to allow him to make a decision on whether to lay an order before Parliament transferring PCC functions from the next mayoral election in May 2024. If a transfer took place, the Mayor's PCC functions would include:

- issuing a Police and Crime Plan for the West Midlands
- setting the police budget
- appointing the Chief Constable
- addressing complaints about policing services
- providing commissioning services for victims of crime
- working in partnership to ensure that the local criminal justice system is efficient and effective.

If the Home Secretary decides to proceed with the transfer and the necessary secondary legislation is approved by Parliament, these functions will be transferred from the mayoral election in May 2024, including the transfer of all assets, liabilities, funding and budgets.

Key features of Budget 2024/25

2.13. The overarching objective is to set an affordable and balanced budget that supports delivery of the Aims and Objectives. The budget takes a prudent approach to funding with new grants not being recognised until funding agreements/confirmation have been received from Government. The WMCA recognises that reserves are one-off monies and has therefore not relied on their use for meeting recurrent financial commitments and balancing the budget.

2.14. The key headlines for the 2024/25 draft budget are as follows:

- No Mayoral Precept to be introduced for 2024/25.
- Total revenue expenditure of £506.9m, alongside a capital programme totalling £719.8m for 2024/25.
- Transport Levy to be increased by 3.0% compared with 2023/24, in line with the expected rise in general Council tax allowable without the need for a referendum. The increase recognises the continued risks and ongoing pressures within the Transport network.
- Non-Constituent and Observer fees from April 2024 are set at £30,000 per Non-Constituent Authority, the same level as in 2023/24.
- Inflationary uplifts including 3% for pay and non-pay elements and 15% uplift for energy.
- Continued subsidy of West Midlands Metro operation and support for the West Midlands Cycle Hire scheme.
- Core funding of £0.7m for the West Midlands Growth Company and £0.4m for WM5G.
- Capital financing and investment income based on latest views, including £6.1m for MRP charges.

3.0 Medium Term Financial Plan (MTFP) Update

- 3.1. There has been a series of engagement and consultation with Mayor and Portfolio Leaders and Constituent Authorities in the development of the MTFP throughout 2023. The MTFP was initially presented to the WMCA Board in July 2023, subsequently revised during the summer with further updates provided in July and November 2023.
- 3.2. Recognising the significant budget pressures and funding challenges being faced by Constituent Authorities which prevented significant increases in their contributions, the WMCA committed to deliver £2.4m of efficiency savings within its transport function and to utilise £5m of the windfall gains to reduce the deficit in 2024/25.
- 3.3. In addition, it was acknowledged that due to risks in the external economic climate, wider public sector funding challenges, risks associated with the transport network and importantly potential opportunity arising from single settlement, then a one year funding solution would be sought that would lead to a balanced budget for 2024/25. This would leave a financial pressure in the medium term, ranging from £66.7m in 2025/26 to £96.5m by 2028/29 to be considered early in 2024, recognising that the Network Stabilisation grant would partially support this.
- 3.4. One of the most significant financial pressures is the continued risk associated with the bus network. The bus delivery options work is underway to report to WMCA Board in summer 2024. Alongside other options for stabilising the network beyond the end of the current operator agreement in December 2024 are being considered bearing in mind that Network Stabilisation grant is only a temporary resource, covering a maximum of 5 years. This would avoid a cliff-edge situation once the grant has been fully utilised. Updates will be provided to the WMCA Board during the course of the year.
- 3.5. The table below summarises the financial position across the medium term.

Table 1 – Medium Term Financial Plan

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	£m	£m	£m	£m	£m	£m
Transport Levy	119.4	122.9	122.9	122.9	122.9	122.9
Revenue Grants & Other Income (Transport)	51.5	70.4	6.5	6.0	6.0	6.0
Revenue Grants & Other Income (Portfolios)	42.8	105.4	1.6	1.4	1.4	1.4
Adult Education Funding	141.4	142.0	141.4	141.4	141.4	141.4
Share of Business Rates	12.0	8.3	14.5	15.3	15.9	16.7
Constituent Membership	4.6	4.6	4.6	4.6	4.6	4.6
Non Constituent Members	0.4	0.4	0.4	0.4	0.4	0.4
Investment Programme	36.5	36.5	36.5	36.5	36.5	36.5
Investment Income	4.7	5.4	5.9	5.9	5.9	5.9
Use of Treasury Windfall Income	0.0	5.0	0.0	0.0	0.0	0.0
Use of Reserves	9.2	6.1	0.0	0.0	0.0	0.0
Total Funding	422.5	506.9	334.3	334.4	335.0	335.8
Transport for West Midlands	184.8	198.3	196.1	215.2	219.9	225.4
Strategy, Economy and Net Zero	5.0	50.3	6.5	6.7	6.9	7.1
Economic Delivery, Skills and Communities	186.6	206.2	149.5	149.6	149.9	150.3
Housing and Regeneration	1.8	1.9	1.4	1.4	1.4	1.4
Corporate Support Recharges to Portfolios	3.1	3.6	4.9	5.3	5.3	5.5
Investment Programme	40.4	39.6	41.6	41.6	41.6	41.6
Mayoral Office	0.9	0.9	0.0	0.0	0.0	0.0
Mayoral Election	0.0	6.1	1.0	1.0	1.0	1.0
Total Expenditure	422.5	506.9	401.0	420.8	426.1	432.3
Net Expenditure	0.0	0.0	-66.7	-86.3	-91.1	-96.5

Note: 1) Table above assumes that the proposed 3% increase in the Transport Levy will be approved by Board in February 2024.

2) No further assumptions have been made around deployment of the Network Stabilisation grant beyond 2024/25. These will be factored into the next MTFP update.

4.0 Draft 2024/25 Consolidated Revenue Budget

4.1. The Draft 2024/25 Consolidated Revenue Budget is presented in Table 2 below.

Table 2 - Consolidated Draft Revenue Budget 2024/25

	Total	Transport	Housing & Rengen	Strategy, Economy & Net Zero	Economic Delivery, Skills & Delivery	Portfolio Central Funding & Support	Investment Programme	Mayoral
	£m	£m	£m	£m	£m	£m	£m	£m
Transport Levy	122.9	122.9						
Revenue Grants & Other Income (Transport)	70.4	70.4						
Revenue Grants & Other Income (Portfolios)	105.4			45.6	58.8	0.1		0.9
Adult Education Funding	142.0				142.0			
Investment Programme	36.5						36.5	
Share of Business Rates	8.3	-				8.3		
Grants from Constituent Members	0.4					0.4		
Grants from Non Constituent Members	4.6					4.6		
Investment Income	5.4					2.3	3.1	
Use of Treasury Windfall Income	5.0	5.0						
Use of Reserves	6.1							6.1
Total Income	506.9	198.3	-	45.6	200.8	15.7	39.6	7.0
Transport Delivery	198.3	198.3						
Housing & Rengeneration	1.9		1.9					
Strategy, Economy and Net Zero	50.3			50.3				
Economic Delivery, Skills & Communities	206.2				206.2			
Portfolio Support	3.6					3.6		
Investment Programme	39.6						39.6	
Mayoral Office	0.9							0.9
Mayoral Election	6.1	-	-				-	6.1
Total Expenditure	506.9	198.3	1.9	50.3	206.2	3.6	39.6	7.0
Net Expenditure	-	-	(1.9)	(4.7)	(5.5)	12.1	-	-

Income Sources

4.2. As previously referenced, the proposed Transport Levy is £122.9m, an increase of 3.0% from 2023/24, allocated to Constituent Members based on statutory populations (mid-year population estimates June 2022, updated November 2023). Constituent Member contributions are proposed to be held at £4.6m, £2.9m of which is split equally between members, the remaining £1.7m is split based on statutory populations. This apportionment method was confirmed in December 2023.

Table 3 - West Midlands Combined Authority Levy & Constituent Members Contributions

Allocations	2023/24 £m	2024/25 £m	Net Change
Birmingham	47.89	49.26	(1.37)
Coventry	14.76	15.44	(0.68)
Dudley	13.83	14.13	(0.30)
Sandwell	14.59	14.94	(0.35)
Solihull	9.38	9.61	(0.22)
Walsall	12.20	12.49	(0.29)
Wolverhampton	11.35	11.71	(0.36)
Total	124.00	127.58	(3.58)

- 4.3. Non-Constituent Member and Observer Fees are proposed to be retained at £30,000 per Authority from 1 April 2024, the same level as in 2023/24. These fees will remain subject to review over the medium term.

Table 4 - Non-Constituent Member and Observer Fees

Non-Constituent Member Allocations	2024/25 £
<i>Non-Constituent</i>	
Cannock Chase District Council	30,000
North Warwickshire Borough Council	30,000
Nuneaton and Bedworth Borough Council	30,000
Redditch Borough Council	30,000
Rugby Borough Council	30,000
Shropshire Council	30,000
Stratford-on-Avon District Council	30,000
Tamworth Borough Council	30,000
Telford and Wrekin Council	30,000
Warwickshire County Council	30,000
<i>Observers</i>	
Fire partner contribution	30,000
Police partner contribution	30,000
Warwick District Council	30,000
Total	390,000

- 4.4. The contributions from the Non-Constituent and Observer authorities reflect their ability to access regeneration funds as well as wider benefits delivered by WMCA:
- Enabling cross-organisation and cross partner working to build economic resilience in the West Midlands
 - Lead on digital platforms such as deployment of c.£100m to support the 5G mobile network within the region
 - Coordinated Housing and Land investments such as brownfield land development and town centre regeneration programmes
 - Ongoing work on the environmental strategy, notably WM2041.
- 4.5. Non-Constituent authorities are currently able to able to access the WMCA loan funds (CIF and RIF), Brownfield Land and Property Development Fund (BLPDF) (grants up to £50m) and devolved Housing grants from government. This allows for significant opportunity for increased housing, regenerated brownfield land, economic growth and jobs, alongside increased business rates and investment into awarded areas.
- 4.6. The Business Rates retention income assumption within the budget (and presented within Table 2), is consistent with the principles agreed to date. This will be allocated to the revenue budget, underpinning non-transport expenditure. As such, the WMCA Investment Programme affordable limit will remain capped at £871m. WMCA recognise the ongoing impact that the pandemic has had on Business Rates in each of its Constituent Authorities, and so as in previous years this income would not be allocated within the Investment Programme modelling until the WM Finance Director group confirmed the collectability of this income over the future 25 years. Recent announcements/developments have improved the certainty around Business Rates income. Under the Deeper Devolution Deal, WMCA has secured new and significant

longer-term funding agreements including 100% business rates retention for 10 years, which is an improvement of the annual roll forward of the pilot arrangements. The Autumn Statement confirmed the go-ahead for the West Midlands' Investment Zone within which 100% of business rates growth above an agreed baseline will be retained for 25 years. Retained rates would not be subject to reset at any national reset within this period.

5.0 Draft 2024/25 Transport for West Midlands Revenue Budget

- 5.1. A detailed analysis of the 2024/25 TfWM Budget and Activity is included within Appendix 1. A summary position for the period 2023/24 to 2028/29 is included below:

Table 5 - Summary Transport Revenue Budget 2023/24 to 2028/29

Transport 5 Year Position	2023/2024		2024/2025		2025/2026		2026/2027		2027/28		2028/29	
	£m	%	£m	%	£m	%	£m	%	£m	%	£m	%
English National Concessions Travel Scheme	47.2	35.5%	47.7	31.2%	50.0	26.4%	52.0	24.9%	53.1	24.8%	54.2	24.7%
Capital Financing	10.2	7.7%	11.3	7.4%	13.1	6.9%	13.1	6.3%	13.2	6.2%	13.7	6.3%
Transport Policies	65.8	49.4%	83.9	54.9%	115.4	60.9%	133.3	63.7%	136.1	63.6%	139.4	63.5%
Strategic Development	4.8	3.6%	4.8	3.2%	5.4	2.8%	5.1	2.4%	5.8	2.7%	6.0	2.8%
Business Support & Elected Members	5.1	3.9%	5.1	3.3%	5.7	3.0%	5.7	2.7%	5.8	2.7%	6.0	2.7%
Total Expenditure	133.2	100.0%	152.8	100.0%	189.6	100.0%	209.3	100.0%	214.0	100.0%	219.4	100.0%
Use of Reserves	9.2		0.0		0.0		0.0		0.0		0.0	
Use of Treasury Windfall Income	0.0		5.0		0.0		0.0		0.0		0.0	
Business Rates Growth	4.7		0.0		0.0		0.0		0.0		0.0	
Network Stability Grant**	0.0		24.9		0.0		0.0		0.0		0.0	
Proposed Levy*	119.4		122.9		122.9		122.9		122.9		122.9	
Total Funding	133.2		152.8		122.9		122.9		122.9		122.9	
Gap	0.0		0.0		-66.6		-86.3		-91.1		-96.5	

Note: 1) Table above assumes that the proposed 3% increase in the Transport Levy will be approved by Board in February 2024.

2) No further assumptions have been made around deployment of the Network Stabilisation grant beyond 2024/25. These will be factored into the next MTFP update.

- 5.2. Supported transport policies are budgeted to cost £42.5m in 2024/25 and therefore represent a major part of levy funded expenditure. No changes to WMCA Transport policies are proposed for 2024/25, which would mean that a public consultation would not be required. As previously noted, WMCA has committed to developing a longer-term, sustainable budget and plan with Constituent Members during 2024. This work will include a review of the delivery options for passenger transport, identifying other opportunities for transformation, as well as strategic deployment of any available funding to achieve the best outcome.
- 5.3. As in 2023, the bus network continues to come under sustained pressure from inflationary factors in particular. High fuel costs and labour costs and a slow recovery to pre pandemic patronage levels are making network operation challenging. It is acknowledged that commercial patronage has just recently achieved pre-pandemic levels, and so this represents a positive change and reflects measures such as fare simplification, more bus priority infrastructure to encourage modal shift and the £2 fare cap. It is imperative that the network remains stable for the day-to-day needs of the region's residents.
- 5.4. The network is currently operating at around pre-Covid-19 levels. The regional bus network has been sustained by funding from Government since March 2020 through ongoing grants provided directly to operators. The DfT allocated £104.6m of Bus Service Improvement Plan (BSIP) funding to the West Midlands (£88m in the first phase covering the period 2022/23 to 2024/25, with an additional £16.6m announced for 2024/25). The formal grant letter for the latest allocation is being awaited to ascertain terms and

conditions so has not yet been reflected within budget plans, but it is anticipated that this can be used to continue to transform bus services and maintain current levels of service on the bus network for this period in line with existing guidance. In 2023, the WMCA submitted a change request to re-purpose £40m of BSIP towards maintaining existing services. This was bolstered by an additional £19m from earmarked reserves that have been built up for this purpose and combined with BSOG+ to form a composite funding package for all operators until December 2024. To receive this public funding, operators have committed to maintaining the network to December 2024 and participate in other key commitments within the Enhanced Partnership.

- 5.5. Without a shift change, it is increasingly likely that operators will de-register services that are not commercially viable at the end of the agreement, for which intervention will be needed for provision of socially necessary routes. The 2024/25 budget provision is £24.4m, an increase of £10.2m compared to 2023/24. This takes account of the bus network risks post December 2024 when the current agreement with the providers ends, existing contractual increases and non- pay inflation assumptions.
- 5.6. The amount budgeted for the English National Concessionary Travel Scheme (ENCTS) is £47.7m. ENCTS patronage continues to struggle to grow following Covid-19, with patronage remaining at approximately 75% of pre-Covid levels. To support bus operators, the WMCA has paid on assumed pre-Covid patronage levels since March 2020. This meant that operators received more than would be the case if they paid on actual journeys, with a deduction being applied where operators are not running a full service. Under normal circumstances, the WMCA would use the DfT reimbursement model to calculate operators' Reimbursement Rates to apply to ENCTS journeys. The DfT is currently updating its model for future reimbursement to providers with the latest target date for implementation being April 2024. It has been suggested that this will on average increase reimbursements to providers by an average of 11% but with large impact in urban areas. Full details about the revised model were not available at the time of writing this report, therefore any additional financial impacts will be managed within 2024/25. In the meantime, the WMCA will provide any feedback as necessary on the new model to ensure it remains a sound tool to determine reimbursement in the future.
- 5.7. The Transport Budget will also be supported by the key assumption that all Metro Lifecycle costs for 2024/25 will be met within existing resources or will be allocated funding from WMCA's CRSTS settlement. This action supports the budget to the value of £0.4m.

6.0 Draft 2024/25 Portfolio Revenue Budget

- 6.1. Detailed analysis of the WMCA Portfolio budget is included within Appendix 2 and 3. A summary position for the period 2023/24 to 2028/29 is included below:

Table 6 - Summary WMCA Portfolio Budget 2023/24 to 2028/29

	2023/24	2024/25	2024/25	2025/26	2026/27	2027/28	2028/29
	£m	£m	£m	£m	£m	£m	£m
Constituent Members	4.6	4.6	4.6	4.6	4.6	4.6	4.6
Non-Constituent Members	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Investment Income	0.8	2.3	0.8	0.8	0.8	0.8	0.8
Adult Education Budget	141.4	142.0	141.4	141.4	141.4	141.4	141.4
Business Rates Growth	7.3	8.3	9.8	13.5	14.3	14.9	15.7
Revenue Grants & Other Income	41.9	104.6	56.1	1.6	1.4	1.4	1.4
Use of Reserves	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funding	196.4	262.1	213.2	162.3	163.0	163.5	164.4
Housing & Rengeneration	1.8	1.9	1.3	1.4	1.4	1.4	1.4
Strategy, Economy and Net Zero	5.0	50.3	6.4	6.5	6.7	6.9	7.1
Economic Delivery, Skills & Communities	186.6	206.2	201.7	149.5	149.6	149.9	150.3
Portfolio Support	3.1	3.6	3.7	4.9	5.3	5.3	5.5
Total Expenditure	196.4	262.1	213.2	162.3	163.0	163.5	164.4
Net Expenditure	0.0	0.0	0.0	0.0	0.0	0.0	0.0

- 6.2. As can be seen from the table above, around 94% of the 2024/25 expenditure for the Portfolios is funded from grants, with the Adult Education Grants being most significant. Additionally, funding for the WMCA Portfolio Budget is derived from Constituent and Non-Constituent Member Fees and Observer Fees and returns on cash investments.
- 6.3. Funding for Housing & Regeneration will require some local funding for 2024/25 since all available revenue grants to deliver the programme have been exhausted.
- 6.4. From 2019/20, WMCA has had responsibility for the region's Adult Education Budget and its delivery. The total funding for 2024/25 Adult Education will not be announced until early 2024, however it is expected to be in line with 2023/24. An update will be provided in due course to WMCA Board.
- 6.5. As previously referenced, the 2024/25 WMCA Portfolio Budget will also be supported by £8.3m of Business Rates retention income.
- 6.6. Work will continue throughout 2024/25 to identify and realise efficiencies where possible. Any efficiencies identified will be reserved by WMCA's Finance Director to guard against any pressures which emerge during 2024/25 and build up further resilience through reserves.

7.0 Mayor's Budget and Precept

- 7.1. The MTFP currently includes no Mayoral Precept commitment. The decision not to raise a Precept in 2024/25 has been discussed with the Mayor and Portfolio Leads as part of the budget setting process. It is proposed that the 2024/25 Mayor's Office budget is funded from the extension to the Mayoral Capacity Funding.
- 7.2. The Mayor's Office budget for 2024/25 is £0.9m and includes the staffing costs of the Mayor, the senior team, support staff, policy advisors as well as resources to deliver communications, customer response and events. The budget has marginally increased from 2023/24 levels to take account of inflationary pressures.

- 7.3. In addition to the above, £6.1m has been budgeted to fund the cost of the upcoming Mayoral election in May 2024. Mayoral elections are held every 4 years with the costs associated with administering the election reflected in an appropriate charge to the Mayor's budget. The funding for this element of the Mayoral budget will come from use of reserves available at 31 March 2024..
- 7.4. The Mayor must notify the WMCA of his draft 2024/25 budget before 1 February 2024 and this report represents that notification. The WMCA must review the Mayor's budget and may make a report on it to the Mayor setting out whether they would approve it in its current form and may include recommendations. This must take place before 8 February 2024 otherwise the Mayor's budget will be deemed approved.
- 7.5. If the WMCA makes a report, then the Mayor must have at least 5 working days to respond and can either make the requested changes or not. The WMCA must then decide whether to accept the original (or revised) budget or veto it and approve the budget with their requested amendments. Decisions of the WMCA are by a 2/3rds majority for setting of the Mayoral budget.
- 7.6. The 2011 Localism Act gives local communities the power to approve or veto excessive rises in Council Tax. Central government guidance on excessive increases in Council Tax will not apply to WMCA in 2024/25, given that no precept is proposed.

8.0 West Midlands Combined Authority Medium Term Capital Programme

- 8.1. Table 7 below summarises the West Midlands Combined Authority indicative capital programme, showing current planned capital investment between 2023/24 and 2027/28. The 2023/23 values are based on latest forecasts. The actual capital budget for 2024/25 will be influenced by financial performance in 2023/24. As such, the final 2024/25 capital budget will be presented for approval to WMCA Board at the earliest opportunity in 2024/25 following confirmation of the 2023/24 outturn position. Further details about the programme are set out in Appendix 5 and 6.

Table 7: Summary West Midlands Combined Authority Capital Programme

WMCA CAPITAL PROGRAMME (£M)		2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL
Expenditure	TRANSPORT	296.1	357.2	170.8	101.7	0.4	926.2
	HOUSING AND REGENERATION	35.8	94.8	72.1	18.1	18.2	239.1
	STRATEGY, INNOVATION AND NET ZERO	6.8	13.8	0.1	-	-	20.7
	TOTAL WMCA DELIVERED SCHEMES	338.7	465.9	243.0	119.8	18.6	1,185.9
	TRANSPORT (EXTERNAL)	94.9	237.5	314.0	282.2	75.9	1,004.4
	ESC (EXTERNAL)	12.4	16.4	-	-	-	28.8
	TOTAL EXTERNAL SCHEMES	107.2	253.9	314.0	282.2	75.9	1,033.2
TOTAL CAPITAL PROGRAMME EXPENDITURE		445.9	719.8	557.0	402.0	94.4	2,219.1
Funding	INVESTMENT PROGRAMME DEBT	177.0	132.9	31.1	21.1	12.9	375.0
	FAREBOX DEBT	7.0	90.9	9.1	24.1	0.4	131.4
	UK SHARED PROSPERITY FUND	7.9	13.3	-	-	-	21.2
	CRSTS	119.4	259.0	320.0	209.7	2.5	910.5
	TCF	24.1	5.6	-	-	-	29.7
	OTHER DFT GRANTS	62.4	74.5	25.5	-	-	162.4
	OTHER CENTRAL GOVT GRANTS	16.0	114.5	73.3	18.1	18.2	240.2
	THIRD PARTY CONTRIBUTIONS	2.1	0.1	-	-	-	2.2
	LOCAL FUNDING	28.6	9.2	8.5	6.2	-	52.6
	UNFUNDED	0.5	12.1	86.3	122.8	60.5	282.2
	OTHER	0.9	7.7	3.2	-	-	11.8
TOTAL CAPITAL PROGRAMME FUNDING		445.9	719.8	557.0	402.0	94.4	2,219.1

- 8.2. Around 61% of the capital programme is funded by project specific grants, including the City Region Sustainable Transport Settlement (CRSTS) which accounts for 41% of that value. In addition, the programme is supported by borrowing, where the revenues to support the costs of the debt and interest are underpinned by Investment Programme income or any commercial revenues expected to flow from those investments.
- 8.3. Approximately 42% of the Combined Authority's planned capital investment to 2027/28 consists of expenditure directly incurred by Transport for West Midlands in pursuance of the Investment Programme, City Region Sustainable Transport Settlement and Transforming Cities Programmes. A further 45% of the planned programme is for delivery of transport projects/programmes with work undertaken by local authorities. Another 11% is concerned with delivering the Housing and Regeneration objectives using funds secured by WMCA from Central Government. One percent is planned in delivering Net Zero ambitions, with a further 1% being used by local authorities to deliver initiatives that contribute towards the economic resilience and regeneration of the region, promoting the resilience, health and wellbeing of communities in line with Government's Levelling Up agenda.
- 8.4. The Transport programme remains the most extensive, with the goal to deliver a world class transport system and improved infrastructure. The programme contains significant investment in expanding the Metro network, with main projects relating to Wednesbury to Brierley Hill and Birmingham Eastside. In addition, investment in developing and delivering new local rail stations in Birmingham and the Black Country is planned. The programme also continues the ambition for the delivery of high-quality cycling and walking improvements along key corridors and routes, thus moving the region closer to achieving the stated aim of wanting cycling to make up 5% of all trips in the region by 2023. Work will also continue on Phase 2 of the Sprint will complete the corridor to Walsall and Solihull, benefitting the customer in the form of more reliable, regular and predictable journey time. The Transport programme also reflects the final phase of the Transforming Cities Programme.
- 8.5. The Housing Capital Programme includes the land remediation programmes launched by the WMCA in 2016 and delivery against the various Housing capital grants awarded to the Combined Authority.
- 8.6. In addition to the traditional capital investment detailed above, WMCA will continue to operate the commercial and residential investment funds where loans to developers are made with the objective of unlocking stalled development sites which traditional lenders are unwilling to finance. The loans are held on the WMCA balance sheet under standard accounting regulations and as at December 2023, the cumulative value of loan commitments approved by WMCA totalled £258m (including £102m of loans which have since been repaid). The value of loans drawn and earning interest as at 30 November 2023 was £74m.
- 8.7. The full extent of the Investment Programme and 2016 Devolution Deal schemes remain as provisional commitments within the overall programme, even though the funding to underpin elements of the investment currently remains unsecure. Work with the Mayor, Constituent Member Leaders and the WMCA Finance Directors will continue into 2024/25 to enable the gaps to be closed and no expenditure will be committed without first having a clearly available funding source.

9.0 Investment Programme

- 9.1. The WMCA Investment Programme was a product of the first devolution deal in 2016 and was designed to devolve more accountability, funding and powers out to the regions. From an expenditure perspective, the Investment Programme is an £8bn (gross) package of measures for the region containing projects centred around key economic prosperity drivers such as HS2, city centre regeneration and the remediation of brownfield sites.
- 9.2. From a programme perspective, £2bn of the overall £8bn was to be funded by WMCA generating locally sourced income to support borrowing which in turn could be used to accelerate the development.
- 9.3. Government agreed to provide a gainshare grant of £36.5m per year for 30 years, subject to a five yearly gateway review. WMCA are in contact with the Department for Levelling Up, Housing and Communities in respect of an interim gateway review which is expected to complete in February 2024.
- 9.4. The current affordable Investment programme approved by the WMCA Board is investment of £871m across the region.

10.0 Budget Calculation

- 10.1. Section 25 of the Local Government Act 2003 requires the Chief Financial Officer, in this case, the Finance Director, as Section 151 Officer, to report to the West Midlands Combined Authority when it is setting the budget and the precept. The report must deal with the robustness of the estimates included in the budget and the adequacy of reserves.
- 10.2. The budget currently provides for the financial implications of the West Midlands Combined Authority's policies to the extent that these are known or can reasonably be assessed. However, there are risks which are beyond the West Midlands Combined Authority's control and for which it is not possible to be precise:
 - The West Midlands Combined Authority's demand-led services.
 - Economic and community cost of living impact.
 - Impact of the Russia/ Ukraine war and Middle East conflict.
 - Policy changes or different priorities following elections in 2024.
 - Inflation and interest rate volatility leading to different outcomes than that assumed for budget planning.
 - West Midlands Pension Fund Investment Performance.
 - Regional local authorities' financial difficulties and the impact on the delivery of capital programmes.
 - Unforeseen emergencies.
- 10.3. The existing General Reserve balance is £4.4m. This balance represents 3.4% of the aggregate proposed 2024/25 Constituent Authority contributions but only around 1% of expenditure.
- 10.4. Whilst the appropriate level of general fund reserves is a matter for judgement by the Finance Director (Section 151 Officer) it is generally accepted for general fund reserves to be between 3% and 5% of expenditure. The proposed balance is below this

recommended level, however WMCA does carry earmarked reserves in order to ensure that existing commitments can be delivered. It is also noted that it would not be appropriate for WMCA to sit on extensive general reserves whilst Constituent Members face funding challenges of their own.

- 10.5. WMCA is obliged to ensure that all resources are applied in a way which secure the best value for the region, and to continually review its performance and financial position.
- 10.6. These obligations are addressed through an annual review of the MTFP, culminating in the draft and final budget reports presented to WMCA Board in January and February respectively. WMCA Board also receive the latest available financial position at each Board meeting throughout the year, with additional papers presented to seek approval for significant investments or revisions to budget.
- 10.7. Whilst no budget is risk-free, WMCA does still have opportunities to improve its financial position:
 - reducing all Capital Financing costs through accessing best value financing available, including the Public Works Loans Board and UK Infrastructure Bank; and
 - optimising returns on all cash investments, continually reviewing the market for additional funds to invest in which meet WMCA's Treasury Management Strategy guidelines.
- 10.8. The Finance Director states that to the best of her knowledge and belief the 2024/25 draft budget calculations are robust and have full regard to:
 - The expected financial position as at the end of 2023/24
 - The Transport Revenue Budget as set out in Appendix 1
 - The Portfolio Revenue Budget as set out in Appendix 2
 - The Capital Programme as set out in Appendix 5 and 6
 - The strength of WMCA's financial control procedures including audit considerations
 - The extent of WMCA's General and Earmarked reserves.
 - The policies of Her Majesty's Government as they impact upon WMCA.

11.0 Scrutiny of the budget proposals

A Mayoral Budget Q&A session was held in public on 14 December 2023. Members of WMCA's Overview and Scrutiny committee questioned the Mayor and the Portfolio Lead for Finance, Councillor Bob Sleight, on the development of the 2024/25 budget, financial challenges, risks and the ongoing sustainability of WMCA. Further questions were asked on Transport policy, business support programmes and concessionary fares.

- 11.1. The matters identified that arose out of the Mayoral Q&A on 14 December 2023 are set out in Appendix 7 along with the recommendation that these matters be considered further by the WMCA Board.

12.0 Legal Implications

- 12.1. Under powers granted by the Combined Authorities (Finance) Order 2017, Elected Mayors may raise a precept on Constituent Authorities Council Tax bills under section 107G of the Local Democracy Economic Development and Construction Act 2009. A Mayoral Precept may only be issued in relation to the costs of the Mayor or of discharging Mayoral Functions. The Mayoral functions are set out in Article 22 of the West Midlands Combined Authority (functions and amendments) Order 2017. There are powers for the Mayor to engage in highway management activity, works permit schemes, road safety measures and road traffic reduction activity amongst others. The Order also gives the Mayor a functional power of competence to do anything that is associated, incidental or connected with those powers in order to undertake those activities.
- 12.2. As the Mayor did not include setting a precept as part of his 2021 Election Manifesto, the funding of budget proposals in respect of Mayoral functions is expected to be met from alternative funding sources until 2025/26 at the earliest.
- 12.3. As a public authority which has the power to levy for transport functions and to raise a precept, WMCA must set a budget every year which is agreed through its formal decision-making processes. This report outlines the legal and governance processes that need to be completed including consideration by Overview and Scrutiny Committee and the WMCA Board.

13.0 Equalities Implications

- 13.1. There is no direct equality impact in relation to the 2024/25 budget proposals as funding has been maintained and service provision is not affected. However, there are increased risks and financial uncertainties due to general economic conditions and in particular inflation, supply chain issues and energy costs.
- 13.2. A number of mitigating measures have been considered as part of budget planning which should help mitigate any negative impact, but the scale of change may result in the need for additional considerations in relation to assisted travel policies. The protected characteristics most likely to be affected are those on lower incomes with fewer economic resources who are more reliant on public transport. This would include young people, women, single parents, people from lower socio-economic groups, ethnic minorities and disabled people.
- 13.3. Future policy options would need to undergo in-depth equality impact assessments and engagement/consultation with affected groups to ensure negative impact is mitigated as far as practically possible.

14.0 Inclusive Growth Implications

- 14.1. West Midlands Combined Authority will continue to have due regard to proactively delivering inclusive growth in the West Midlands region. The budget proposals contained in this report reflect that commitment.

15.0 Geographical Area of Report's Implications

- 15.1. The Budget proposals encompass the West Midlands region.

16.0 Appendices

Appendix 1 – Transport Delivery Revenue Budget

Appendix 2 – WMCA Delivery Budget (Non-Transport)

Appendix 3 – Mayoral Budget

Appendix 4 – Activity for 2024/25

Appendix 5 – WMCA Delivered Capital Programme

Appendix 6 – Externally Delivered Capital Programme

Appendix 7 – Mayoral Q&A - Budget 2024/25

Proposed Transport Revenue Budget

	2023/24 Budget £000	2024/25 Budget £000	2025/26 MTFP £000	2026/27 MTFP £000	2027/28 MTFP £000	2028/29 MTFP £000
Transport Levy*	119,355	122,936	122,936	122,936	122,936	122,936
Network Stability Grant**		24,854				
Business Rates	4,674					
Use of Reserves	9,201					
Use of Treasury Windfall Income		5,000				
TOTAL FUNDING	133,229	152,790	122,936	122,936	122,936	122,936
National Bus Concession	(47,248)	(47,695)	(49,983)	(52,048)	(53,102)	(54,187)
Metro / Rail	(4,574)	(4,581)	(4,589)	(4,594)	(4,704)	(4,828)
Child Concession	(7,166)	(6,773)	(7,630)	(7,921)	(8,260)	(8,357)
Concessions	(58,988)	(59,049)	(62,202)	(64,563)	(66,067)	(67,373)
Bus Stations / Infrastructure	(5,934)	(7,114)	(9,338)	(9,684)	(10,091)	(10,598)
Subsidised Network	(14,255)	(24,433)	(17,816)	(18,930)	(20,038)	(21,129)
Bus Network Support			(30,000)	(30,000)	(30,000)	(30,000)
Accessible Transport	(6,633)	(6,718)	(6,745)	(6,764)	(7,000)	(7,243)
Bus Services	(26,823)	(38,265)	(63,899)	(65,378)	(67,128)	(68,970)
Metro Services	(10,899)	(16,051)	(15,353)	(31,136)	(31,510)	(31,860)
Rail Services	(4,852)	(5,010)	(5,265)	(5,397)	(5,510)	(5,671)
Rail and Metro Services	(15,751)	(21,061)	(20,618)	(36,534)	(37,020)	(37,531)
Safety and Security	(2,778)	(2,905)	(2,990)	(3,048)	(3,115)	(3,192)
Passenger Information	(6,537)	(7,175)	(7,522)	(7,778)	(8,097)	(8,523)
Sustainable Travel	(1,956)	(2,147)	(3,785)	(3,523)	(3,147)	(3,169)
Integration	(11,271)	(12,227)	(14,296)	(14,349)	(14,358)	(14,885)
Network Resilience	(3,197)	(3,386)	(4,392)	(4,510)	(4,666)	(4,865)
Business and Democratic Support	(4,999)	(4,944)	(5,574)	(5,577)	(5,622)	(5,843)
Strategic Development	(4,840)	(4,813)	(5,354)	(5,077)	(5,750)	(6,048)
Transport Governance	(141)	(147)	(154)	(160)	(167)	(175)
Capital Finance Charges	(10,219)	(11,297)	(13,097)	(13,125)	(13,210)	(13,725)
Efficiency Target	3,000	2,400				
TOTAL EXPENDITURE	(133,229)	(152,790)	(189,585)	(209,275)	(213,988)	(219,415)
NET EXPENDITURE	0	0	(66,650)	(86,340)	(91,052)	(96,479)

Note that specific revenue grants of £45.5m are netted against expenditure lines in the table above.

* the table above assumes that the proposed 3% increase in the Transport Levy will be approved by Board in February 2024.

** no further assumptions have been made around deployment of the Network Stabilisation grant beyond 2024/25. These will be factored into the next MTFP update.

ENCTS (National Bus Concession) £47.7m

- Free Travel for all entitled to national pass from 9.30am to 11pm
- Reimbursement regulated by Secretary of State with guidance provided by DfT
- Current discretionary scheme extension 11pm to last bus

Child Concessions £6.8m

- Half fare travel
- Children 5-15 Years
- Young adults in education 16-18 Years
- Apprentices and Trainees 16-18 Years Weekdays before 9.30 am & between 15.00 & 18.00 Hrs

Rail and Metro Concessions £4.6m

- Extensions of national bus scheme to rail and metro
- After 9.30pm to midnight weekdays, all day weekends and bank holidays
- These are around 125,657 active users making use of the Rail and Metro concession (75,945 for rail and 49,712 for Tram).
- Users of the concession are making 1,376,168 trips per annum (807,657 for Rail and 568,511 for Metro).

Subsidised services £24.4m

- Policy criteria -Minimum 8 passengers per journey
- The current VFM Thresholds are £4.10 for tendered contract
- Access criteria 400m (7am -7pm) 700m (all other times)

Accessible Transport £6.7m

- Ring & Ring is operated by National Express Accessible Transport currently but in 2024 this contract will end and the commissioning / tendering out of the service may change with a new operator in place. The procurement exercise for this has already started.
- Currently there are 4,447 active users taking circa 185,000 trips per annum. The number of trips is rising each month at a steady pace.

Passenger information £7.2m

- Real time information across the network
- Customer information is a focus in all formats: at bus stops, shelters, bus stations & online
- Travel Information Centres
- We continue to provide and invest in customer service teams and telephone support

Bus Stations/Infrastructure £7.1m

- Management and Maintenance of 12 Bus stations, circa 12,000 stops and shelters
- Infrastructure Costs –cleaning, repairs, rates, CCTV, Electricity, routine maintenance
- Bus policy development options

Rail Services £5.0m

- Provision, management, on-going maintenance and operation of 45 Park and Ride sites, circa 9,100 spaces
- Delivery of TfWM Rail responsibilities including capital projects and industry engagement
- WMCA contribution to WMR Limited (a consortium of 16 local authorities) which has co-responsibilities with the DfT for managing the West Midlands Rail franchise

Metro Services £16.1m

- Subsidy and franchise assumptions continue to be reviewed in light of pandemic recovery

Safety and Security £2.9m

- Safer Travel police team, CCTV at Bus & Rail Stations including interchanges, CCTV control Centre

Business & Democratic Support £4.9m

- This covers the transport related element of support and overhead costs attributable to 16 Summer Lane, ICT, Legal, Procurement, Health & Safety, Equalities, Programme Management, Finance, Human Resources, & general business infrastructure & support

Strategic Development £4.8m

- Transport Team delivering plans for devolution, strategic economic plan proposals, developing business cases and related policy and strategy development.

Capital Finance Charges £11.3m

- Loan interest on existing loan book and anticipated future borrowing
- Resumption of MRP charges following end of MRP holiday period
- Past Pension costs and deficit funding arrangements

Network Resilience £3.4m

- Resource to work on managing congestion and mitigating impact of the wider transport investment programme
- Resource to assist in embedding the Key Route Network as part of an integrated transport system to support economic performance and keep people safe and well informed
- Costs associated with operating the RTCC (Regional Transport Coordination Centre)
- To deliver both agreed and emerging policies (e.g. Congestion Management Plan, Highways Investment Plan, Regional Road Safety Strategy)

Sustainable Travel £2.1m

- This represents the costs of Sustainable travel work within TfWM including the West Midlands Cycle charter, oversight of cycling strategy and investment across the West Midlands and delivery of the West Midlands Bike Hire project.

Transport Governance £0.1m

- This represents the cost of elected members related to the responsibilities of the Transport Delivery Overview and Scrutiny Committee

Proposed West Midlands Combined Authority Portfolio Budgets

Annex A – Employment and Skills

Annex B – Housing and Regeneration

Annex C – Economy & Innovation

Annex D – Culture and Digital

Annex E – Health & Communities

Annex F – Levelling Up

Annex G – Environment, Energy and HS2

Annex H – Inclusive Communities

Annex I – Funding for Growth

Annex J – Energy Capital

Annex K – Central Funding & Recharges

Annex L – Definitions of Key Budget Headings

Employment and Skills

Employment and Skills	2023/24 Budget £	2024/25 Budget £	Movement £
Grant Income	178,818,744	191,958,029	13,139,285
Use of reserves	532,596	-	(532,596)
Total Income	179,351,340	191,958,029	12,606,689
Employees	4,395,651	5,299,340	(903,689)
Transport-related Expenditure	12,186	10,475	1,711
Supplies & Services	17,931,993	45,300,386	(27,368,393)
Third Party Payments	158,877,067	143,628,515	15,248,552
Support Services	408,580	582,423	(173,843)
Total Expenditure	181,625,476	194,821,140	(13,195,664)
Net Expenditure	2,274,136	2,863,111	(588,975)

Housing and Regeneration Portfolio

Housing & Regeneration	2023/24 Budget £	2024/25 Budget £	Movement £
Grant Income	1,837,194	-	(1,837,194)
Use of reserves	-	-	
Total Income	1,837,194	-	(1,837,194)
Employees	946,978	1,011,845	(64,867)
Premises-related Expenditure	211,370	183,273	28,097
Supplies & Services	678,846	677,471	1,374
Total Expenditure	1,837,194	1,872,589	(35,395)
Net Expenditure	0	1,872,590	(1,872,590)

Economy & Innovation Portfolio

Economy and Innovation	2023/24 Budget £	2024/25 Budget £	Movement £
Grant Income	1,323,374	4,426,007	3,102,633
Total Income	1,323,374	4,426,007	3,102,633
Employees	1,199,977	1,337,309	(137,332)
Supplies & Services	2,153,714	4,131,595	(1,977,881)
Support Services	50,000	85,387	(35,387)
Total Expenditure	3,403,691	5,554,292	(2,150,601)
Net Expenditure	2,080,317	1,128,284	952,033

Culture and Digital Portfolio

Culture and Digital	2023/24 Budget £	2024/25 Budget £	Movement £
Grant Income	679,282	521,881	(157,401)
Total Income	679,282	521,881	(157,401)
Employees	186,223	299,756	(113,532)
Supplies & Services	881,278	702,257	179,022
Support Services		3,625	(3,625)
Total Expenditure	1,067,502	1,005,637	61,864
Net Expenditure	388,219	483,756	(95,537)

Health & Communities

Health and Communities	2023/24 Budget £	2024/25 Budget £	Movement £
Grant Income	390,336	4,373,233	3,982,897
Total Income	390,336	4,373,233	3,982,897
Employees	1,095,693	822,549	273,144
Supplies & Services	261,723	4,197,310	(3,935,587)
Support Services	-	80,000	(80,000)
Total Expenditure	1,357,416	5,099,859	(3,742,443)
Net Expenditure	967,080	726,626	240,454

Levelling Up

Levelling Up	2023/24 Budget £	2024/25 Budget £	Movement £
Grant Income	59,788	42,605,121	42,545,333
Total Income	59,788	42,605,121	42,545,333
Employees	1,066,689	1,771,572	(704,883)
Supplies & Services	541,780	41,992,642	(41,450,862)
Support Services	-	701,530	(701,530)
Total Expenditure	1,608,469	44,465,744	(42,857,275)
Net Expenditure	1,548,681	1,860,623	(311,942)

Annex G

Environment, Energy and HS2

Environment and Energy, HS2	2023/24 Budget £	2024/25 Budget £	Movement £
Grant Income	-	1,666,625	1,666,625
Investment Programme Funding	688,763	33,950	(654,813)
Other Income		40,000	40,000
Total Income	688,763	1,740,575	1,051,812
Employees	431,616	685,963	(254,347)
Supplies & Services	1,121,537	1,971,314	(849,777)
Support Services		28,163	(28,163)
Total Expenditure	1,553,153	2,685,440	(1,132,287)
Net Expenditure	864,390	944,865	(80,475)

Annex H

Inclusive Communities Portfolio

Inclusive Communities	2023/24 Budget £	2024/25 Budget £	Movement £
Grant Income	469,828	420,630	(49,198)
Use of reserves	68,000	17,000	(51,000)
Total Income	537,828	437,630	(100,198)
Employees	748,960	774,344	(25,385)
Transport-related Expenditure	-	624	(624)
Supplies & Services	727,286	634,872	92,414
Support Services	10,000	8,413	1,587
Total Expenditure	1,486,246	1,418,253	67,993
Net Expenditure	948,418	980,623	(32,205)

Annex I

Funding for Growth

Funding for Growth	2023/24 Budget £	2024/25 Budget £	Movement £
Use of reserves	-	700,000	700,000
Total Income	-	700,000	700,000
Supplies & Services	700,000	1,400,000	(700,000)
Total Expenditure	700,000	1,400,000	(700,000)
Net Expenditure	700,000	700,000	0

Annex J

Energy Capital

Energy Capital	2023/24 Budget £	2024/25 Budget £	Movement £
Grant Income	-	410,829	410,829
Investment Programme Funding	284,044	50,000	(234,044)
Total Income	284,044	460,829	176,785
Employees	465,481	808,166	(342,685)
Supplies & Services	264,998	150,000	114,998
Total Expenditure	730,479	958,166	(227,687)
Net Expenditure	446,436	497,338	(50,902)

Central Funding & Recharges

Central Funding & Recharges	2023/24 Budget £	2024/25 Budget £	Movement £
Business Rates Growth Income	7,326,431	8,258,851	932,420
Contribution - 7 Met Council's	4,643,814	4,643,814	-
Contribution - Non Constituent Members	420,000	390,000	(30,000)
Notional Interest Receivable	793,500	2,278,818	1,485,318
Grant Income	86,648	124,914	38,266
Other Income	500,000	-	(500,000)
Total Income	13,770,393	15,696,397	1,926,004
Employees	105,000	160,127	(55,127)
Support Services	3,447,718	3,478,455	(30,737)
Total Expenditure	3,552,718	3,638,582	(85,865)
Net Expenditure	(10,217,675)	(12,057,815)	1,840,140

DEFINITIONS OF KEY BUDGET HEADINGS

Employees	Includes all employee related costs, both direct and indirect. Direct employee costs are Salaries, Employers National Insurance contributions, Employers pension contributions, agency staff and employee expenses. Indirect costs include recruitment costs, training, staff professional fees and health and safety.
Premises	Includes costs directly related to the running of premises and covers repairs, maintenance, energy costs, rents, rates, water charges, fixtures, fittings, cleaning, facilities management, CCTV and premises insurance.
Transport	Includes all costs associated with the provision, hire or use of transport, including car allowances, travel expenses and public transport expenses.
Supplies and Services	Includes all direct supplies and service expenses to the authority. It covers equipment, furniture, uniforms, materials, printing, stationery and general office expenses, external advice costs, postage, IT licences and applications and subscriptions.
Third Party Payments	A third party payment is a payment to an external provider in return for the provision of a service.
Support Services	These are charges for all support services. These costs are apportioned or allocated to the services they support and include the costs of finance, IT, HR, office accommodation, legal services, internal audit, procurement, organisational development etc.
Government Grants	Specific grants from Government to fund programmes and projects. Includes grants with and without conditions.
Investment Income	Income arising from Treasury Management activities.
Use Of Reserves	Drawdown from reserves, mainly as a result of carried forward grants from prior years.

APPENDIX 3 – MAYORAL OFFICE AND ELECTION 2024/25

Mayoral Office	2023/24 Budget £	2024/25 Budget £	Movement £
Grant Income	945,271	916,458	(28,812)
Other Income	-	75,000	75,000
Total Income	945,271	991,458	46,188
Employees	838,368	859,873	(21,504)
Supplies & Services	97,170	121,854	(24,683)
Support Services	9,732	9,732	0
Total Expenditure	945,271	991,458	(46,187)
Net Expenditure	0	0	0
Mayoral Election	2023/24 Budget £	2024/25 Budget £	Movement £
Use of reserves	-	6,100,000	6,100,000
Total Income	-	6,100,000	6,100,000
Local Authority Mayoral Election Costs	-	6,100,000	(6,100,000)
Total Expenditure	-	6,100,000	(6,100,000)
Net Expenditure	0	0	0

APPENDIX 4 – PROPOSED ACTIVITY FOR 2024/25

The following High Level Deliverables are proposed in order to support delivery of the WMCA Aims and Objectives for 2024/25. Work will continue to finalise these ahead of inclusion in the Annual Business Plan.

Key Activity	Aim & Objective
Transport for West Midlands	
Regional Transport Planning: Maintain & publish a statutory West Midlands Local Transport Plan and embed transport policy and investment strategy (inc CRSTS / Single Pot) in the plans and programmes of the wider WMCA & partners	3.1
Transport User Research: Develop and maintain a deep understanding of the needs, attitudes and perceptions of people who use the West Midlands transport system	3.1
Transport Data: Continue to develop and maintain a robust common data environment for the West Midlands transport system	3.1
Network Insight: Analyse the transport system to provide deep insight, recommend actions and produce robust evidenced based business cases for schemes and funding programmes	3.1
Smart Payment & Journey Planning: Develop and operate the Swift eco-system for easy to use and affordable ways to plan and pay for travel across the whole transport system	3.1
Branding: Taking forward a strong, unified brand for the West Midlands transport network will make us: Easy to see, and easier to choose	3.1
Manage Transport Network: Managing the West Midlands Transport Network through improved coordination with the Regional Transport Co-ordination Centre	3.1
Security and Policing: Improving perceptions of passenger safety to increase trust and confidence in using public transport services, enabled where necessary by new technologies. Keep the transport system safe and secure	3.1
Key Route Network: Develop, enhance, manage the performance of the KRN to a high standard and make sure it is safe, reliable and well maintained for all road users	3.1
Behaviour Change Hub: Enabling sustainable travel across the West Midlands, considering both their environmental impact, and the increasing effects of climate change	3.1
Traffic Signal Technology: Collaborating with stakeholders and local authority partners to maximise the performance of the West Midlands traffic signals network	3.1
RTCC, Events and Emergencies: Improving the performance of the Transport Network and co-ordinating the delivery of regional events, LRF activities and the TfWM Emergency Plan.	3.1
Progress Midlands Rail Hub	3.1
Introduce train services on new infrastructure	3.1

Key Activity	Aim & Objective
Transport for West Midlands (cont)	
Meet future demand and improve the Customer experience	3.1
Fund and effectively manage essential supported services that provide a social benefit including concessions, ring and ride, and tendered bus services	3.1
Customer Experience. Deliver high quality customer facing services across a range of customer touchpoints throughout the organisation through Safety and Security, brand, transport network, web and media channels including front line services at bus stations, interchanges, cycle hire, e-scooters.	3.1
Ensure strategic and operational Health and Safety aims and key deliverables are communicated and embedded throughout the WMCA	3.1
Creating and maintaining accurate and reliable public transport travel information including the requirements set out in the National Bus Strategy and Vision for Bus.	3.1
Metro interface - Develop with MML a 5 Year Business Plan and ensure the Asset Strategy and lifecycle renewal works are delivered for Metro.	3.1
Metro - Ensure MML have the resource to deliver the WBHE Extension	3.1
Deliver the transport capital programme under CRSTS, ATF and other legacy funds	3.1
Programme Integration: The development of integrated of programmes to ensure that alignment to wider WMCA objectives	3.2
Develop new and Improved Stations	3.2
Greater Influence in the provision of train services for the West Midlands	3.2
Deliver a review of the regions Bus Delivery Options with a clear recommendation to WMCA Board on the regulatory framework and any changes.	3.2
Delivering our bus vision and BSIP to support inclusive growth.	3.2
To strengthen the reporting on the capital programme life cycle to ensure transport projects and programmes delivered on behalf of TfWM and the LA's - to provide regular reporting to the transport Delivery, Overview and Scrutiny committee to track progress against programme, budget including risks and issues through the transport portfolio office.	3.2

Key Activity	Aim & Objective
Transport for West Midlands (Cont)	
Network Infrastructure. Developing assets to support better access to the transport system including making our transport assets more affordable by increasing commercial revenues	3.4
Strategic Partnerships: The development of strategic partnerships at a regional, national and international level aligned to TfWM objectives	4.1
Future Transport Zone: Continue to support and grow a vibrant low carbon transport innovation eco-system which improves user experiences and furthers LTP outcomes through grant funded programmes and commercial collaborations	4.4
HS2: Ensure that the West Midlands maximises the benefits of HS2 to the region in line with HS2 Growth Strategy	4.4
Mass Rapid Transit: Development of option assessment studies for priority routes as identified in the LTP	4.4
Maximising future funding opportunities	5.2
Transport Skills Academy: Inspire the future workforce to consider Transport as a viable option for career choice within the West Midlands transport sector	6.3
Develop Delivery Directorate: Develop the Delivery Directorate team to become the best delivery team in the West Midlands, with a relentless focus on cost, programme and delivery quality becoming trusted partners both across TFWM, WMCA and the Local Authorities	6.4

Key Activity	Aim & Objective
Employment, Skills, Health & Communities	
Number of residents starting training on a SWAP or gateway programme, funded by WMCA and delivered by our grant-funded or contracted providers	1.3
Number of unemployed residents who have moved into work after participating in WMCA-funded SWAP or gateway programme delivered by our grant-funded or contracted providers	1.3
Number of residents starting training on a bootcamp programme at any level, funded by WMCA and delivered by our grant-funded or contracted providers	1.3
Number of unemployed residents who have moved into work after participating in WMCA-funded skills bootcamp delivered by our grant-funded or contracted providers	1.3
Develop and implement a behavioural insights 'Know How' campaign targeting those at work to take up learning	2.1
Number of residents starting training on a level 3 course, funded by WMCA and delivered by our grant-funded or contracted providers	2.1
Number of residents starting any training, funded by WMCA through the Adult Education Budget or Free Courses for Jobs, and delivered by our grant-funded or contracted providers	2.1
Number of residents starting training on a level 3 bootcamp programme, funded by WMCA and delivered by our grant-funded or contracted providers	2.1
Work with Local Authorities to develop a delivery model for Universal Support	2.3
Number of residents supported by WMCA-funded programmes to improve their physical and mental wellbeing.	2.3
Number of residents supported to improve their mental or physical health by participating in WMCA-funded Thrive programmes.	2.3
Number of residents improving their well-being through participating in WMCA-funded community learning provision.	2.3
Number of residents supported to access physical activity through WMCA-funded programmes.	2.3

Key Activity	Aim & Objective
Strategy, Economy & Net Zero	
Agree the local growth and place pillar of the single settlement for the next Spending Review using the outputs of the Strategic Productivity and Innovation Partnerships	1.1
Use the Strategic Innovation Partnership to increase public R&D funding to the region and the coherence of universities	1.1
Manage the funding agreement with the West Midlands Growth Company to deliver the programmes impacts of Global West Midlands.	1.2
Deliver the Business Growth West Midlands business support ecosystem inc. strengthening links with the private sector w/ a focus on i) consistency of service across WM ii) a high quality service iii) informing Strategic Productivity Partnerships and Single Settlement discussions iv) ensuring regional programmes are fully embedded in the service	1.2
As part of Business Growth West Midlands, ensure effective local delivery by partners of the UKSPF-funded business support programmes, including ongoing improvement of and liaison between LAs and WM-wide "core hub" activities	1.2
Deliver £40m of regional business growth programmes in line with the objectives in those business cases and fully aligned to Business Growth West Midlands and Plan for Growth	1.2
Plan For Growth - Lead the mobilisation of the West Midlands Plan for Growth with priorities including i) leading a coherent and cohesive approach to cluster leadership and growth priorities for each of eight clusters plus tech as an underpinning theme ii) ensuring there are key thematic interventions and clear strategic direction for each cluster	1.2
Develop, agree and implement a West Midlands CA Culture, Creative Industries and Digital combined strategy that provides thought leadership for WM partners, connects across sectors and has a clearly defined agreed regional USP. Completed strategy by March 2025.	1.4

Key Activity	Aim & Objective
Strategy, Economy & Net Zero (Cont)	
Develop, agree and implement a WMCA Creative Industries strategy that maps onto DCMS Creative Industries Sector Vision outcomes but also understands and develops the WM CI specific sector approaches and opportunities. Completed strategy by March 2025.	1.4
Delivery of the full CWGLEF Culture Pillar Programme and evaluation across the four missions of 1) Cultural engagement, communities and social value; 2) Civic Pride, Placemaking and Cultural Infrastructure; 3) Futureproofing our cultural sector; and 4) Globally connected West Midlands Cultural Sector.	1.4
Delivery of final year of CDF underspend grant activities with focus on Wolverhampton, Sandwell and Dudley.	1.4
Ensure the delivery of a CWGLEF-wide evaluation that demonstrates the positive impact that the CWGLEF has had on the region	1.5
Deliver the recommendations made in Race Forward. Convene the Race Equalities Taskforce, Members Advisory Group and associated task groups to influence and enable the West Midlands Combined Authority, our partners and wider stakeholders to achieve the vision that your ethnicity, race or heritage will not be a barrier.	2.2
Facilitation and development of a varied portfolio of citizen engagement activity across the WMCA to ensure decisions are shaped by citizens and that our policies, practices and investments deliver real value for everyone living and working in the region.	2.2

Key Activity	Aim & Objective
Strategy, Economy & Net Zero (Cont)	
Deliver the ambition to design out homelessness through ongoing facilitation of the Homelessness Taskforce, Members Advisory Group and associated task groups, including delivery of proof of concept activity, oversight of externally funded projects and programmes and developing alternative models for preventative activity.	2.3
Ensure the successful integration of the Police and Crime Commissioner functions into the West Midlands Mayoralty in May 2024, and identify, develop and deliver synergies and opportunities following integration.	2.3
Support systems and processes for devolving and delivering more effective energy infrastructure and remove barriers to investing in clean energy assets	4.1
Work with partners to develop and deliver projects to tackle fuel poverty in the region and progress towards the target of getting the region's homes to Net Zero by 2041	4.1
Grow SMART Hub capacity to support local authorities to access funding, intelligence and expertise to retrofit homes to reduce carbon emissions	4.1
Commence delivery of Net Zero Neighbourhood Demonstrator programme to pilot place-based approaches to retrofit and wider decarbonisation, building a pipeline of projects, establishing the first Net Zero Neighbourhood and commencing works to homes in this area	4.1
WM Industrial Symbiosis Demonstrator (WMIS)	4.3
Local Investment in Natural Capital (LINC) programme	4.5
Local Nature Recovery Strategy (LNRS)	4.5
Defra and DLUHC Air Quality behaviour change and sensor network	4.5
Community Environment Fund (CEF)	4.5
Climate Adaptation	4.5
Greener Together Citizens Panel	4.5
To develop, integrate and socialise Inclusive Growth across the West Midlands through the development of Inclusive Growth products, communications, and events.	5.1

Key Activity	Aim & Objective
Strategy, Economy & Net Zero (Cont)	
Design, develop, deliver and communicate research programme undertaken by WMCA's research and intelligence community to stakeholders across the West Midlands ecosystem	5.1
Deliver the West Midlands Outcomes Framework by which the West Midlands can measure the extent to which we are achieving our Inclusive Growth fundamentals.	5.1
Deliver outcomes as defined by the WMCA Digital Roadmap through a programme of integrated activity and partnership working across each of the five missions.	5.1
Implement the public affairs strategy, including lobbying plans and the Public Affairs Network, to secure WMCA influence within national policy and policymaking processes and with national thought leaders; and to establish our role as a regional public affairs convenor.	5.1
Maintain capacity for disseminating policy ideas, information and research across the organisation, to support the WMCA's capacity for innovative policymaking.	5.1
Facilitate the implementation of the trailblazer deeper devolution deal and support colleagues resolve the most important and/or challenging elements of implementation, with a particular focus on business case delivery and MP Questions.	5.2
Undertake a devolution review in 2024 to identify the WMCA's future devolution priorities.	5.2
Deliver the 9 workstreams required to implement the single settlement.	5.2
Embed plans and activities for the organisation's internal and external functions to meet the requirements as set out in the WMCA equality scheme. Deliver the workplace wellbeing strategy and support.	6.5

Key Activity	Aim & Objective
Housing, Property & Regeneration	
Lead WMCA Strategic Acquisitions, Disposals and Asset Management programmes	3.3
Organise and lead a series of industry led taskforces to provide critical insight, challenge, advocacy and support to the work of the Housing and Land Board	3.3
Deliver a comprehensive programme supporting the effective implementation of the public land charter through collaborative working with the Cabinet Office, LGA, industry taskforces & local partners via overseeing and managing the development and delivery of the regional One Public Estate and Place Pilots Programmes.	3.3
Develop and support Board approved policy development work e.g. Homes for the Future and West Midlands Design Charter	3.3
Establish new and strengthen existing partnerships, ventures and joint approaches with public and private sector partners across the whole of the region to deliver local priorities leading to the development of an Affordable Housing strategy and Affordable Homes Programme for the region.	3.4
Produce the annual West Midlands Investment Prospectus and deliver associated partner engagement	3.4
Support local authorities and other partners on policy, projects, funding bids and investment plans in town centres	3.4
Influence & Engage with HMG on behalf of the region on a diverse range of housing, land and regeneration matters	3.4
Delivery of prescribed requirements and output targets of the 2018 Housing Deal & subsequent funding deals and agreements with HMG, as part of our nationally pioneering approach to brownfield regeneration and delivery innovation	4.2
Lead the implementation of the new funding, powers and leveraging of private sector investment for Housing Property & Regeneration, in alignment with the Devolution Deal, Single Settlement and Plan for Growth .	4.2
Manage and deliver modern high-class FM and Business Support services for WMCA and its estate tenants	6.1

Key Activity	
Enabling Services	
Key activity will be defined later in January once the Directorate key activity has been digested and its impact on Enabling Services understood.	

APPENDIX 5 – WMCA Delivered Capital Programme

Transport

TRANSPORT CAPITAL PROGRAMME (€M)		Prior Period	2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL	TOTAL (inc prior)	Project Life Budget
Metro	Birmingham City Centre Extension	-	-	-	-	-	-	-	-	-
	Buy Before Boarding	0.3	3.6	7.6	-	-	-	11.2	11.6	11.6
	Metro Birmingham Eastside Extension	122.7	49.6	21.9	8.6	24.1	0.4	104.5	227.2	227.2
	Metro Centenary Square Extension	75.5	0.1	0.3	-	-	-	0.4	75.8	75.8
	Metro Edgbaston Extension	84.3	3.4	0.5	-	-	-	3.9	88.2	88.2
	Metro Wednesbury to Brierley Hill Extension	193.1	103.5	89.5	0.7	-	-	193.6	386.7	386.7
	Metro Wolverhampton City Centre Extension	46.8	7.9	-	-	-	-	7.9	54.7	54.7
	Trams	-	-	-	-	-	-	-	-	-
	Metro Network Enhancements	8.6	14.1	35.5	38.9	8.6	-	97.2	105.7	105.7
Metro - Other	14.3	1.8	3.2	0.2	-	-	5.2	19.5	19.5	
METRO TOTAL		545.6	184.1	158.4	48.3	32.7	0.4	423.9	969.5	969.5
Rail	Park and Ride	-	0.3	0.3	1.8	2.3	-	4.5	4.5	4.0
	Rail Package 1	20.4	16.1	26.2	7.2	-	-	49.5	69.8	69.8
	Rail Package 2	23.0	36.9	9.3	-	-	-	46.2	69.2	69.2
	Rail Station	94.4	12.2	-	-	-	-	12.2	106.6	106.6
	Snow Hill	-	-	-	-	-	-	-	-	-
	Very Light Rail	-	0.2	2.5	2.2	-	-	5.0	5.0	5.0
	Rail Developemnt	-	-	0.5	0.5	-	-	1.0	1.0	1.0
	Dudley Port Integrated Transport Hub	0.0	0.1	2.2	0.0	-	-	2.4	2.5	2.5
	Aldridge Station	-	1.0	3.1	9.6	16.3	-	30.0	30.0	30.0
Rail - Other	0.5	0.2	0.4	5.0	15.8	-	21.3	21.8	21.8	
RAIL TOTAL		138.3	67.0	44.5	26.3	34.3	-	172.1	310.4	309.9
Bus	Bus Station/Interchange	2.1	2.9	16.5	2.3	-	-	21.7	23.8	23.8
	Clean Bus	30.1	4.8	41.2	18.3	-	-	64.3	94.4	94.4
	Cross City Bus	0.9	2.5	7.7	11.6	-	-	21.8	22.7	22.7
	East Birmingham to Solihull Corridor	0.0	0.3	1.0	4.1	5.7	-	11.1	11.1	11.1
	Demand Responsive Bus	-	-	5.5	4.5	-	-	10.0	10.0	10.0
	BSIP Bus Priority Cross City Routes	0.2	1.8	7.2	23.3	26.5	-	58.8	59.0	59.0
	BSIP Retrofit Programme	-	0.5	0.5	-	-	-	1.0	1.0	1.0
	National Productivity Investment Fund	2.2	1.2	-	-	-	-	1.2	3.4	3.4
	BUS TOTAL		35.5	13.9	79.6	64.1	32.2	-	189.8	225.3
Sprint	Hagley Road	5.5	0.5	4.5	-1.0	-	-0.0	4.0	9.6	64.2
	Hall Green to Interchange via Solihull	0.1	0.2	-	-	-	-	0.2	0.3	32.1
	Longbridge to Birmingham	0.2	0.1	-	-	-	0.0	0.1	0.3	42.6
	Sutton Coldfield to Birmingham	-	-	-	-	-	-	-	-	-
	Sprint Ph2 A45	1.2	4.3	18.2	9.1	-3.2	-	28.4	29.5	29.5
	Sprint Ph2 A34	3.4	3.5	13.4	7.3	-1.1	-	23.1	26.5	26.5
	Sprint A45	69.0	0.7	0.8	-	-	-	1.4	60.4	60.4
	Sprint A34	31.8	0.1	0.2	-	-	-	0.3	32.1	32.1
	Hagley Road Rapid Transit	-	0.6	2.0	2.4	5.0	-	10.0	10.0	10.0
SPRINT TOTAL		101.2	10.0	39.1	17.8	0.7	0.0	67.5	168.7	297.4
Highways	KRN/MRN	1.6	0.6	-	-	-	-	0.6	2.3	2.3
	Highways - Other	4.2	1.7	3.3	-	-	-	5.0	9.2	9.2
HIGHWAYS TOTAL		5.8	2.3	3.3	-	-	-	5.6	11.4	11.4
Digital and Data	FMZ	9.7	3.1	2.8	-	-	-	5.9	15.6	15.6
	RTCC	13.3	3.9	-	-	-	-	3.9	17.2	17.2
	RTI	0.5	0.6	-	-	-	-	0.6	1.0	1.0
	Scheme Development and M and E	0.1	1.1	2.3	1.7	1.8	-	6.9	7.0	7.0
Digital and Data - Other	5.1	0.3	-	-	-	-	0.3	5.4	5.4	
DIGITAL AND DATA TOTAL		28.5	9.0	5.1	1.7	1.8	-	17.6	46.2	46.2
Other Transport	Asset Management	3.8	2.2	0.2	-	-	-	2.4	6.2	6.2
	Transport - Other	0.1	0.0	-	-	-	-	0.0	0.2	0.2
OTHER TRANSPORT TOTAL		4.0	2.2	0.2	-	-	-	2.4	6.4	6.3
Sustainable Travel	Air Quality	-	-	1.0	-	-	-	1.0	1.0	1.0
	Better Streets Community Fund	1.8	0.1	-	-	-	-	0.1	1.9	1.9
	Electric Vehicles	0.1	5.4	13.7	8.5	-	-	27.5	27.6	27.6
	Priority One Development	0.7	0.7	-	-	-	-	0.7	1.4	1.4
	Walk Cycle Bus	-	-	-	-	-	-	-	-	-
Swift ceMV Contactless Payment Broker	0.2	1.3	12.5	4.1	-	-	17.8	18.0	18.0	
SUSTAINABLE TRAVEL TOTAL		2.8	7.5	27.1	12.5	-	-	47.2	50.0	50.0
TRANSPORT TOTAL		861.6	296.1	357.2	170.8	101.7	0.4	926.2	1,787.8	1,915.9

In line with the guidance in paragraph 8.7, this planned expenditure contains both fully-funded schemes and unfunded Investment Programme priorities from 2024/25 onwards which will come forward once a financing route is confirmed.

The report recommends **WMCA Board Approve the first year (2023/24) of the indicative WMCA Capital Programme** as set out in this appendix and that WMCA Board note the indicative onward programme from 2024/25 onwards.

The final 2024/25 Capital Budget will be presented to WMCA Board at the earliest opportunity in 2024/25 following confirmation of the 2023/24 outturn position.

Housing and Regeneration

HOUSING AND REGENERATION CAPITAL PROGRAMME (£M)		Prior Period	2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL	TOTAL (inc prior)	Project Life Budget
Housing and Regeneration	Brownfield Land Fund	2.0	6.3	66.8	46.1	5.8	2.1	127.1	129.1	129.1
	Housing Land Fund	40.5	4.0	17.8	18.4	7.2	11.1	58.5	99.0	99.1
	Land Remediation Funds (BLPDF)	39.6	4.2	3.4	2.8	0.0	0.0	10.4	50.0	50.0
	Land Remediation Funds (LPIF)	27.5	21.0	4.1	0.1	-	-	25.2	52.7	149.7
	National Competitive Fund	6.4	0.2	2.7	4.7	5.1	5.0	17.8	24.2	24.2
HOUSING AND REGENERATION TOTAL		115.9	35.8	94.8	72.1	18.1	18.2	239.1	355.0	452.1

Strategy, Innovation & Net Zero

STRATEGY, INNOVATION AND NET ZERO CAPITAL PROGRAMME (£M)		Prior Period	2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL	TOTAL (inc prior)	Project Life Budget
Strategy,	Sustainable Warmth	0.1	0.6	-	-	-	-	0.6	0.7	0.7
Innovation and	Social Housing	0.8	6.0	12.4	-	-	-	18.5	19.3	5.3
Net Zero	Net Zero - Other	0.2	0.2	1.4	0.1	-	-	1.6	1.8	1.7
STRATEGY, INNOVATION AND NET ZERO TOTAL		1.0	6.8	13.8	0.1	-	-	20.7	21.7	7.7

In line with the guidance in paragraph 8.7, this planned expenditure contains both fully-funded schemes and unfunded Investment Programme priorities from 2024/25 onwards which will come forward once a financing route is confirmed.

*The report recommends **WMCA Board Approve the first year (2024/25) of the indicative WMCA Capital Programme** as set out in this appendix and that WMCA Board note the indicative onward programme from 2024/25 onwards.*

The final 2024/25 Capital Budget will be presented to WMCA Board at the earliest opportunity in 2024/25 following confirmation of the 2023/24 outturn position.

APPENDIX 6 – Externally Delivered Capital Programme

Transport

TRANSPORT (EXTERNAL) CAPITAL PROGRAMME (£M)		Prior Period	2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL	TOTAL (inc prior)	Project Life Budget
Rail - External	Very Light Rail - External	3.9	8.6	18.3	21.7	-	-	48.6	52.5	52.5
	Solihull Rail Station	-	-	1.8	-2.2	1.9	2.5	4.0	4.0	4.0
	West Coast Mainline	-	-	1.3	1.3	1.5	-	4.0	4.0	4.0
RAIL - EXTERNAL TOTAL		3.9	8.6	21.3	20.8	3.4	2.5	56.6	60.5	60.5
Bus - External	East Birmingham to Solihull Corridor - External	-	0.8	1.3	9.5	6.4	-	17.9	17.9	17.9
	UKC - Solihull - Dorridge Bus Priority	-	-	0.5	1.5	2.0	-	4.0	4.0	4.0
BUS - EXTERNAL TOTAL		-	0.8	1.8	11.0	8.4	-	21.9	21.9	21.9
Grants to Local Authorities - Transport	City Centre Regeneration	70.5	12.9	59.3	38.6	42.4	28.9	182.1	252.6	271.1
	Cycling and Walking	5.6	12.1	23.4	-	-	-	35.5	41.2	41.2
	Highways	7.2	6.4	8.1	7.1	7.1	-	28.6	35.8	35.8
	Highways Maintenance	20.0	23.6	20.0	20.0	20.0	-	83.6	103.6	103.6
	Local Network Improvement Plan	16.0	16.0	16.0	16.0	16.0	-	64.1	80.2	80.2
	Very Light Rail - External Grants	-	-	-	-	-	-	-	-	-
	Grants to Local Authorities - Other	32.1	4.1	8.7	35.3	69.3	38.6	156.1	188.2	293.0
HS2 Enabling	41.9	1.9	7.6	31.2	16.4	5.9	63.0	104.9	398.0	
GRANTS TO LOCAL AUTHORITIES - TRANSPORT TOTAL		193.4	77.1	143.2	148.2	171.2	73.4	613.1	806.5	1,222.9
Sustainable Travel - External	Electric Vehicles - External	0.1	0.1	6.8	-	-	-	6.9	7.0	7.0
	Sutton Coldfield Gateway	-	1.0	4.0	10.0	10.0	-	25.0	25.0	25.0
	Active Travel - A45 Segregated Cycleway	-	0.5	2.3	5.8	5.8	-	14.3	14.3	14.3
	A38 Selly Oak to Longbridge Segregated Cycling	-	0.3	2.5	5.9	5.9	-	14.5	14.5	14.5
	City Centre Active Travel Connections to Interchange	-	0.1	2.9	5.3	6.7	-	15.0	15.0	15.0
	One Station and Smalbrook Queensway	-	-	2.6	2.5	9.9	-	15.0	15.0	15.0
	Snow Hill Growth Strategy	-	-	1.0	2.0	2.0	-	5.0	5.0	5.0
	Foleshill Transport Package	0.5	0.6	2.2	1.3	-	-	4.0	4.5	0.5
	Cov South Sustainable Transport	0.3	1.7	9.5	9.6	-	-	20.7	21.0	21.0
	Dudley Town Centre Interchange Sustainable Connectivity Package	-	-	2.0	2.0	0.5	-	4.5	4.5	4.5
	Stourbridge Town Centre Sustainable Connectivity Package	-	0.2	0.5	1.8	0.5	-	3.0	3.0	3.0
	Wednesbury to Brierley Hill Extension Sustainable Access Measures	-	-	4.0	8.0	4.0	-	16.0	16.0	16.0
	A461 Walk, Cycle and Bus Corridor	-	0.2	1.5	7.0	3.8	-	12.5	12.5	12.5
	Smethwick - Birmingham Inclusive Growth Corridor Transport Package	-	0.4	4.7	8.0	6.0	-	19.0	19.0	19.0
	Craster Road Corridor - Segregated Cycleway and Capacity Enhancement	-	0.2	0.8	2.0	3.8	-	6.8	6.8	6.8
	Dickens Heath to Solihull Town Centre LCWIP Scheme	-	0.3	0.8	9.2	-	-	10.3	10.3	10.3
	Knowle to Solihull Town Centre LCWIP Scheme	-	0.3	0.7	7.0	-	-	8.0	8.0	8.0
	Multi-modal Access to HS2 Enhancement	-	-	1.0	1.5	1.5	-	4.0	4.0	4.0
	Bus, Cycle and Walk Access - Darlaston and Willenhall Train Stations	-	-	1.5	1.5	-	-	3.0	3.0	3.0
	A454 Walk, Cycle and Bus Corridor	-	0.9	3.6	6.8	6.7	-	17.9	17.9	17.9
	A41 Moxley Iron Park to Walsall Town Centre Walk, Cycle and Bus Corridor	-	0.5	0.6	8.0	10.0	-	19.0	19.0	19.0
	Bus, Cycle and Walk Access - Walsall Town Centre Interchange	-	-	-	0.5	0.5	-	1.0	1.0	1.0
	Black Country Walking and Cycling Package	-	-	3.0	2.0	3.0	-	8.0	8.0	8.0
A4123 Walk, Cycle and Bus Corridor	-	0.5	5.1	11.4	12.0	-	29.0	29.0	29.0	
A449 Walk, Cycle and Bus Corridor	-	0.7	2.0	8.6	5.3	-	16.5	16.5	16.5	
Wolverhampton City Centre Movement - Walk, Cycle and Bus Package	-	-	5.5	6.5	1.5	-	13.5	13.5	13.5	
SUSTAINABLE TRAVEL - EXTERNAL TOTAL		0.8	8.4	70.9	134.0	99.2	-	312.5	313.3	309.2
TRANSPORT (EXTERNAL) TOTAL		198.1	94.9	237.2	314.0	282.2	75.9	1,004.1	1,202.2	1,614.5

Economy, Skills and Community (Externally Delivered)

ECONOMY, SKILLS AND COMMUNITY CAPITAL PROGRAMME (£M)		Prior Period	2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL	TOTAL (inc prior)	Project Life Budget
ESC External	UKSPF	3.1	12.4	16.4	-	-	-	28.8	31.9	31.9
ECONOMY, SKILLS AND COMMUNITY TOTAL		3.1	12.4	16.4	-	-	-	28.8	31.9	31.9

In line with the guidance in paragraph 8.7, this planned expenditure contains both fully-funded schemes and unfunded Investment Programme priorities from 2024/25 onwards which will come forward once a financing route is confirmed.

The report recommends **WMCA Board Approve the first year (2024/25) of the indicative WMCA Capital Programme** as set out in this appendix and that **WMCA Board note the indicative onward programme from 2024/25 onwards**.

The final 2024/25 Capital Budget will be presented to **WMCA Board** at the earliest opportunity in 2024/25 following confirmation of the 2023/24 outturn position.



West Midlands
Combined Authority

Joint Overview & Scrutiny Committee

Thursday 14 December 2023 at 2.00 pm

Minutes

Present

Councillor Cathy Bayton (Chair)	Association of Black Country Authorities
Councillor Naeem Akhtar	Coventry City Council
Councillor Pervez Akhtar	Coventry City Council
Councillor Robert Alden	Birmingham City Council
Councillor Philip Bateman MBE	City of Wolverhampton Council
Councillor Andrew Burrow	Solihull Metropolitan Borough Council
Councillor Amo Hussain	Walsall Metropolitan Borough Council
Councillor Timothy Huxtable	Birmingham City Council
Councillor Ian Kettle	Dudley Metropolitan Borough Council
Councillor Narinder Kaur Kooner OBE	Birmingham City Council
Councillor Ewan Mackey	Birmingham City Council
Councillor Martin McCarthy	Solihull Metropolitan Borough Council
Councillor Miranda Perks	Birmingham City Council
Councillor Josh O'Nyons	Solihull Metropolitan Borough Council
Councillor Lauren Rainbow	Birmingham City Council
Councillor Gurmeet Singh Sohal	Walsall Metropolitan Borough Council
Councillor David Stanley	Dudley Metropolitan Borough Council
Councillor Alan Taylor	Dudley Metropolitan Borough Council
Amanda Tomlinson	Business Representative
Councillor Antony Tucker	Coventry City Council
Councillor Adrian Warwick	Warwickshire County Council

In Attendance

Councillor Bob Sleight	Portfolio Lead for Finance
Andy Street	Mayor of the West Midlands

Item Title
No.

- 1. Inquorate Meeting**
This meeting was inquorate and therefore any decisions taken at the meeting would be submitted to the WMCA Board on 12 January 2024.
- 2. Welcome and Introductions**
The Chair welcomed the Mayor, Deputy Mayor and members of the committee.

3. Apologies for Absence

Apologies were received from Councillor Carol Hyatt (Wolverhampton), Councillor Mary Locke (Birmingham), Councillor Nigel Lumby (Shropshire), Councillor John McNicholas (Coventry), Councillor Saddak Miah (Birmingham), Councillor Paul Moore (Sandwell), Councillor Jamie Tennant (Birmingham), Councillor Ian Ward (Birmingham) and Councillor Vera Waters (Walsall).

4. Questions to the Mayor and the Portfolio Lead for Finance from Members of the Committee

The Chair initiated the question-and-answer session by asking whether the decision not to set a precept during the entire existence of the WMCA had impacted the stability of the budget. The Mayor confirmed that no precept had been set thus far, and that it had not been the view of the WMCA Board to date that a mayoral precept should have been set. However, he did consider that in the next mayoral term this issue would need to be revisited, given the Government's view as to further fiscal devolution to the region when it considered the WMCA was not making use of revenue raising powers it already had.

The committee explored questions regarding Network North funding and the acknowledgement of the need for subsidy for public transport in urban areas, an increase in the transport levy and support for this across the local authorities to sustain the current offer to residents and financial pressures experienced by local authorities. In addition, the Mayor explained the WMCA's position with regards to Birmingham City Council's highways PFI deal.

The committee sought assurances regarding the financial risk register and risk assurance underpinning the proposed budget. The Mayor explained that the WMCA Board received regular budget monitoring reports and also considered risk mitigation measures. Further topics discussed included the impact of concessionary fare cuts on members of the public who did not have access to a car, and business resilience support contained within the Government's Autumn Statement. Efforts to enhance this support, including the development of a shared pot, were discussed, along with initiatives to simplify access for businesses.

Questions were asked about funding for active travel, the capital budget's effect on the Midlands Rail Hub, and challenges related to transport investment. The Mayor highlighted successful efforts in securing Government funding, investments in clean transport, and plans for a bus franchising assessment in July 2024. Concerns about concessionary fares, bus reliability and accessibility issues were also discussed.

The discussion concluded with insights into the impact of business rates retention, lessons learned from the WMCA's funding approach, and reflections on the cycle hire scheme's financial viability and sustainability.

Resolved:

The draft WMCA 2024/25 budget be noted.

The meeting ended at 4.00pm.

DRAFT

This page is intentionally left blank



WMCA Board

Date	12 January 2024
Report title	Financial Monitoring Report 2023/24
Portfolio Lead	Finance - Councillor Bob Sleigh
Accountable Chief Executive	Laura Shoaf, West Midlands Combined Authority email: laura.shoaf@wmca.org.uk
Accountable Employee	Linda Horne, Executive Director of Finance and Business Hub email: linda.horne@wmca.org.uk
Report has been considered by	WMCA Executive Board – 3 January 2024 WM FDs – 4 January 2024

Recommendation(s) for action or decision:

WMCA Board is recommended to:

- (1) Note the financial position as at 30 November 2023, as detailed in Sections 2 and 3.
- (2) Note the latest forecast for 2023/24 as detailed in Section 4.
- (3) Note the new grant awards to the WMCA as outlined in Section 5, and the arrangements for these grants.
- (4) Note the intention to enter into contracts with Local Authorities for year three activity following DLUHC relaxing the carry forward requirements which apply to the UK Shared Prosperity Fund, as outlined in Section 5.
- (5) Note that under the delegation provided by WMCA Board in November 2023, the WMCA Section 151 Officer recently approved the acceptance of the £100m funding for Brownfield regeneration, secured as part of the Trailblazer Devolution Deal (Section 5).
- (6) Note the additional funding awarded to the region for Highways Maintenance works, as part of the Government's Network North plan, and endorse the proposed allocation of this funding.
- (7) Note the Treasury and Prudential indicators for the period ending 30 November 2023 as outlined in Section 7 and Appendix 6 of this report.

1.0 Purpose

- 1.1 To provide an update on the Combined Authority's financial position based on the information known at the end of November 2023. The report includes capital and revenue financial performance, explanations for variations, an update on the likely outturn for 2023/24 and risks which are being managed by the Authority.

2.0 2023/24 Year to Date Revenue Position

- 2.1 Appendix 1 shows the overall consolidated revenue position for the West Midlands Combined Authority, whilst Appendices 2 to 4 present the detailed summaries for Transport, the WMCA Portfolios and the Mayoral office, respectively.
- 2.2 The position at the end of November is a surplus of £4.2m which is a favourable variance from budget of £4.1m (as compared to the position at September 2023 of £3.9m).
- 2.3 Within Transport there is a surplus of £2.7m which represents a favourable variance from budget of £2.2m. The year to date position is due to the impact of staffing vacancies as well as receipt of Local Transport Fund grant which will meet contractual costs of the tendered bus service across the rest of the fiscal year. Concessionary related underspends have arisen due to patronage remaining below pre pandemic levels. In line with agreement from the Board, these savings have been transferred to a reserve to protect against future transport network risks, £2.0m to date.
- 2.4 Within the Portfolio budgets there is a favourable variance of £1.9m due to staff vacancies, underspends on external advice and receipt of new grant income. There remain underspends against the grants within Economic Skills and Communities totalling £27.2m to date, including AEB, Multiply, Digital Skills and UKSPF. This position is only of timing, with fully recovery of the position anticipated at year end.
- 2.5 The Mayoral Office position as at the end of November 2023 was in line with budget.

3.0 2023/24 Capital Programme Position

- 3.1 Appendix 5 sets out the position on the Capital Programme as at the end of November 2023. Actual costs totalled £229.5m, resulting in a favourable variance of £140.3m against a phased budget of £369.8m. This means that around 62% of the planned programme has been delivered in line with original phasing.
- 3.2 The year to date expenditure to budget variance is primarily contained within Transport (£60.8m), Housing and Regeneration (£23.8m) and a further £54.9m within the capital programme delivered externally by Local Authorities.
- 3.3 Within Transport, the variances are across the entire programme, but the most significant are within Metro (£38.5m), Rail (£7.9m), Data and Digital (£4.0m) and Bus (£3.5m). The Metro programme reflects the latest programme schedule with £17.5m underspend on the Birmingham Eastside Extension due to rescheduling of construction and utility works and associated land vesting and a further £8.5m on Metro enhancements due to timings around agreeing technical features and detailed designs for the Wednesbury Depot and deferment

of work in relation to Metro Line 1. In addition, the timing of contingency drawdown and activity within the Urban Realm budget relating to the Wolverhampton City Centre Extension has resulted in £3.1m variance. Within Rail, the timing of compensation events relating to University Station has led to underspend of £1.5m with a further £3.2m underspend on the Perry Barr rail station due to timing issues. There are savings against budget to date on the Data and Digital workstreams and bus schemes relating to the timing of works.

- 3.4 Within the Housing and Regeneration programme, there is a £12.4m underspend in relation to the Brownfield Land Fund where land acquisition by a partner authority has not progressed at the pace initially anticipated, thus impacting on WMCA activity and spend. The Phoenix 10 project within the Black Country Land and Property Investment Fund accounts for £9.1m of this underspend, as work has been rephased to later in the financial year. Other movements of £1.6m relate to projects which have not progressed at the pace anticipated at the budget development stage.
- 3.5 In relation to the externally delivered programme, £37.9m of the variance relates to the Coventry City Centre South Regeneration project. The underspend reflects the latest delivery schedule in regard to the acquisition of land necessary for assembly of the project and completion of demolition works.

4.0 Revenue and Capital Forecast Update

- 4.1 The second forecast for 2023/24 was completed in October 2023. The forecast presents the updated view of the profile and cost of delivering activities over the remaining six months of the fiscal year, as well as the latest position on central government transport funding, Midland Metro Limited costs, rising energy costs and interest rates impact.
- 4.2 The revenue position for the full year forecasts a surplus of £1.3m, which is an improvement on the previous forecast where a balanced budget was being anticipated. The key movements within the full year position are within Transport where an increase in the costs of £1.8m for tram repairs is offset by favourable movements across staffing budgets due to vacancies and a £0.9m reduction in the subsidy requirement for Midland Metro Limited.
- 4.3 Within Portfolios, a combination of new grant income, savings against vacant posts and reduced external advice expenditure has resulted in a favourable movement of £0.9m.
- 4.4 There is also a surplus of £5.3m within Enabling Services mainly due windfall gains on Treasury Management activities which have been transferred to reserves to support the 2024/25 budget development. This is in line with previous Board approval.
- 4.5 The latest capital forecast indicates expenditure of £445.9m, with £107m delivered externally and £339m delivered internally. This is against an original budget of £599.1m, meaning that there is £153.2m reduction in expenditure and that 74% of programme is expected to be delivered within this fiscal year. Around 62% of the forecast expenditure is due to be delivered in the second half of the year.
- 4.6 Compared to quarter one, the most significant movements in expenditure are within the internally delivered Transport (£29m) and Housing & Regeneration Programmes (£30m). The reduction in the Housing & Regeneration programme is largely due to the fundamental review of the Brownfield Land Housing pipeline projects. The main variations for Transport

are within Sprint (£10.1m) where design and utility works are expected to be done in 2023/24 with construction works on Phase 2 deferred to 2024/25. Metro accounts for £7.3m of the variation where the Metro Enhancement projects has been rephased to reflect the latest programme.

4.7 There has been ongoing engagement with grant providers in respect of the slippage in the capital programme to minimise risk of any grant clawbacks.

4.8 A re-forecast will be done for quarter 3 in January 2024 and formally reported to the Board subsequently.

5.0 New Funding

5.1 Since the last report, new grant funding, totalling £35.1m has been secured, as the WMCA continues in its efforts to source additional funding to deliver its priorities. Details of these grants are summarised in the table below.

Grant name	Value	Grant period		Purpose
	£m	From	To	
Bootcamp wave 5	26.794	Apr-24	Mar-25	Bootcamp Wave 5 for spend in 24/25 to be used for development of technical skills to improve employability and income opportunities.
National Antisocial Behaviour Action Plan	0.450	Jan-24	Mar-25	One of our Corporate priorities this year is to be an ambitious, forward thinking and determined organisation, which this bid aligns to and it support the deliver of Aim 3.1. Within the National Antisocial Behaviour Action Plan the DfT committed to making public transport safer, building on the model seen in the West Midlands by piloting an expansion to the TSOs with up to £2.5m additional funding – specifically – trained staff to deal with low level nuisance and disorder, who target hotspot routes and locations. Consequently, the DfT is commissioning TfWM to provide advice to the five local transport authorities, who will be responsible for the delivery of the pilot programme.
Capability & Ambition fund	1.700	Dec-23	Mar-25	Revenue funding for Cycling & Walking tranche 2.
Campos + (Place Based Decarbonisation Accelerator)	6.200	Mar-24	Mar-26	Deliver a Place-Based Net Zero Accelerator project that will build on the work done in Phase 1 of Project CAMPOS. The objective set by Government is to design a net zero accelerator model which covers energy, transport and building decarbonisation as a minimum and design investment model(s) to attract private investment - which is scalable, replicable and which leads to contracted or secured investment partners capable of delivering at scale by circ. March 26. Delivery will commence shortly after, if not before.
Total	35.144			

5.2 With respect to the UK Shared Prosperity Fund (UKSPF), Government have recently written formally to WMCA advising that they are relaxing the processes concerning the carry forward of under-spends between financial years. The letter also provided confirmation that WMCA can expect to receive its full allocation of £88.4m. The UKSPF programme workstreams are delivered by both Local Authorities and WMCA.

5.3 UKSPF is a 3-year programme with year 3 beginning on 1 April 2024. Prior to the relaxation, WMCA had to seek consent to carry forward unspent sums which introduced delays in delivery. In 2023/24, WMCA and Local Authorities lost in the region of 4 months of delivery time whilst Government agreed the year 2 allocations. The relaxation means WMCA and Local Authorities have more certainty that the funding to deliver programmes will be made available and can be spent across multiple financial years. Following receipt of the letter, WMCA intend to commence the year 3 contracting activity with Local Authorities in the coming weeks. Whilst contracts will be issued in lieu of the legally binding grant determination letter being received, the approach agreed by the Section 151 Officer to provide Local Authorities with early confirmation will give the region the best chance of fully utilising the funding on offer.

- 5.4 As detailed above, 2024/25 is the final year of the UKSPF programme and any funds not spent from the £88.4m allocation by 31 March 2025 are returnable to Government. The original profile of the grant was always heavily back ended with over 60% of the £88.4m needing to be spent in the final year. With slippage encountered from the issues detailed above, the size of the challenge in 2024/25 will be even more significant. WMCA are continually in contact with Local Authorities with respect to spend forecasts and this information provides confidence that the programme is on target and allows early intervention where under-spends are likely to occur.
- 5.5 The latest spend profile below indicates the size of the challenge WMCA and Local Authorities face between now and 31 March 2025.

UKSPF PROGRAMME TOTAL				
2022/23 Actual	2023/24 Forecast	2024/25 Forecast	Total Expected Forecast	UKSPF Total Funding
5.13	27.24	56.04	88.41	88.41
5.8%	30.8%	63.4%	100.0%	

- 5.6 WMCA is in the process of reviewing the workstreams / programmes it is directly responsible for delivering. Where opportunities exist to vary programmes (e.g. as a result of the funding confirmation issues referred to above), these are approved in line with the normal financial delegations framework which applies to the authorisation of WMCA's expenditure. WMCA ensure Economic Growth Board is consulted ahead of any formal decisions to ensure any changes to the programme are made in a transparent way with appropriate strategic programme management factors receiving proper consideration.
- 5.7 In accordance with the delegated authority granted to the Section 151 Officer at the November 2023 WMCA meeting, the £100m Brownfield Regeneration Fund has been accepted. The capital grant can be utilised for 3 years up to 31 March 2026. The outputs WMCA are expected to deliver against the fund are very narrowly focused on housing units, but the funds can serve a broader purpose (e.g. mixed-use developments) providing the 4,000 homes target is delivered.

6.0 Highway Maintenance Funding: Network North

- 6.1 As part of the Network North announcement, DfT recently wrote to WMCA to confirm the award of £2,586,000 from the Road Resurfacing Fund for local highways maintenance for 2023/24 with an equivalent amount confirmed for 2024/25. This award is in addition to previous Pothole allocations and any funding from CRSTS used for Highways. The letter also included indicative allocations from April 2025 to March 2034 and could potentially represent an increase of approximately £16m per annum for investment in highways maintenance from that point (assuming the CRSTS Highways allocations remain static over that period).
- 6.2 WMCA has received the payment of the £2,586,000 for 2023/24 and the corresponding grant letter from the DfT. The conditions stated within the letter are broadly similar to the conditions for the additional Pothole Funding received earlier this year and WMCA will assemble a funding letter for Local Authorities shortly outlining the relevant conditions.
- 6.3 With regards to how this funding is allocated, it is recommended that this funding be allocated to recipient Local Authorities as shown in the table below. This methodology is

identical to the one previously used for CRSTS Highways Maintenance and Pothole allocations.

	Allocation	2023/24 £
Birmingham	0%	PFI
Coventry	17%	438,844
Dudley	19%	481,772
Sandwell	20%	509,183
Solihull	16%	415,829
Walsall	15%	383,245
Wolverhampton	14%	357,127
TOTAL	100%	2,586,000

7.0 Compliance with Treasury and Prudential Indicators (November Update)

- 7.1 Appendix 6 provides details of the Treasury and Prudential indicators for the period ending 30 November 2023. This is being reported in accordance with the requirements of the 2021 CIPFA Prudential Code for Capital Finance in Local Authorities and 2021 CIPFA Treasury Management in the Public Services Code of Practice to help Members understand and evaluate the prudence and affordability of the Authority's capital expenditure plans and the borrowing and investment activities undertaken in support of this.
- 7.2 No difficulties are envisaged for the current or future years in complying with these indicators.
- 7.3 A detailed Treasury mid-year report was provided to ARAC on 4 December that detailed all investments and provided assurances of full compliance with the CIPFA Code of Practice and the WMCA Treasury Management Strategy. The report also highlighted that the re-forecasting of the capital programme in 2023/24 and the continuing significant level of grants received in advance, has meant that no further borrowing will need to be undertaken during the period of the current medium term financial plan. Consequently, WMCA will only look to borrow where there is a clear and obvious need with affordability and the "cost of carry" remaining the key influences on WMCA's borrowing strategy. This update provides continued assurance that all treasury management operations have been conducted in full compliance with the Council's Treasury Management Practices.

8.0 Investment Programme

- 8.1 The financial results for the West Midlands Regional Investment Programme run behind the regular management accounts, due to the requirement to consolidate outputs across the metropolitan area.
- 8.2 The September 2023 expenditure for the West Midlands Regional Investment Programme is shown at Appendix 7, which reports the gross delivery totals for programmes delivered by both WMCA and other entities (being primarily constituent member local authorities).

8.3 Appendix 8 summarises grant funding commitments approved by WMCA for projects within the WMCA Investment Programme, which total £853.7m as at 30th November 2023 (no overall change from the last reporting at WMCA Board).

8.4 WMCA Investment Programme funding drawn / incurred by projects against these funding commitments totals £549.7m.

9.0 CRSTS

9.1 CRSTS funding formally approved and available to be utilised totalled £545.7m as of 30th November 2023. Expenditure incurred from within this funding formally approved totals £161.5m as at 30th September 2023. A breakdown of this total is provided in Appendix 9.

9.2 Earlier this year DfT gave all mayoral combined authorities receiving CRSTS funding the opportunity to make changes to their approved CRSTS capital programme, in recognition of the effects of high levels of inflation in recent years. Amendments to the West Midlands region CRSTS 1 programme were approved locally at the September 2023 sitting of WMCA Board. A re-baselined CRSTS programme has subsequently been submitted to DfT for their consideration.

9.3 The proposed re-baselined CRSTS programme extends the original £1.05bn programme to a £1.21bn programme, because DfT have allowed overprogramming to be included to cover the risk of some projects failing to drawdown all allocated CRSTS funding by the end of the first CRSTS settlement period.

10.0 Administered Funds

10.1 Administered Funds totalled £78.0m as of 30 November 2023. The report excludes funds fully utilised and concluded by 31 March 2023. A breakdown of this amount is included within Appendix 10. Of this amount, £42.4m has been spent to date.

10.2 These funds do not form part of the Authority's own revenue and capital budgets but are effectively funds received by WMCA and passported to partner authorities for delivery.

10.3 Elements of the overarching grants listed at Appendix 10 which are not passported are excluded from this Appendix.

11.0 Balance Sheet

11.1 Appendix 11 presents the West Midlands Combined Authority Balance Sheet which shows a healthy financial position as at 30 November 2023.

11.2 The increase in property, plant and equipment reflects TfWM capital spend in relation to the Metro extensions.

11.3 The reduction in short term debtors arises due to the lower Business Rates Growth income accrual following receipts from Constituent Local Authorities.

- 11.4 The decrease in short-term deposits arises because of payments in respect of AEB, CIF loans drawdown, PWLB loan and short-term loan repayments, Investment Programme and Metro extension schemes.
- 11.5 The loan repayments have led to a reduction in short-term loans while payments for AEB, PWLB loan, Investment Programme and Metro extension schemes contributed to a net decrease in grants receipts in advance and earmarked reserves.
- 11.6 Short-term creditors/accruals have decreased because of lower capital and revenue accruals following grant payments and receipt of invoices.

12.0 Financial Implications

- 12.1 The financial implications are set out in the report.

13.0 Legal Implications

- 13.1 In respect of the funding and passporting of funds there will be conditions that WMCA will need to adhere to. Legal support will be required for any legal documentation entered in respect of the above.

14.0 Other Implications

- 14.1 There are no Equalities, Inclusive Growth, Geographical or Other implications arising from this report.

15.0 Appendices

- Appendix 1 – WMCA Consolidated Summary – November 2023
- Appendix 2 – WMCA Transport Revenue Summary - November 2023
- Appendix 3 – WMCA Portfolio Budget Summary – November 2023
- Appendix 4 – WMCA Mayor Revenue Summary – November 2023
- Appendix 5 – WMCA Capital Programme – November 2023
- Appendix 6 – Compliance with Treasury and Prudential Limits
- Appendix 7 – Total Regional Investment Programme Expenditure – September 2023
- Appendix 8 – WMCA Investment Programme Commitments – November 2023
- Appendix 9 – WMCA CRSTS Programme Commitments – November 2023
- Appendix 10 – WMCA Administered Funds – November 2023
- Appendix 11 – Balance Sheet – November 2023

Appendix 1

WMCA Consolidated Revenue Budget Summary – November 2023

£000's	Year to Date			Full Year		
	Actual	Budget	Variance	Forecast	Budget	Variance
Transport Levy	79,570	79,570	0	119,355	119,355	0
Commonwealth Games	0	0	0	0	0	0
Revenue Grants & Other Income	32,179	30,886	1,293	83,636	44,141	39,495
Adult Education Funding	87,885	108,475	(20,590)	141,395	141,391	4
Share of Business Rates	0	0	0	12,000	12,000	0
Constituent Membership	3,096	3,096	0	4,644	4,644	0
Non Constituent Members	260	280	(20)	390	420	(30)
Investment Programme	4,646	0	4,646	36,500	36,500	0
Investment Income	5,298	3,141	2,157	7,290	4,712	2,578
Use of Reserves	7,103	7,005	98	9,311	9,201	110
Total Funding	220,037	232,453	(12,416)	414,521	372,364	42,157
Transport for West Midlands	83,979	86,043	2,063	128,963	128,557	(406)
Economic Delivery, Skills & Communities	111,046	139,840	28,794	197,134	186,554	(10,580)
Strategy, Integration and Net Zero	11,520	4,171	(7,349)	33,373	6,378	(26,995)
Housing & Regeneration	1,321	1,223	(98)	1,854	1,837	(17)
Portfolio Support	(1,864)	(2,104)	(240)	(3,755)	(4,274)	(519)
Investment Programme	9,345	2,612	(6,733)	42,892	40,418	(2,474)
Mayoral Office	505	584	79	807	894	87
Mayoral Election	0	0	0	0	0	0
Total Expenditure	215,852	232,369	16,516	401,268	360,364	(40,904)
Net Expenditure (before earmarked reserves)	4,185	84	4,100	13,253	12,000	1,253

The position at the end of November shows a surplus against budget of £4.1m. This comprises £2.2m within Transport and £1.9m within Portfolios. The full year position shows a surplus against budget of £1.3m which is made up of a £0.3m deficit within Transport and a surplus of £1.9m within Portfolios.

Apart from staff savings, the year to date position within Transport reflects additional government funding in the form of the Local Transport Fund (£1m) that has now been confirmed to support the bus network from April to June 2023. The LTF (Local Transport Fund) will be utilised for the increasing costs of the tendered bus service across the year, so the current year to date variation is expected to be eliminated by the end of the year. Within Concessions there are £2.4m of savings due to lower patronage and fares, of this £2.0m have been transferred to a risk reserve in recognition of significant pressures around the transport network in the coming year. In addition, there are savings of £0.4m within the Child Concessions budget which have been allocated against the efficiency target of £3m in year.

The full year position within Transport reflects savings within the Metro budget of £0.9m relating to the Midland Metro Subsidy and the Child Concessions budget of £0.4m offset by unbudgeted Metro car body costs of £1.8m.

To date £2.0m of a £3.0m efficiency target has been identified, made up of £1.1m within the Rail budget largely due to the timing of station openings, £0.8m within the Child Concessions budget and £0.1m within the Accessible Transport budget.

The favourable position on the Portfolios budget is due to staff vacancies, underspends on external advice and new grant income within Economic Delivery, Skills and Communities.

There remain underspends against the grants within Economic Skills and Communities totalling £27.2m to date, including AEB, Multiply, Digital Skills and UKSPF. This under-spend has reduced over the last 2 months and is expected to be recovered by the end of the year.

The full year position within Portfolios reflects new grant income within the Economy & Innovation and Health and Communities portfolios which has freed up local funding along with savings against establishment costs and external advice budgets.

Appendix 2

Transport for West Midlands Revenue Budget Position 30 November 2023

At the end of November 2023 there is a £2.2m favourable variance against budget.

	Year To Date			Full Year		
	Actual £'000	Budget £'000	Variance £000	Forecast £000	Budget £'000	Variance £000
Transport Levy	79,570	79,570	(0)	119,355	119,355	(0)
Business Rates	0	0	0	4,674	4,674	(0)
Use of Reserves	7,103	7,005	97	9,311	9,201	110
Total Funding	86,673	86,575	97	133,340	133,229	110
National Bus Concession	(29,273)	(29,296)	23	(47,279)	(47,251)	(29)
Metro / Rail	(3,052)	(3,049)	(3)	(4,576)	(4,572)	(4)
Child Concession	(3,698)	(4,125)	427	(6,423)	(7,162)	740
Concessions	(36,023)	(36,471)	448	(58,278)	(58,985)	707
Bus Stations / Infrastructure	(4,133)	(3,939)	(193)	(7,596)	(7,374)	(222)
Subsidised Network	(8,813)	(9,524)	711	(14,155)	(14,255)	100
Accessible Transport	(4,435)	(4,455)	20	(6,579)	(6,630)	51
Bus Services	(17,381)	(17,918)	538	(28,330)	(28,259)	(70)
Metro Services	(7,041)	(7,006)	(35)	(11,831)	(11,115)	(715)
Rail Services	(2,252)	(2,739)	488	(4,306)	(5,563)	1,258
Rail and Metro Services	(9,293)	(9,746)	452	(16,136)	(16,679)	543
Safety and Security	(1,833)	(1,848)	15	(924)	(867)	(57)
Passenger Information	(4,050)	(4,205)	155	(6,353)	(6,620)	267
Sustainable Travel	(1,365)	(1,255)	(111)	(2,061)	(1,891)	(170)
Integration	(7,248)	(7,308)	60	(9,338)	(9,378)	40
Network Resilience	(1,873)	(2,079)	206	(3,209)	(3,305)	97
Business and Democratic Support	(2,754)	(2,948)	194	(4,295)	(4,605)	311
Strategic Development	(2,578)	(2,736)	158	(4,431)	(4,391)	(40)
Transport Governance	(86)	(94)	8	(137)	(141)	4
Capital Finance Charges	(6,742)	(6,742)	(0)	(10,485)	(10,485)	(0)
Efficiency Target	0	0	0	1,002	3,000	(1,998)
Total Expenditure	(83,978)	(86,042)	2,064	(133,636)	(133,229)	(407)
Net Surplus / Deficit	2,694	533	2,161	(297)	0	(297)

Concessions

Savings in year within the ENCTS and Child concessions budgets are due to a lower service provision. To date savings within the ENCTS budget of £2.0m that have occurred due to a lower service provision have been transferred to a risk reserve in recognition of significant pressures around the transport network in the coming year. Savings within the Child concessions budget will be allocated to the efficiency target, it is anticipated that there will be £0.8m of savings by the end of the year.

Bus Services

The Tendered Bus Services budget has a favourable variance of £0.7m at the end of November, largely due to Local Transport (LTF) grant relating to the first quarter of the year. This is expected to be offset by an increase in contractual costs expected in the later part of the year.

Within the Bus Stations & Infrastructure budget the over-spend in year is largely due to lower departure charges in year and higher establishment costs in the short term due to an organisational restructure.

Rail & Metro

The full year position within Rail Services reflects a reduction in the operational rail budget within Transport of £1.3m largely due to the timing of the station openings. Of these savings £1.1m will be allocated to the efficiency target.

Within the Metro budget the full year position reflects car body costs of £1.4m that were not budgeted but will now be accommodated within the year partly offset by a saving against the Midland Metro Subsidy of £0.9m.

Integration

Within the Passenger Information budget there are savings mainly relating to software and bank charges that are partly offset by lower commission receivable.

The over spend within Sustainable Travel relates to the West Midlands Cycle Hire scheme due to lower than budgeted income.

Network Resilience

There is a current under-spend relating to the timing of External Advice expenditure of £0.2m.

Strategic Development

There are savings to date of £0.2m within Strategic Development which are largely due to Staff vacancies.

Efficiency Target

A £3.0m efficiency target is included within the full year budget. To date savings of £2.0m have been ear marked leaving £1.0m still to be delivered. Savings to date are within the Rail Services (£1.1m), Child Concessions (£0.8m) and the Ring and Ride (£0.1m) budgets.

Reserves

Use of reserves drawn down relate to budgeted support for the 2023/24 Transport Budget and the delivery of the West Midlands Cycle Hire scheme.

Appendix 3

West Midlands Combined Authority Portfolios Budget – November 2023

	NOVEMBER 2023 YEAR TO DATE			FULL YEAR 2023/24				
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000		
Operational Income								
Mayoral Capacity Funding	0	0	0	87	87	0	The full year position reflects budgeted investment income that will be re-prioritised. Non-Constituent member fees are lower than budgeted as Coventry & Warwickshire and The Marches LEPs have indicated their intention to withdraw non-constituent membership from WMCA resulting in an under collection of budgeted income.	
Other Revenue Income	0	250	(250)	0	500	(500)		
Notional Interest Receivable	599	529	70	898	794	104		
Business Rates Growth Income	0	0	0	7,326	7,326	0		
Contribution - 7 Met Council's	3,096	3,096	0	4,644	4,644	0		
Contribution - Non constituent members	260	280	(20)	390	420	(30)		
Total Income	3,955	4,155	(200)	13,345	13,771	(426)		
Corporate Support Recharges to Portfolios	1,864	1,854	10	(3,572)	(3,553)	(19)		
Total Expenditure	1,864	1,854	10	(3,572)	(3,553)	(19)		
Operational Income Net Total	5,819	6,009	(190)	9,773	10,218	(445)		
Economy & Innovation								
Other Industrial Strategy Income	1,697	882	815	3,724	1,323	2,401	New grant funding has been secured and activity re-aligned since the budget was set creating projected full year savings of £1.3m. The new grant income largely relates to the British Film Industry (BFI).	
Create Central Projects	160	0	160	434	0	434		
Policy and Programme Development	102	0	102	102	0	102		
IAWM	(50)	0	(50)	0	0	0		
Total Income	1,909	882	1,027	4,260	1,323	2,937		
Industrial Strategy	(1,942)	(1,344)	(598)	(4,206)	(2,016)	(2,190)		
DDCMS - Creative Scale Up	12	0	12	0	0	0		
Economic Delivery	(129)	(315)	186	(257)	(472)	215		
Create Central Projects	(160)	(610)	450	(434)	(916)	482		
Policy and Programme Development	(102)	0	(102)	(102)	0	(102)		
Funding For Growth	(467)	(467)	0	(700)	(700)	0		
Total Expenditure	(2,788)	(2,736)	(52)	(5,699)	(4,104)	(1,595)		
Economy & Innovation Net Total	(879)	(1,854)	975	(1,439)	(2,781)	1,342		
Health and Communities								
Head of Health & Communities	3	0	3	40	0	40	Savings are largely due to the vacant posts and the timing of External Advice expenditure.	
Thrive at Work	227	312	(85)	339	351	(12)		
IPS Programme	2,386	39	2,347	3,727	39	3,688		
Total Income	2,616	351	2,265	4,106	390	3,716		
Head of Health & Communities	(259)	(545)	286	(531)	(818)	287		
Thrive at Work	(227)	(262)	35	(339)	(387)	48		
IPS Programme	(2,386)	(102)	(2,284)	(3,727)	(153)	(3,574)		
Total Expenditure	(2,872)	(909)	(1,963)	(4,597)	(1,358)	(3,239)		
Health and Communities Net Total	(256)	(558)	302	(491)	(968)	477		
Employment and Skills								
Employment & Skills	32	0	32	64	0	64	The current under-spend against budget relates to vacant posts and the resultant re-profiling of external advice expenditure.	
Construction Skills	46	73	(27)	77	142	(65)		
Adult Education	87,885	108,475	(20,590)	141,395	141,391	4		
Careers	196	137	59	554	137	417		
Digital Skills	4,279	12,093	(7,814)	15,811	15,647	164		
Commonwealth Games	3	0	3	15	0	15		
European Structural & Investment Funding	858	863	(5)	967	994	(27)		
Multiply	1,192	4,287	(3,095)	5,849	5,838	11		
UKSPF	9,397	8,467	930	19,315	14,252	5,063		
Health Foundation	91	297	(206)	304	417	(113)		
DBT Growth Hub	234	0	234	670	0	670		
Total Income	104,213	134,692	(30,479)	185,021	178,818	6,203		
Employment & Skills	(776)	(1,086)	310	(1,310)	(1,649)	339		
Construction Skills	(46)	(73)	27	(77)	(142)	65		
Adult Education	(87,885)	(108,475)	20,590	(141,395)	(141,391)	(4)		
Careers	(196)	(137)	(59)	(554)	(137)	(417)		
Digital Skills	(4,279)	(12,093)	7,814	(15,811)	(15,647)	(164)		
Commonwealth Games	(3)	0	(3)	(15)	0	(15)		
European Structural & Investment Funding	(858)	(863)	5	(967)	(994)	27		
Multiply	(1,192)	(4,287)	3,095	(5,849)	(5,838)	(11)		
UKSPF	(9,397)	(8,467)	(930)	(19,315)	(14,252)	(5,063)		
Health Foundation	(91)	(297)	206	(304)	(417)	113		
DBT Growth Hub	(234)	0	(234)	(670)	0	(670)		
West Midlands 5G	(417)	(417)	0	(625)	(625)	0		
Total Expenditure	(105,374)	(136,195)	30,821	(186,892)	(181,092)	(5,800)		
Employment and Skills Net Total	(1,161)	(1,503)	342	(1,871)	(2,274)	403		
Levelling Up								
Office of Data Analytics	60	0	60	60	0	60	The current under-spend against budget relates to vacant posts and the resultant re-profiling of external advice expenditure. The forecast over-spend relates to new roles.	
Head of Policy & Public Affairs	92	37	55	89	60	29		
Commonwealth Games Legacy Fund	5,113	0	5,113	23,719	0	23,719		
Total Income	5,265	37	5,228	23,868	60	23,808		
Office of Data Analytics	(173)	(104)	(69)	(175)	(180)	5		
Executive Director of Strategy, Integration and Ne	(267)	(225)	(42)	(494)	(351)	(143)		
Head of Research & Intelligence	(173)	(208)	35	(471)	(350)	(121)		
Head of Policy & Public Affairs	(295)	(375)	80	(588)	(558)	(30)		
Commonwealth Games Legacy Fund	(5,113)	0	(5,113)	(23,719)	0	(23,719)		
Public Affairs	(89)	(113)	24	(134)	(169)	35		
Total Expenditure	(6,110)	(1,025)	(5,085)	(25,581)	(1,608)	(23,973)		
Levelling Up Net Total	(845)	(988)	143	(1,713)	(1,548)	(165)		

	NOVEMBER 2023 YEAR TO DATE			FULL YEAR 2023/24			
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000	
Inclusive Communities							
Homelessness	366	261	105	464	470	(6)	The current under-spend against budget relates to vacant posts and the resultant re-profiling of external advice expenditure.
Total Income	366	261	105	464	470	(6)	
Head of Systems Change & Inclusion	(171)	(226)	55	(299)	(371)	72	
Youth Combined Authority	(142)	(162)	20	(312)	(278)	(34)	
Homelessness	(412)	(302)	(110)	(506)	(509)	3	
Inclusion	(114)	(127)	13	(249)	(260)	11	
Total Expenditure	(839)	(817)	(22)	(1,366)	(1,418)	52	
Inclusive Communities Net Total	(473)	(556)	83	(902)	(948)	46	
Culture and Digital							
Culture	91	204	(113)	277	272	5	The current under-spend against budget relates to vacant posts and the resultant re-profiling of external advice expenditure.
Tourism, Trade and Investment Programme	1,303	407	896	1,391	407	984	
DCIA	34	0	34	0	0	0	
Total Income	1,428	611	817	1,668	679	989	
Culture	(167)	(319)	152	(461)	(446)	(15)	
Digital	(95)	(149)	54	(222)	(215)	(7)	
Tourism, Trade and Investment Programme	(1,303)	(407)	(896)	(1,391)	(407)	(984)	
DCIA	(34)	0	(34)	0	0	0	
Total Expenditure	(1,599)	(875)	(724)	(2,074)	(1,068)	(1,006)	
Culture and Digital Net Total	(171)	(264)	93	(406)	(389)	(17)	
Environment & Energy, HS2							
Environment	348	225	123	967	336	631	The forecast over-spend largely relates to establishment costs.
Community Green	301	277	24	330	353	(23)	
Total Income	649	502	147	1,297	689	608	
Environment	(663)	(720)	57	(1,978)	(1,201)	(777)	
Community Green	(301)	(277)	(24)	(330)	(353)	23	
Total Expenditure	(964)	(997)	33	(2,308)	(1,554)	(754)	
Environment & Energy, HS2 Net Total	(315)	(495)	180	(1,011)	(865)	(146)	
Energy Capital							
Energy Capital	215	208	7	240	284	(44)	The current underspend relates to the profiling of external advice spend. New grant income has been secured within Net Zero Neighbourhood.
Net Zero Neighbourhood	1,567	0	1,567	1,413	0	1,413	
Total Income	1,782	208	1,574	1,653	284	1,369	
Energy Capital	(412)	(418)	6	(582)	(670)	88	
Net Zero Neighbourhood	(1,597)	(40)	(1,557)	(1,462)	(60)	(1,402)	
Total Expenditure	(2,009)	(458)	(1,551)	(2,044)	(730)	(1,314)	
Energy Capital Net Total	(227)	(250)	23	(391)	(446)	55	
Housing & Regeneration							
Director of Housing & Regeneration	1,334	1,225	109	1,854	1,837	17	The position is largely in line with budget.
Total Income	1,334	1,225	109	1,854	1,837	17	
Director of Housing & Regeneration	(1,334)	(1,225)	(109)	(1,854)	(1,837)	(17)	
Total Expenditure	(1,334)	(1,225)	(109)	(1,854)	(1,837)	(17)	
Housing & Regeneration Net Total	0	0	0	0	0	0	
Portfolio Net Total	1,492	(459)	1,951	1,549	0	1,549	

Appendix 4

West Midlands Combined Authority Mayoral Budget – November 2023

	NOVEMBER YEAR TO DATE			FULL YEAR 2023/24		
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000
Other Grants	535	593	(58)	860	894	(34)
Other Income	51	52	(0)	103	52	51
TOTAL INCOME	586	645	(59)	963	945	17
Staff Costs	516	559	43	802	839	(37)
Travel & Subsistence	10	26	16	46	43	3
Other	9	8	(1)	12	12	(0)
Mayoral Events	51	45	(6)	103	52	51
TOTAL EXPENDITURE	586	638	52	964	946	17
NET MAYORAL BUDGET	0	7	(6)	0	0	0

Within the Mayoral Office there are savings against the Staffing budget to date which are offset by lower draw down of grant.

Appendix 5

WMCA Consolidated Capital Programme Year to Date Position

Note: Commentary only provided where Variance is +/=£200k

WMCA Delivered Schemes

£000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
Metro Birmingham Eastside Extension	25,925	43,467	17,541	49,598	65,007	15,409	The forecast variance reflects funding available for Target Cost 2 (TC2) and changes in delivery scope. 2023/24 expenditure will be significantly reduced largely due to land which will not be vested until later in the Programme alongside reduced construction and utilities works.
Metro Network Enhancements	6,412	14,899	8,487	14,115	27,066	12,951	There is an in year under-spend relating to the advance work package due delays to agreeing certain technical features and the completion of detailed design on the Wednesbury Depot project (£3m). There is also a prolonged procurement challenge on Metro Line 1 renewals project resulting in a £1.7m deferment into next financial year. A further £1.3m has been deferred to next financial year on the Traction Power Phase 2 project due to the updated phasing from the approved Target costs in May 2023.
Metro Edgbaston Extension	1,789	3,042	1,253	3,440	3,665	224	Current underspend as a result of revised delivery schedule. Year to date underspend largely due to construction, design and contingency not used.
Metro Wednesbury to Brierley Hill Extension	59,673	64,295	4,622	103,477	97,997	(5,480)	Variance largely because construction works have progressed slightly quicker than anticipated.
Metro Wolverhampton City Centre Extension	4,968	8,020	3,052	9,432	9,432	(0)	Largely due to the timing of payment for land that has been acquired and the timing of contingency drawdown and activity within the urban realm budget.
Buy Before Boarding	1,127	2,985	1,857	3,644	5,210	1,566	TC2 approval was obtained later than originally anticipated and Ticket vending machine (TVM) payments are expected next financial year.
Metro Centenary Square Extension	51	617	566	108	617	509	The current underspend due to revised delivery schedule and is expected to be recovered over the year.
Metro - Other	1,977	3,091	1,114	1,760	4,073	2,313	The full year variance reflects the latest delivery programme in relation to Smart tram works.
Total Metro Schemes	101,923	140,416	38,492	185,574	213,066	27,492	
Page 78 £000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
Rail Stations	6,846	11,661	4,815	12,166	12,189	23	The current under-spend is largely due to compensation events relating to University Station (£1.5m) where evidence has not been provided by the contractual partner. £3.2m underspend on the Perry Barr rail station largely due to non utilisation of the contingency and physical construction costs differed to end Q3.
Rail Package 1	6,881	6,713	(168)	16,134	16,134	(0)	
Park and Ride	0	4	4	250	500	250	The SOC submitted by Coventry City Council earlier this year (post budget) has provided us with a breakdown of the CRSTS fund phasing for this project. Only £250k is expected to be spent this financial year and the rest of the approved funding next year.
Rail Package 2	20,897	22,360	1,463	36,944	36,944	(0)	Variances largely due to construction partner full costs has been not reflected as project team are awaiting for the updated costs information.
Very Light Rail	0	225	225	225	600	375	Minor variance is due recruitment process timing differences.
Rail Development	0	0	0	0	100	100	
Dudley Port Integrated Transport Hub	41	335	294	129	450	321	The current variance reflects the latest programme schedule.
Aldridge Station	50	1,123	1,073	1,018	2,015	996	The variance from budget reflects the timing of the Strategic Outline Business Case approval.
Rail - Other	2	191	189	177	359	182	
Total Rail Schemes	34,718	42,612	7,894	67,042	69,290	2,247	
£000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
National Productivity Investment Fund	981	1,158	177	1,170	1,170	0	
Clean Bus	902	1,124	222	4,766	6,226	1,461	Forecast variance due to Coventry Electric Bus City WMTL single decker bus project detail yet to be agreed with has resulted in the slippage into next financial year.
Cross City Bus	807	1,749	942	2,469	2,508	39	The timing of activity means that costs are expected to accelerate in the later part of the year.
East Birmingham to Solihull Corridor	84	277	193	311	499	189	
BSIP Bus Priority Cross City Routes	733	2,328	1,595	1,793	3,110	1,317	Variance is largely due to BSIP Cross City priority (Package 5 Harborne to Castle Bromwich), design work contract process is expected to complete by the end of the year.
Bus Station/Interchange	1,507	1,894	387	2,935	3,139	204	Underspend against the YTD budget mainly due to design work developed to RIBA (Royal Institute of British Architects) stage 4 and land acquisition works happening slower than anticipated.
Demand Responsive Bus	0	4	4	0	6	6	
BSIP Retrofit Programme	0	0	0	500	500	0	
Total Bus Schemes	5,014	8,535	3,521	13,944	17,159	3,216	

WMCA Delivered Schemes

£000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
Hagley Road	46	693	646	485	2,420	1,935	Variance is largely due to timing of the budget profile , forecast reflects the current financial year spend.
Hall Green to Interchange via Solihull	0	101	101	202	202	0	
Longbridge to Birmingham	0	38	38	57	57	0	
Sprint Ph2 A45	3,442	4,610	1,168	4,311	8,202	3,890	
Sprint Ph2 A34	1,518	2,979	1,461	3,506	7,465	3,959	Variance largely due to timing, including slippage on design costs and utility costs are differed into next financial year.
Sprint A45	627	1,126	499	663	1,420	757	
Sprint A34	534	(228)	(761)	131	304	173	
Hagley Road Rapid Transit	0	0	0	600	0	(600)	Variance largely due to forecast phasing, this expected to be in line with forecast by the end of the year.
Total Sprint Schemes	6,167	9,319	3,152	9,955	20,070	10,115	

£000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
Air Quality	0	0	0	0	990	990	Due to the national review conducted by DEFRA, the budget has been deferred to next financial year.
Better Streets Community Fund	91	0	(91)	141	141	0	Minor Variance
Electric Vehicles	237	1,950	1,713	5,392	5,614	222	Primarily due to the Ultra Rapid Charging Transit station where the acquisition of land is later than anticipated. There is potential for up to 3 sites to be acquired by the end of the financial year, there are ongoing discussion with site owners and land acquisition specialists.
Priority One Development	221	253	32	690	690	(0)	
Walk Cycle Bus	0	0	0	0	0	0	
Swift ceMV Contactless Payment Broker	936	2,108	1,172	1,299	4,082	2,783	Variance reflects the latest expected contracts award date costs and roll out of TVM (ticket Vending Machine).
Total Sustainable Travel	1,485	4,311	2,825	7,522	11,517	3,995	

£000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
MRN/MRN	32	250	218	607	607	(0)	Project costs have been deferred to next financial year, this will be reflected in the next re-forecast.
Highways - Other	488	825	337	1,736	1,891	154	The original budget assumed the business case would be approved earlier. As this has taken longer than anticipated, the project is still in the development phase. Following procurement activities, the project is now expected to commence in January 2024
Total Highways	520	1,075	555	2,344	2,498	154	

£000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
FMZ	1,659	3,506	1,847	3,120	5,600	2,480	Variance largely comprises FTZWP3.4 - Digital Twins ,the Regional Strategic Modelling and Insight Tool (£500k). Build phase is 18 months with completion of the project expected 2025 and FTZW5.2 waiting for planning approval for the cross street site , post approval hub design and development will be beginning in Q4.
RTCC	1,740	3,201	1,461	3,856	3,856	0	The YTD variance is due to the timing of the Mobility as a Service (MaaS) app development
RTI	(9)	177	186	584	584	0	
Scheme Development and M and E	559	930	372	1,112	1,688	576	Variance driven by vacant posts where recruitment has not yet taken place.
Digital and Data - Other	222	337	115	337	337	0	
Total Digital & Data	4,171	8,152	3,981	9,009	12,065	3,056	

WMCA Delivered Schemes

£000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
Asset Management	958	1,367	409	2,188	2,188	0	Variance due to Real Time Information (RTI) due later than anticipated work on content management system now included in the project. In addition bus shelter programme is behind schedule due to supplier prioritising other main projects for WMCA.
Transport - Other	0	0	0	49	49	0	
Total Other	958	1,367	409	2,237	2,237	0	
Total Transport Capital Programme	154,957	215,786	60,829	297,627	347,902	50,275	
£000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
Brownfield Land Fund	2,010	14,459	12,449	6,297	31,472	25,175	This variance is driven by a number of projects including Stratford Gateway, which is a pipeline project not yet approved, where the timing of activity is driving the variance.
Housing Land Fund	1,874	2,519	645	4,039	5,719	1,680	The variance is largely due a transfer of project support costs between LF Pipeline and BHF Pipeline and NCF Pipeline.
National Competitive Fund	189	1,795	1,606	222	2,568	2,347	The variance is largely due a transfer of project support costs between LF Pipeline and BHF Pipeline and NCF Pipeline.
Land Remediation Fund	12,601	21,739	9,138	25,223	27,689	2,466	In the main the variance reflects the latest delivery programme relating to the Phoenix 10 scheme within the Black Country Land and Property Investment Fund.
Total Housing & Regeneration Schemes	16,674	40,511	23,837	35,780	67,448	31,668	
£000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
Social Housing	5,389	4,979	(410)	6,029	6,029	0	Variance largely attributed due to under estimated budgeted by registered providers.
Sustainable Warmth	499	1,621	1,122	586	1,621	1,035	Variances mainly due to private residents dropping out of the programme and there has also been difficulty with the supply chain on external wall installation due to timescales and national demand.
Net Zero - Other	0	33	33	158	158	0	
Total Net Zero Schemes	5,889	6,633	745	6,772	7,807	1,035	
Total WMCA Delivered Schemes	177,519	262,931	85,411	340,179	423,157	82,978	

Externally Delivered Schemes

£000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
Rail - External							
Very Light Rail - External	2,545	2,820	276	8,607	6,329	(2,277)	This project is retained by DfT, who in Summer 2023 confirmed the release of further funding to be immediately available to the project, thus the annual forecast to budget variance is not indicative of cost over runs. This has allowed an acceleration of forecast works and expenditure. £Nil funding presently approved. Expenditure budgeted to be incurred from October 23 now deferred and expected to commence from January 2024. An OBC submissions from SMBC to WMCA is expected imminently, for review and appraisal.
Solihull Rail Station	0	250	250	0	750	750	
Total Rail	2,545	3,070	526	8,607	7,079	-1,527	
Bus - External							
East Birmingham to Solihull Corridor - External	132	267	135	750	1,000	250	The latest Local Authority return has pushed expenditure into 24/25. Funding for Dorridge Bus Priority is yet to be formally approved due to CRSTS re-baselining exercise. Therefore, capital expenditure is now expected to be incurred from 2024/25 financial year onwards.
UKC - Solihull - Dorridge Bus Priority	0	167	167	0	500	500	
Total Bus	132	433	301	750	1,500	750	
Grants to Local Authorities - Transport							
City Centre Regeneration	7,586	45,463	37,877	12,886	51,688	38,802	Variance primarily due to Coventry City Centre South Regeneration reflecting the latest delivery schedule in regard to the acquisition of land necessary for assembly of the project and completion of demolition works.
Cycling and Walking	1,951	4,441	2,490	10,842	10,981	139	Actual Variance comprises ATF3- SAN321 -Phase 1 Wednesbury Brierley Hill Extension - local connections for cycling and walking, schemes are starting later than anticipated and ATF3- SOL321-Solihull - Walking Improvements actual claim is lower than budgeted.
Highways	980	1,879	899	2,291	2,291	(0)	Minor variance on the variance different projects, costs are expected to accelerate in the later part of the year.
Highways Maintenance	18,465	18,465	0	27,697	27,697	0	
Local Network Improvement Plan	10,690	10,690	0	16,035	16,035	0	
Very Light Rail - External Grants	0	0	0	0	0	0	
Grants to Local Authorities - Other	1,796	2,452	656	4,138	5,150	1,012	An overarching change request for the UK Central Infrastructure Package was approved by Investment Board earlier this year and has resulted in some current year spend being deferred to future years
HS2 Enabling	983	1,840	857	1,930	4,464	2,534	Due to central government deciding to no longer go ahead with HS2 phase 2, the related HS2 projects are deferring spend to next year while a review of the HS2 programme is being undertaken. There are also several change requests being processed which contribute to project cost slippage.
Grants to Local Authorities - Transport	42,451	85,230	42,779	75,819	118,306	42,487	

Externally Delivered Schemes

Sustainable Travel - External	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
Electric Vehicles - External	83	1,206	1,123	114	3,389	3,275	Forecast variance - CRSTS Wolverhampton CC Walk, Cycle and Bus Package £4.0m deferred to next financial year. CRSTS - CRNaC - Foleshill Transport Package £2.8m reduction in forecast due to development phase deferred next financial year.
Sutton Coldfield Gateway	0	200	200	1,000	1,000	0	
Active Travel - A45 Segregated Cycleway	0	200	200	467	700	233	
A38 Selly Oak to Longbridge Segregated Cycling	0	300	300	300	700	400	
City Centre Active Travel Connections to Interchange	0	140	140	140	410	270	
One Station and Smalbrook Queensway	0	300	300	0	1,000	1,000	
Snow Hill Growth Strategy	0	350	350	0	750	750	
Foleshill Transport Package	186	912	726	570	4,038	3,468	
Cov South Sustainable Transport	414	1,924	1,510	1,742	4,356	2,614	
Dudley Town Centre Interchange Sustainable Connectivity Package	0	0	0	0	0	0	
Stourbridge Town Centre Sustainable Connectivity Package	0	0	0	200	0	(200)	
Wednesbury to Brierley Hill Extension Sustainable Access Measures	0	0	0	0	0	0	
A461 Walk, Cycle and Bus Corridor	113	111	(2)	200	200	(0)	
Smethwick - Birmingham Inclusive Growth Corridor Transport Package	0	333	333	350	1,000	650	
Chester Road Corridor - Segregated Cycleway and Capacity Enhancement	0	67	67	200	200	(0)	
Dickens Heath to Solihull Town Centre LCWIP Scheme	0	367	367	300	1,100	800	
Knowle to Solihull Town Centre LCWIP Scheme	0	333	333	300	1,000	700	
Multi-modal Access to HS2 Enhancement	0	83	83	0	250	250	
Bus, Cycle and Walk Access - Darlaston and Willenhall Train Stations	0	67	67	0	200	200	
A454 Walk, Cycle and Bus Corridor	40	867	827	890	2,600	1,710	
A41 Moxley Iron Park to Walsall Town Centre Walk, Cycle and Bus Corridor	0	100	100	450	300	(150)	
Bus, Cycle and Walk Access - Walsall Town Centre Interchange	0	0	0	0	0	0	
Black Country Walking and Cycling Package	0	667	667	0	2,000	2,000	
A4123 Walk, Cycle and Bus Corridor	298	267	(31)	500	800	300	
A449 Walk, Cycle and Bus Corridor	210	545	335	700	1,635	935	
Wolverhampton City Centre Movement - Walk, Cycle and Bus Package	0	1,333	1,333	0	4,000	4,000	
Sustainable Travel - External	1,345	10,672	9,327	8,424	31,629	23,205	
Total Transport Schemes	46,473	99,406	52,933	93,600	158,515	64,915	
£'000's	YTD			Full Year			Commentary
	Actual	Budget	Variance	Forecast	Budget	Variance	
UKSPF Communities & Place	3,807	4,489	683	7,922	8,972	1,050	Substantive spend will be in latter part the financial year. Forecast variance due to a change request is in process with the funder as we will not be spending £30m on capital. The forecast and budget is based on what they will be spending.
CoW Technical Centre	1,679	2,934	1,254	4,458	6,198	1,739	Variance reflects a revised delivery programme partly due to the discovery of a mine shaft on site and the need for further planning and design.
Total Economic Delivery, Skills & Communities Schemes	5,486	7,423	1,937	12,381	15,169	2,789	
Total Externally Delivered Schemes	51,959	106,829	54,870	105,980	173,684	67,704	
Total Capital Programme	229,478	369,760	140,282	446,159	596,841	150,683	

Appendix 6

Compliance with Treasury and Prudential Limits

It is a statutory duty for WMCA to determine and keep under review its affordable borrowing limits. During the *period ended* 30th November 2023, the Authority has operated within the treasury and prudential indicators set out in the Authority's Treasury Management Strategy Statement and Capital Strategy for 2023/24. The Director of Finance reports that no difficulties are envisaged for the current or future years in complying with these indicators.

All treasury management operations have also been conducted in full compliance with the Authority's Treasury Management Practices.

Treasury Management Indicators

£M	Treasury Management Strategy Indicator 2023/24	As at 30.11.2023
Authorised Limit for External Debt ¹	1,032	1,032
Operational Boundary for External Debt ²	982	982

£M	Budget 2023/24	As at 30.11.2023
Forecast Gross External Debt as at 31.03.2024	598	598
Forecast Investments as at 31.03.2024	375	728
Net Borrowing (Gross External Debt LESS Forecast Investments)³	223	(130)

¹ The **Authorised Limit** is a statutory limit determined under Section 3(1) of the Local Government Act 2003 for English and Welsh authorities. The Authority has no legal power to borrow in excess of the limits set. Revision of this Indicator would need to be approved by a full Board meeting in advance of any external debt taken on in excess of the limit then in force. The Authorised Limit reflects a level of external debt that, whilst not desired, could be afforded by the Authority in the short-term, but which is not sustainable in the longer-term. The Indicators for the Operational Boundary and Gross debt and the CFR will both be set below the level of the Authorised Limit.

² The **Operational Boundary** is the limit beyond which external debt is not normally expected to exceed. Unlike the Authorised Limit, the Operational Boundary is not an absolute limit, but it reflects the Authority's expectations of the level at which external debt would not ordinarily be expected to exceed.

³ **Net Borrowing** - gross external debt less investment balances - is forecast to fall during the year as investment levels have risen as a consequence of capital expenditure slippage from 2022/23.

Maturity Structure of Borrowing: The Authority is required to set gross limits on maturities for the periods shown and covers both fixed and variable rate borrowings. The reason being to try and control the Authority's exposure to large sums falling due for refinancing.

	Upper Limit	Lower limit	Actual
Under 12 months	75%	0%	8%
12 months and within 24 months	50%	0%	2%
24 months and within 5 years	70%	0%	8%
5 years and within 10 years	70%	0%	23%
10 years and above	70%	0%	59%

Principal sums invested for periods longer than a year: The purpose of this indicator is to control WMCA's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end are:

£M	2023/24	2024/25	2025/26
Limit on principal invested longer than a year	25	25	25
Actual	5	5	5

Prudential Indicators

£'000	2023/24 Budget	31.03.2023 Actual	As at 30.11.2023
Capital Expenditure	593,915	347,014	168,569
Capital Financing Requirement (CFR)	840,258	624,191	707,373
Annual/(YTD) Change in CFR	216,017	63,621	83,182
In year borrowing requirement	100,000	65,000	100,000
Ratio of financing costs to net revenue stream ⁴	-1.71%	1.22%	-5.20%

⁴ The ratio shows the estimated annual revenue costs of borrowing, less net interest receivable on investments, as a proportion of annual income from constituent members - levy and fees - and central government (net revenue stream). WMCA has a negative budgeted ratio for 2023/24 as interest receivable on investments exceeds interest payable on loans and Minimum Revenue Provision (MRP.)

Figures are subject to adjustments and sign-off from external auditors.

Appendix 7

Total Regional Investment Programme Expenditure – September 2023

PROGRAMME	COST TO COMPLETION			
	PRIOR PERIOD SPEND	2023 / 2024 FORECAST OUTTURN	FUTURE YEARS FORECAST	TOTAL FORECAST OUTTURN
	£000	£000	£000	£000
COVENTRY UKC PLUS	274,802	8,643	430,657	714,103
SPRINT PROGRAMME	96,982	1,537	193,837	292,356
RAIL PROGRAMME	73,367	56,755	104,242	234,364
METRO PROGRAMME	603,798	164,555	1,130,985	1,899,338
UK CENTRAL INFRASTRUCTURE PACKAGE	220,076	19,320	1,126,238	1,365,634
UK CENTRAL HS2 INTERCHANGE	43,346	2,189	582,208	627,742
HS2 GROWTH STRATEGY TOTAL	1,312,371	252,998	3,568,168	5,133,537
COVENTRY CITY CENTRE SOUTH REGENERATION	87,587	19,583	263,445	370,615
INNOVATION PROGRAMME	43,265	2,044	151,630	196,939
LAND RECLAMATION AND REMEDIATION	67,381	25,227	107,392	200,000
COMMONWEALTH GAMES 2022	78,348	-	-	78,348
EMPLOYMENT, EDUCATION & SKILLS	1,312	-	18,687	20,000
BUSINESS AND TOURISM PROJECT - BATP	22,533	1,415	-	23,948
COVENTRY ELECTRIC BUS CITY	21,273	3,480	114,747	139,500
REGIONAL RECOVERY & RISKS	13,393	7,847	28,667	49,906
COLLECTIVE INVESTMENT FUND	123,482	36,335	840,183	1,000,000
OTHER INVESTMENT PROGRAMME SCHEMES	458,573	95,932	1,524,751	2,079,256
GRAND TOTAL	1,770,945	348,930	5,092,919	7,212,793

Appendix 8

WMCA Investment Programme Commitments – November 2023

(£'000)	WMCA IP Commitments	
WMCA Investment Programme Commitment	Approved Commitments	Actual Spend To Date
Coventry UK Central Plus	94,805	94,344
Sprint Programme	47,034	43,080
Rail Programme	63,026	25,371
Metro Programme	227,030	115,722
UK Central Infrastructure Package	35,128	28,434
UK Central HS2 Interchange	57,539	42,552
Subtotal - HS2 Growth Strategy	524,562	349,503
Coventry City Centre South Regeneration	149,954	67,386
Innovation Programme	16,131	14,997
Land Reclamation and Remediation	103,040	73,672
Commonwealth Games 2022	25,000	25,000
Employment, Education & Skills	1,312	1,312
Business and Tourism Project - BATH	2,600	2,094
Coventry Electric Bus City	5,000	604
Regional Recovery & Risks	26,150	15,132
Subtotal - Other IP Schemes	329,187	200,198
Grand Total	853,749	549,701

Appendix 9

WMCA CRSTS Programme Commitments – November 2023

CRSTS COMMITMENTS (£m)		Funding Approved	Spent to Date
WMCA Delivered Schemes	Bus	96.53	0.88
	Digital and Data	7.00	0.38
	LNIP Top Slice	27.33	5.47
	Metro	275.00	50.73
	Rail	75.63	0.05
	Sprint	92.50	35.10
	Sustainable Travel	40.60	0.90
Total WMCA Delivered Schemes		614.59	93.49
Externally Delivered Schemes	Bus	21.90	0.14
	Rail	65.00	5.73
	Sustainable Travel	313.60	1.97
Total Externally Delivered Schemes		400.50	7.83
Grants to LAs	Highways Maintenance	130.40	36.12
	Local Network Improvement Plan	80.18	24.05
Total Grants to Local Authorities		210.58	60.17
CRSTS TOTAL		1,225.66	161.50

Appendix 10

WMCA Administered Funds – November 2023

Funding Stream	Grant Awarded £'000	Spend to Date £'000	Purpose
Midlands Connect	35,867	31,913	Revenue funding. Midlands Connect researches, develops and progresses transport projects that will benefit the region, its people and its businesses. The overall ambition is to make the Midlands region fairer, greener and stronger for everyone who lives here. <i>Note funding is accumulative since 2017</i>
One Public Estate	1,903	1,098	Revenue funding. Agreed by WMCA Board that WMCA would assume accountable body status for this grant award, which is delivering various projects to secure more from public sector assets through collective action.
Active Travel Fund - Capital	39,075	8,761	Funding awarded to external local authorities for the delivery of an array of capital schemes to support the production of cycling and walking facilities throughout the region.
Active Travel Fund - Revenue	1,157	669	Revenue funding to support the above.
Total	78,002	42,441	

Appendix 11

WMCA Balance Sheet – November 2023

	30 November 2023 £'000	31 October 2023 £'000	Movement £'000
Property, plant and equipment	804,321	794,280	10,041
Intangible assets	1,018	1,114	(95)
Investments	71,877	68,859	3,018
Loan Receivables	15,891	15,891	-
Long-term assets	893,107	880,144	12,963
Short-term debtors	94,839	99,926	(5,087)
Short-term deposits	905,038	994,538	(89,500)
Cash and bank	2,365	2,557	(192)
Current assets	1,002,242	1,097,021	(94,779)
Loans - interest due	(2,596)	(4,181)	1,585
Short-term loans	(20,000)	(53,400)	33,400
Short-term creditors/accruals	(133,280)	(145,770)	12,490
Current liabilities	(155,876)	(203,351)	47,475
Net current assets	846,366	893,670	(47,304)
Provisions	(5,486)	(5,468)	(18)
Loans - PWLB	(485,541)	(487,823)	2,282
Other long-term loans	(110,000)	(110,000)	-
Dudley MBC	(3,670)	(3,670)	-
Grants receipts in advance	(603,891)	(615,634)	11,743
Long-term liabilities	(1,208,588)	(1,222,595)	14,007
Net assets	530,885	551,219	(20,334)
General fund balance	8,596	8,968	(372)
Earmarked reserves	362,695	373,332	(10,637)
Capital receipts reserve	3,994	3,994	-
Usable reserves	375,285	386,294	(11,009)
Revaluation reserve	5,933	5,933	-
Deferred capital grants account	860,817	850,871	9,945
Capital financing account	(707,330)	(688,059)	(19,271)
Financial Instruments Adjustment Account	(2,830)	(2,830)	-
Accumulated absences account	(990)	(990)	-
Unusable reserves	155,600	164,926	(9,326)
Total reserves	530,885	551,219	(20,334)

This page is intentionally left blank



WMCA Board

Date	12 January 2024
Report title	European Athletics Championships 2026
Portfolio Lead	Finance - Councillor Bob Sleigh
Accountable Chief Executive	Laura Shoaf, Chief Executive email: laura.shoaf@wmca.org.uk
Accountable Employee	Ed Cox, Executive Director Strategy, Economy & Net Zero email: ed.cox@wmca.org.uk

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Agree to support the continued delivery of the European Athletics Championships 2026 (EAC) through the CWGLEF contribution as agreed by WMCA Board on 17th March and in light of the subsequent changes to the Full Business Case (FBC) agreed at Investment Board on 18th June 2023.
- (2) Agree to the request from Birmingham City Council to repurpose £3m allocated for the Grassroots Sports Programme towards the EAC direct delivery costs, and to note the associated impact on community benefit.
- (3) Agree to support the re-profiling of £4.5m expenditure from 2023-24 into 2024-25 subject to HMG approval. Note that all funds are still required to be spent by 31 March 2025 in line with the terms and conditions set out in the funding agreement between DCMS and WMCA.
- (4) Consider an additional £0.6m of CWGLEF funding generated from underspend within the Sandwell Aquatic programme towards the projected £2.2m shortfall in the current EAC direct delivery budget. (It is noted that this is not in line with the prior directions of the WMCA Board or the process for allocation of underspends agreed by WMCA Board on 17th March 2023 so is outside of officer delegations).

- (5) Note that the proposed joint venture for delivery of the EAC will be between BCC and UK Athletics with no formal legal role for the WMCA which includes no financial underwrite commitment.
- (6) Delegate final sign-off of the CWGLEF funding agreement between BCC and WMCA to the Executive Director of Strategy, Economy and Net Zero in consultation with the WMCA Monitoring Officer and S151 Officer. Any such agreement will reflect the grant conditions imposed on WMCA by DCMS, together with any additional conditions deemed necessary to safeguard WMCA's position.

1. Purpose

- 1.1 In March 2023, WMCA Board allocated £13.7m of the Commonwealth Games Legacy Enhancement Fund (CWGLEF) to Birmingham City Council (BCC) in order to ensure the delivery of the 2026 European Athletics Championships (EAC) at Alexander Stadium as a legacy of the Birmingham 2022 Commonwealth Games. £10.7m was agreed for works to Alexander Stadium and £3m towards delivery of a Grassroots Sports Programme.
- 1.2 As a result of the S114 notice, the Council's current financial circumstances and the views of Commissioners, BCC is now seeking to re-profile the allocated funding across the life cycle of the Fund. They are also seeking to alter the way funding is allocated, with £10m now being invested in the Stadium and £3.7m to be utilised for direct delivery costs for the EAC. The commitment to deliver £3m for grassroots sports will not be delivered from the CWGLEF. BCC is also proposing to mobilise the EAC through a joint venture arrangement with a consortium of partners including UK Athletics.
- 1.3 These are sufficiently significant changes from both the WMCA Board paper on the full CWGLEF approved 17th March 2023 and the original Full Business Case for the EAC programme specifically (agreed at Investment Board on June 19th 2023) to require formal agreement by the WMCA board. In addition, the re-profile of funding will require formal agreement from HMG. Confirmation of regional support for BCC's proposals was provided as a result of discussions at Mayor and Portfolio Leads meeting on 11th November 2023 to allow internal government deadlines to be met. However, WMCA must now formally agree to the re-profile and re-purposing of the £13.7m.
- 1.4 Furthermore, Birmingham City Council are unable to provide their match funding contribution towards the overall EAC event leaving a shortfall of £2.2m in the EAC direct delivery budget. All EAC partners, including the WMCA, are being asked to consider whether they can make further contributions to bridge this gap. The March 2023 Board paper allocated £2m to Sandwell Aquatics to support running cost pressures however the FBC approved on 16th October 2023 Investment Board approved £1.4m with release of £0.6m as underspend. The WMCA has been asked by DCMS to consider whether it might contribute the £0.6m underspend to the EAC shortfall.
- 1.5 WMCA Board should note that failure to secure the £13.7m through the re-profiling mechanism and the additional contributions from partners would seriously jeopardise the delivery of the event.

1.6 These decisions are time-critical as the EAC Board meets on 17th January 2024 to consider the proposed Joint Venture arrangement and should it not be satisfied that funding arrangements are in place it is likely to recommend reconsideration of Birmingham's hosting.

2. Background

2.1 Birmingham City Council (BCC) and UK Athletics (UKA) entered into the Organiser Agreement contract with European Athletics (EA) in November 2022. A request for funding from the CWGLEF administered by the WMCA, with a total value of £13.7m as a contribution to total estimated delivery costs of c.£25m, was subsequently approved by WMCA Board in March 2023. A Full Business Case progressed through the SAF process and was agreed by WMCA Investment Board in June 2023.

2.2 As is the norm for major sporting events, the majority of expenditure would be incurred in the immediate lead-up to the Championships, with only limited expenditure on planning / readiness etc. incurred much more than 12 months in advance of the event itself. To reflect this mismatch between the timing of direct expenditure on the Championships and the availability of CWG Legacy funding, it was agreed that a "resource swap" would be supported, with the Council utilising the investment from the WMCA to fund other (broadly linked) Council expenditure that was planned, with the displaced Council funding then utilised to fund an equivalent value of expenditure relating to the Championships from 1 April 2025. The two key projects that were initially identified for this resource swap were the Alexander Stadium / Perry Park Legacy Investment Project, and a Grassroots Sports Programme.

2.3 As a result of the changing circumstances at BCC with the S114 notice and the arrival of Commissioners, BCC cannot proceed with the event as originally envisaged, and now need to make 3 key changes to their original proposal:

- The delivery of the event via joint venture, which will materially alter BCC's role within the delivery of the EAC.
- A reprofile of funding between financial years which will require formal approval from HMG. Due to the magnitude WMCA would not be able to fulfil the grant condition in the CWGLEF funding agreement with DCMS to spend 30% of the total funding in 2023/24.
- A change to the allocation of funding which will remove £3m of direct funding from the CWGLEF to support the named grassroots sport programme, resulting in c£10m being spent on legacy works to Alexander Stadium and £3.7m on direct delivery costs for the EAC.

2.4 Additional financial information and high-level detail of the proposed UKA-JV arrangements are set out in Appendix 1 (pages 8 and 9 of this report).

- 2.5 In addition to this, there is an additional gap of £2.2m in the wider EAC budget. This is as a result of Birmingham City Council's financial pressures as they are now withdrawing the proposed additional council funding for the EAC. BCC, WMCA, DCMS and UK Sport have been exploring options to close this gap with each considering options to make an additional contribution. The DCMS Secretary of State has clearly stated that Ministers are supportive of keeping the event within Birmingham and the UK as a legacy of the Commonwealth Games. WMCA have been asked to consider using £0.6m of CWGLEF underspend, previously allocated to the Sandwell Aquatics Centre, towards this purpose.
- 2.6 Using CWGLEF underspend in this way would represent an exception to the WMCA Board's decision of March 2023, which agreed that any confirmed underspends from across the CWGLEF be redirected to the Inclusive Communities Grants Fund or Plan for Growth projects subject to these programmes being in a position to utilise additional money effectively.
- 2.7 At the time of drafting, other partners have made nominal commitments to closing the £2.2m gap. BCC has identified a further £670,000 savings from the Alexander Stadium budget and UK Sport have committed £250,000 subject to UKSport's internal approval process. UKSport, as part of their contribution have a number of conditions including needing to see written evidence from other funders in terms of their contributions to the £2.2m funding gap and evidence of progress from other partners to solve the current funding deficit. We are awaiting further clarity from DCMS whether they are able to assist.
- 2.8 The region has already indicated continued support for the EAC to be held in Birmingham, recognising the economic benefits of major events and the significant reputational risk not continuing with the event will have on the UK's ability to host future major events. In agreeing to support this proposal, the region needs to be aware of the impacts of those changes and be clear on any further assurances that it may require from BCC as discussions progress. Furthermore, WMCA Board members have been clear that they would not support an increase in the WMCA contribution beyond £13.7m.
- 2.9 The principle of the "resource swap" as a funding mechanism was agreed in order to secure funding for delivery of the EAC from the CWGLEF. HMG have been very clear that there can be no extension to the lifecycle of the CWGLEF, which currently completes on 31st March 2025. Not proceeding with the suggested re-profile, which would guarantee the "resource swap" would have serious consequences for successfully securing the joint venture arrangement and the subsequent delivery of the EAC. Similarly, not agreeing to the additional spending means that other partners would be expected to cover the £2.2m shortfall and there is no certainty that they will do so.
- 2.10 These decisions are time-critical as delivery via the UKA-Joint Venture will need to be agreed by the Board of European Athletics on 17th January 2024. If this cannot be done then the EAC Board is likely to switch the event to a different European city. Securing agreement to re-profile and re-purpose the £13.7m CWGLEF monies as well as a solution to the £2.2m identified gap are essential to the EAC remaining in Birmingham and the UK.

3. Strategic Aims

- 3.1 The Full Business Case identified the EAC as supporting the following strategic aims of the WMCA:

1. Promote inclusive economic growth in every corner of the region - EAC will work with local authorities to support the role of culture and sport to help make the region a good place to live, work, visit and invest.
 2. Ensure everyone has the opportunity to benefit - by supporting the release of benefits from the event, the grass roots programme will help take sport to a cross section of communities.
- 3.2 BCC also committed to continue to work with WMCA to test the alignment and support the spending objectives of the proposal in this business case with WMCA's Inclusive Growth Decision Making Tool.
- 3.3 The proposed changes to the FBC and event delivery remove the direct regional funding to the provision of a grass roots sports programme and also impact on BCC's strategic role within the EAC. WMCA members should be aware of a potential impact on the ability of the EAC to deliver as fully against regional strategy as previously expected.

Major Sporting Event Delivery Plan 2022-2027 – The West Midlands

This event will help contribute to the targets set out to 'secure a minimum of 8 major events between 2022-2027' and elevate and enhance the status of the West Midlands, nationally and globally, as a host of great sporting events.

The EAC will also contribute to the strategic priorities of collaboration (with regional partners, venues and host authorities), innovation and inclusion to engage, inspire and include new, younger, more diverse audiences.

4. Financial Implications

- 4.1 In March 2023 WMCA Board approved the allocation of CWGLEF which included £10.7m for operational delivery of the EAC and £3m for delivery of Grassroots Sports Fund. A full business case for these was produced by BCC and approved by Investment Board on 19 June 2023. This included spend profile information that has been used to inform overall programme finance planning. The grant agreement signed between WMCA and DCMS requires 30% (£21m) of the total £70m to be spent in 2023/24.
- 4.2 BCC is now proposing to reallocate the £3m grassroots sports fund monies to direct EAC costs with the grass roots not being delivered in full. It also puts forward a revised spend profile that moved £4.5m of spend from 2023/24 into 2024/25 which it is unlikely that WMCA can accommodate within its overall programme and still meet the contractual spend threshold for 2023/24.
- 4.3 A request has been made to HMG to reprofile spend on the Fund, although it is noted that all expenditure still needs to be incurred by 31 March 2025 to be eligible under the grant terms and conditions. WMCA will need to have confirmation of HMG decision before any agreement can be entered into with BCC.

4.4 There is currently a £2.2m funding shortfall on the overall c.£25m EAC delivery budget with regional partners being asked to consider any further contributions that could be made towards this. The March 2023 Board paper included an allocation of £2m for the Sandwell Aquatics Centre scheme however the subsequent FBC approved by October Investment Board approved a revised £1.4m requirement with £0.6m being released back into the wider CWGLEF programme. This was noted as being directed first towards either the regional Plan for Growth or Community Grants programmes in line with the WMCA Board March 2023 paper. DCMS has asked WMCA to consider reallocating the £0.6m towards the EAC shortfall instead which requires Board consideration and approval. There is no requirement for regional underwrite for the EAC finances from WMCA outside of the CWGLEF funding contribution.

4.5 A funding agreement is yet to be agreed in respect of this funding but will need to include suitable terms and conditions to ensure that WMCA can meet its accountable body obligations.

5. Legal Implications

5.1 The eventual grant agreement between BCC and WMCA will need to mirror the terms and conditions within WMCA's overarching funding agreement with DCMS, in order to ensure that any risks and obligations imposed on WMCA by virtue of the funding agreement flow down to BCC.

5.2 Whilst the proposed joint venture delivery structure will mitigate against any further financial commitment from WMCA outside of the agreed CWGLEF funding contribution, it will be important to ensure that the CWGLEF grant monies are clearly attributable to BCC for the purpose of compliance with DCMS grant conditions, as WMCA will have no contractual relationship with the joint venture vehicle.

5.3 Any concessions made by HMG in terms of timescales for spending grant monies and the attendant reporting, monitoring and evaluation requirements will need to be documented in the BCC grant agreement, in order to protect WMCA's position as accountable body for the CWGLEF fund.

5.4 It should also be noted that the funding agreement with BCC will contain strictly private and confidential extracts from the overarching agreement between DCMS and WMCA which cannot be shared.

5.5 The grant agreement will need to be sealed by both parties before any funding can be released in accordance with any additional internal governances required as a consequence of BCC's s114 intervention.

6. Single Assurance Framework Implications

6.1 The timeframe for this decision does not allow adherence to formal SAF process. Programme Assurance and Appraisal team have been consulted and are content with the rationale for non-compliance with the process. Relevant documents have been shared with the Programme Assurance and Appraisal team so that they remain sighted on changes to the original EAC Full Business Case (agreed at Investment Board on 19th June 2023). Further advice will be sought from the team and actioned as appropriate.

7. Equalities Implications

- 7.1 Any decision to not support the delivery of EAC or to not support the decision to re-profile funding to support the principle of “resource swap” would have an equalities impact as the event may not go ahead, so benefits would be lost.
- 7.2 Agreement to continued support for the EAC and the decision to re-profile funding in will not have detrimental impact to equalities as it will secure the decision to bring the EAC to Birmingham in 2026, subject to a solution to the £2.2m budget gap being secured.
- 7.3 The decision not to directly fund grassroots sport through the CWGLEF and the decision to deliver through a joint venture approach may have a detrimental impact on equalities as there will be no direct link and therefore accountability between this funding and broader provision.
- 7.4 The FBC set out clear ambitions from BCC to use the opportunity of the EAC and the partnership opportunities that it would bring to directly link to their own plans to tackle physical inactivity and barriers to involvement and engagement amongst the population of Birmingham and wider West Midlands, with a specific focus on promotion of diversity and inclusion from under-represented groups.
- 7.5 The proposed detail of the joint venture include provision for acknowledgement of WMCA funding and broader oversight in compliance with grant funding conditions (section 1.3) sets out the opportunities for other areas of the region to become involved with EAC. However, without further clarity on the joint venture arrangements and any role for the wider region, and with BCC taking less of a leading role in the delivery of the event and subsequent legacy, there is a risk that these broader engagement and legacy impacts for communities will not be achieved to the extent originally envisaged. However, the UKA-JV will still be required to deliver against the legacy commitments made to European Athletics in the bid process.

8. Inclusive Growth Implications

- 8.1 The full business case outlined how the EAC would support inclusive growth via benefits to the following:
 - Investment in businesses providing supplies and services to the events industry
 - Contribution to visitor economy and associated benefits to leisure, tourism, cultural and hospitality sectors
 - Direct employment through the continued redevelopment at Alexander Stadium and through event delivery
 - Continuing to grow and enhance the reputation of Birmingham and the wider West Midlands as a good place to live, work, visit and invest
 - Wider community benefits associated with boost to grass roots and community sporting organisations and activities
- 8.2 A decision to not continue to support the EAC or to not support the re-profile and associated resource swap would jeopardise the delivery of the event and benefits realisation.

8.3 The removal of direct funding for any grass roots sport programme may have an impact on inclusive growth fundamentals for health and wellbeing and connected communities, in the event that suitable replacement programmes are not successfully secured via the joint venture route.

9. Geographical Area of Report's Implications

9.1 Birmingham (location of EAC 2026); legacy benefits are expected for the wider region

10. Other Implications

Reputational

10.1 Failure to secure the re-profiled and re-allocated £13.7m and / or to close the current identified gap of £2.2m would result in the EAC not being delivered in the region. In addition to the economic and social benefits that would be lost, there would also be a negative and detrimental impact to the reputation of the city, region and UK. The West Midlands will be hosting Sport Accord in April 2024, and seeking to position itself as an attractive place for major events and investment. To exit from a major sporting event 3 months before would present a significant challenge to this narrative.

11. Schedule of Background Papers

Birmingham European Athletics Championships 2026 – Full Business Case (Investment Board, 19th June 2023)

Appendix 1

Revised Approach to CWGLEF Funding for EAC 2026 – Supplementary Information

The Council and UK Athletics (UKA) entered into the Organiser Agreement contract with European Athletics (EA) in November 2022 and a request for funding from the CWG Legacy Fund administered by the WMCA with a total value of £13.7m as a contribution to total estimated delivery costs of £30m, was subsequently approved by the WMCA at Investment Board on 19th June 2023, as set out in this paper.

1.1 Reprofiting of Funds

As a result of the extensive and time consuming work that has been needed to refine the Stadium project to ensure that it can be delivered within the available cash envelope, and more recently the Council's financial circumstances and associated additional governance around the approval of new expenditure, it is no longer possible for BCC to deliver the level of expenditure previously intended for 2023/24, nor continue with the previously planned Grassroots Sports programme against the original plan.

As a result, BCC are seeking a change to the timing and nature of the expenditure that will be incurred by 31 March 2025 reducing 2023/24 expenditure by £4.5million to £4million, with a corresponding increase in 2024/25 from £5.2million to £9.7million as follows:

	2023/24				2024/25			
	Resource Swap - Stadium	Resource Swap – Grass Roots	Direct AEC Spend	Total Grant	Resource Swap - Stadium	Resource Swap – Grass Roots	Direct AEC Spend	Total Grant
Approved WMCA Bid	7.0	0.5	1.0	8.5	1.0	1.5	2.7	5.2
Rephased Stadium spend, no Grassroots programme	3.0	-	1.0	4.0	7.0	-	2.7	9.7

Without the reprofiling, BCC will not be able to identify sufficient eligible expenditure to draw down the originally planned £8.5million from the CWG Legacy Fund (with a likely shortfall of £4.5million). This would result in a funding shortfall for the Championship of this value – which could either substantially compromise the quality of the event or increase the level of gap funding / underwrite required, thereby posing a fundamental risk for the continuation of the Championships.

1.2 Reallocation of Funds

Removal of Grassroots Sport Element

BCC remains wedded to the importance of, and the need for, major events such as the EAC to be more than an elite sport event, and to act as a catalyst for encouraging participation and physical activity right through to grassroots level. Given the financial challenges faced by the council it will not be possible for us to guarantee the required match funding from BCC resources to deliver the grassroots sports programme as anticipated as part of a “resource swap”. Partners are actively looking at alternative routes to ensure community driven and community focussed delivery of activity at grassroots level in connection with the EAC. The partners in the proposed UK Joint Venture have knowledge and experience in this space and BCC are confident they will help partners to deliver on this ambition

Alexander Stadium Expenditure (£10m)

The £10m allocated to the Alexander Stadium will be spread across a number of projects that will ensure the continued legacy of the Stadium as an event destination but also as a community facility. These projects include a permanent lighting solution (to event standard), 3G pitch, the relocation of the public access gym, and wider enhancements to Perry Park and Stadium surrounds. BCC Spend Control Board have approved the work at Alexander Stadium and the principle of the resource swap, so we are confident that the resource swap can go ahead and required funding for the EAC released in the timeframe outside of the life of the CWGLEF. At the time of drafting, BCC have agreed to the release of £670,000 from the capital budget, in effect reducing this expenditure to £9.33k and reducing the £2.2m shortfall to £1.53m.

Direct EAC Spend (£3.7m)

This funding will support initial ‘set up’ costs for the UKA-JV, planning costs and early contractual commitments on longer lead-time delivery elements. Due to the change in delivery model from direct delivery to joint venture, the detailed financial modelling for this element is ongoing, with further refinement being one of the first roles for the UKA- JV to complete. We do not anticipate that the UKA- JV will require any further funding in the current financial year beyond the £1m allocated above for 23-24.

1.3 Delivery Vehicle for the EAC

BCC, UKA and UK Sport are in discussions to develop and implement an alternative delivery model for the Championships to that previously presented in the Business Case (an SPV Company, a joint venture between BCC and UKA). The new delivery vehicle would be a joint venture led by UK Athletics (UKA-JV).

The specific financial request of the WMCA remains the same, £13.7m and there would be no call on the WMCA to underwrite cost pressures or expenditure overruns. The UKA-JV will take on all financial risk and underwrite the event, thus also allowing BCC to cap its financial contribution and minimise risk. It is envisaged that the UKA-JC will either sign a new Organiser Agreement with EA or the existing tripartite agreement between UKA, BCC and European Athletics would be novated from BCC to the UKA-JV. In either case it is anticipated that one or more funding agreements between BCC and the UKA-JV will be required to facilitate remaining funding commitments.

BCC will continue to support the event in terms of provision of the stadium and associated venue management as well as facilitating with regards to statutory services such as permits, licencing, waste management etc. The UKA- JV will be responsible for transport management planning in conjunction with Transport for West Midlands with BCC supporting as required.

As part of the JV approach a local organising committee (LOC) will be created, which will provide an opportunity for local and regional oversight and direction to ensure that the benefits of the EAC are retained in the region. There will be an opportunity for local representation on the LOC, potentially through the WMCA oversight role. Operational details for the LOC are still be refined, and further detail will be shared when available.

1.4 – Legacy Benefits

The UKA-JV would also be responsible for delivery the legacy commitments made within the bid to EA thus ensuring that the economic and community benefits of hosting the Championships are still realised, despite the grassroots sport element of the funding application now no longer being part of the resource swap reprofiling.

As set out in the FBC the Championship will help to deliver an increase in community activity levels and sports participation. As part of the funding agreement between BCC and the UKA-JV there will be clear acknowledgement of the WMCA funding and broader oversight in compliance with grant conditions. The current expectation is that they would work with Sport England and BCC's internal Research & Insight Team to establish what data is available and define an appropriate baseline, utilising for example the Sport England Active Lives Survey and target increased levels of physical activity in target groups and a positive effect on reported levels of mental wellbeing.

Using the Championships as a catalyst to help address inequalities in health and inactivity will remain at the heart of the Championships. With a wide range of organisations and groups such as the Council, universities, schools and sports clubs, partners will work together to provide access to sport and increase the opportunities for participation. In turn, this will also promote more physical activity and active travel habits throughout the community supporting better local environments, improved air quality and the region's strive towards achieving its goal of net zero.

To further maximise the benefits to the whole region there will be an opportunity for each authority and their associated stakeholders to link into activating the legacy programmes in their particular areas.

This page is intentionally left blank



WMCA Board

Date	12 January 2024
Report title	Amendments to the WMCA Constitution to incorporate Police & Crime Commissioner Functions
Portfolio Lead	Finance – Councillor Bob Sleigh
Accountable Chief Executive	Laura Shoaf, West Midlands Combined Authority email: laura.shoaf@wmca.org.uk
Accountable Employee	Helen Edwards, Director of Law & Governance email: helen.edwards@wmca.org.uk
Report has been considered by	Not applicable

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Note that if the government legislates to transfer PCC functions to the Mayor of the WMCA, its Constitution will be updated following the elections to include the PCC Corporate Governance Framework in force immediately prior to the transfer.
- (2) Agree that the Corporate Governance Framework for PCC functions will be kept under review following any transfer of functions, and amendments to the Constitution that require Board approval submitted to a Board meeting at an appropriate time.

1. Purpose

- 1.1 The purpose of this report is to ensure that PCC functions can be carried out effectively following any transfer of functions.

2. Background

- 2.1 The Levelling Up and Regeneration Act 2023 (“the Act”) came into force on 26 October 2023.

- 2.2 On 2 November 2023 the Mayor wrote to the Home Secretary to ask him to consider transferring PCC functions to the Mayor using the Home Secretary's powers under s107F of the Act.
- 2.3 The Home Secretary is currently carrying out a public consultation to allow him to decide whether to lay an Order before Parliament to transfer PCC functions to the Mayor of the West Midlands from the point of the next mayoral election in May 2024. This will maintain democratic accountability by ensuring that PCC functions are only exercised by a mayor who was elected on that basis. This is the link to the consultation:
[West Midlands police and crime commissioner functions transfer \(accessible\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/west-midlands-police-and-crime-commissioner-functions-transfer)
- 2.4 The Mayor will be required to make a decision whether to consent to the laying of an Order before Parliament to transfer PCC functions.
- 2.5 If PCC functions are transferred, they will transfer with effect from 7 May 2024. It is crucial that there should be continuity of governance arrangements to enable the PCC functions to be carried out effectively without any interruption in service as a result of the transfer.
- 2.6 As the functions of the PCC will not be transferred until after the 2024 elections, neither the Mayor nor the CA Board has any power to agree a scheme of governance in advance of the transfer. The current PCC Corporate Governance Framework is agreed by the current PCC and the Office of the Police and Crime Commissioner (OPCC).
- 2.7 The Monitoring Officer is under a duty to ensure that WMCA has governance arrangements in place to ensure that it can fulfil its responsibilities. With effect from the date of any transfer this will include PCC functions. The Monitoring Officer's advice is that the existing PCC Corporate Governance Framework should be adopted initially and then reviewed following the transfer. Upon initial adoption minor changes will be made to correctly reflect the situation, for example references to the West Midland Mayor instead of the Police and Crime Commissioner. PCC functions will be exercisable only by the Mayor of the WMCA, but any amendments to the Constitution that require the approval of the WMCA Board will be brought to the Board for approval.

3. Financial Implications

- 3.1 There are no direct financial implications as a result of ensuring that there is an appropriate scheme of governance in place. The Corporate Governance Framework adopted will include arrangements for dealing with financial decisions and budgets and will ensure robust financial decision making.
- 3.2 The Financial Management Code of Practice provides for a Mayor to prepare a scheme of governance for PCC functions advised by the authority's s73("s151") officer and in consultation with the Chief Constable and the Police Force Chief Finance Officer.
- 3.3 Budget and funding for carrying out PCC functions will transfer to the WMCA with the functions including all assets and liabilities. Budget and funding will be strictly ring fenced to policing so any potential savings will not be available as part of the wider WMCA budget.

4. Legal Implications

- 4.1 The Home Secretary is currently carrying out a public consultation as to whether to transfer PCC functions to the Mayor of the West Midlands. This is permissible under the Levelling Up and Regeneration Act 2023. Following the consultation, the Home Secretary will decide whether to lay an Order before Parliament to transfer the functions. The Mayor will need to make a decision whether to consent to the laying of this Order. If this Order is passed the functions will transfer following the May 2024 elections.
- 4.2 To ensure continued smooth operation of the PCC functions, WMCA must have in place a scheme of governance that is agreed and operational from the date of the transfer. This can be reviewed and amended as appropriate following the transfer, but it would pose an unacceptable risk for the transfer to take place without governance arrangements already in place.

5. Single Assurance Framework Implications

- 5.1 There are no Single Assurance Implications.

6. Equalities Implications

- 6.1 There are no Equalities Implications

7. Inclusive Growth Implications

- 7.1 There are no Inclusive Growth Implications

8. Geographical Area of Report's Implications

- 8.1 This report relates to the whole of the WMCA geographical area to which the PCC functions will relate.

9. Other Implications

- 9.1 If a statutory instrument is made transferring the PCC powers to the WMCA, that statutory instrument will provide for PCC employees to transfer to the WMCA. WMCA officers are working closely with OPCC colleagues to prepare for a smooth transition. It is envisaged that PCC employees should transfer to WMCA's officers at Summer Lane, and be integrated as far as possible into the existing workforce. Some separation of function will remain to ensure continuity, but this will be reviewed over time to ensure efficient operation of all functions across WMCA
- 9.2 If the transfer goes ahead, the person elected as West Midlands Mayor in May 2024 will decide on the form, function, budget and location of the Office of Police and Crime Commissioner. The arrangements being made in respect of the transfer are to put in place measures to allow PCC functions to be functional on day one, until an elected Mayor sets out their visions for the service.

10. Schedule of Background Papers

PCC Corporate Governance Framework

This page is intentionally left blank



WMCA Board

Date	12 January 2024
Report title	Digital Roadmap (2024-2027)
Portfolio Lead	Culture & Digital - Councillor Patrick Harley
Accountable Chief Executive	Laura Shoaf, Chief Executive, West Midlands Combined Authority email: Laura.Shoaf@wmca.org.uk
Accountable Employee	Ed Cox, Executive Director Strategy, Economy and Net Zero email: Ed.Cox@wmca.org.uk
Report has been considered by	WMCA Executive Board

Recommendation(s) for action or decision:

WMCA Board is recommended to:

- (1) To note the progress made on digital matters in the region since 2021 and endorse the activity highlighted in the updated Digital Roadmap (2024-2027).
- (2) Continue to champion the aims and objectives of the Digital Roadmap in order to encourage public, private and voluntary sector alignment and investment in its five broad missions.
- (3) To note concerns around the withdrawal of Project Gigabit Lot 35 for Birmingham and the Black Country; and
 - a) support the WMCA's request for further information from Government to clarify this decision and to expedite the identification and evaluation of interim solutions while re-examining the opportunity for the West Midlands to receive targeted funding from Project Gigabit; and
 - b) seek confirmation of the Government's support for Lot 11 covering parts of Coventry and Solihull.

1. Purpose

- 1.1 The purpose of this report is to inform Board members about the wide-ranging regional activity relating to digital inclusion, digital connectivity and the digital economy in the West Midlands. This has been brought together in a refreshed Digital Roadmap which identifies new ways to support the West Midlands region to become a forward looking and inclusive digital economy, where data is used to improve our public services and the latest technology used to reduce our carbon footprint. The report also sets out information about a recent decision by government to withdraw Project Gigabit Lot 35 which has implications relating to broadband connectivity for over 100,000 premises in Birmingham and the Black Country.

2. Background

- 2.1 The West Midlands has a burgeoning digital economy. Recent statistics show that the region's Tech sector is worth £15.3bn, with 2,400 businesses employing 144,000 people. The West Midlands is also the best connected region for 5G (outside of London) – with over 65% 5G geographic coverage¹ – as well as offering leading availability of gigabit broadband – with 94% of premises having access versus 79% in the UK overall².
- 2.2 But if it is to sustain and enhance this success, it needs to attend to several challenges. These relate to how we ensure everybody has access to digital opportunities; how we use data more effectively, particularly to transform public services; how we support businesses to adopt digital technologies; and how we further enhance our connectivity infrastructure so that everyone can benefit from fast, reliable and affordable mobile and broadband.
- 2.3 In 2021, the WMCA produced its first Digital Roadmap (2021-2026). This was intended to encourage and inspire a wide range of regional partners to recognise the opportunities and challenges in the region, each aligning their activities to the five digital roadmap 'missions'.
- 2.4 In many respects this has been a great success, since its publication we have seen key developments including:
- **Digital Skills** – continued investments in digital bootcamps and skills more broadly, with c.£15m worth of investment recently invested in bespoke training schemes.
 - **Connectivity leadership** – The West Midlands has extended its leadership as the best connected region for 5G (outside of London) increasing geographic coverage from 23% to 65% from December 2021 to April 2023.
 - **Connected Services Programme** - £4m secured through the Deeper Devolution Deal to support 20,000 residents that experience and/or are at risk of experiencing digital exclusion to access data and devices.
 - **Tech WM** – Tech WM (formerly Birmingham Tech) is working closely with the WMCA to grow the region's digital economy and address three tech ecosystem priorities.

¹ Umlaut independent 5G coverage data April 2023

² Ofcom Connected Nations report December 2023. Think Broadband independent data, December 2023

- **SME adoption** – Over 700 SMEs in the West Midlands have received bespoke support to accelerate their adoption of 5G, internet of things and data technologies via the WM5G SME Adoption programme as well as additional support for SMEs in the manufacturing sector as part of Made Smarter.
- **Industry success** – Growth in key sub-sectors like Finance Tech which generates more than 6% of the UK's entire Finance Tech GVA, driven by companies like Credicar, and growth in Deep Tech, in particular AI with the wider Midlands region now having 300 AI companies, this represents 11% of the UK's AI business base.
- **Smart City Region** – £10m secured through the Deeper Devolution Deal to transform wellness and productivity by accelerating the adoption of remote monitoring, diagnosis and prevention technologies already proven through trials.
- **Connectivity R&D** - £80m investment from Government in UK Telecoms Lab (UKTL) in Solihull to lead cyber security and WM5G won £1.5m Government contract to develop UK Telecoms Innovation Network (UKTIN) focussing on skills and entrepreneurship as part of a consortium led by Digital Catapult.
- **5G Innovation Region** - the WMCA and WM5G are delighted to have won £3.8m of Government investment to accelerate the adoption of advanced connectivity, data & AI in the advanced manufacturing and social care & housing sectors – working closely with their partners JLR and the WMCA constituent Local Authorities as well as other sector and technology organisations.

2.5 Such has been the change, that in late 2023 it was decided to take a fresh look at the evidence concerning the digital landscape in the West Midlands and to refresh the Digital Roadmap.

2.6 In a new Evidence Base Report (which will be published alongside the Roadmap), several new insights have come to light including:

- 85% of technology decision makers in the West Midlands feel the region is a good place to start and grow a technology business.
- Research shows that public use of digital technologies could help industry reduce carbon emissions by 4-10%, thus contributing to the WMCA aspiration to be carbon neutral by 2041.
- Our region needs 280,000 more people to gain essential digital skills to be in line with the national average.
- The data shows that 47% of people in the wider region are accessing public services online, below the national average of 50%.
- Despite the region's 5G and gigabit broadband leadership, there remain significant areas that do not have access to fast and reliable connectivity. This includes the fact that there are at least 100,000 premises that do not have and are unlikely to get access to gigabit broadband in the next three years and the region is not yet achieving its fair share of full fibre broadband investment. As such it is disappointing that the Government has cancelled the Birmingham and Black Country Project Gigabit Lot (35) to accelerate gigabit broadband rollout³.
- In addition, the latest Ofcom data shows over a-third of households in the UK are struggling to afford connectivity during the cost-of-living crisis.

³ <https://www.gov.uk/government/consultations/project-gigabit-birmingham-and-the-black-country-lot-35-public-review/outcome/birmingham-and-the-black-country-public-review-closure-notice#annexa>

- The West Midlands ranks as 6th out of 12 UK regions for business ICT adoption overall⁴ – implying that further work is required to accelerate digital adoption and realise the economic and social benefits.

2.7 The updated Digital Roadmap (2024-2027) is informed by these opportunities and challenges, it builds upon the original 5 roadmap missions and brings them up to date with a range of new priorities and activities.

2.8 The 5 Digital Roadmap missions are as follows:

- Securing access for everyone to digital opportunities, particularly those in poverty
- Sharing and using data to improve people’s lives
- Becoming the UK’s best-connected region
- Realising the potential of digital to transform our economy and build economic resilience
- Using digital public services to build a fairer, greener, healthier region

2.9 The refreshed roadmap has been informed by wide engagement with local authority, public, private and voluntary sector partners. It is important to note that it is not intended to be a ‘WMCA strategy’ but more a guiding framework to encourage and support regional partners to align their activity and investment to help address the regional challenges that we face.

2.10 The Digital Roadmap will be overseen by a Digital Roadmap Steering Group which will convene key stakeholders from across the 5 missions and help co-ordinate activity and investment. Each Roadmap mission also has some form of advisory group to enable and support engagement on the various regional opportunities and challenges relating to each mission.

2.11 Some of these groups already have some form of implementation or action plan relating to their mission but these will be developed and enhanced in the coming months. This process will be supported by a local authority officer group.

2.12 Members of the WMCA Board are encouraged to read, discuss and endorse the updated Digital Roadmap and to support its further development, not least through encouraging local, regional and national partners to align their investment and activity with its objectives.

Project Gigabit Lot 35

2.12 While the WMCA region has high gigabit broadband availability, there are still substantial parts of the region that lack access – especially in Birmingham, Dudley and Sandwell. In a separate development, government (through BDUK) has recently concluded the market analysis phase of Project Gigabit Lot 35 which has assessed whether it should invest in accelerating broadband in Birmingham and the Black Country. Through this work, BDUK has identified over 100,000 premises in Birmingham and the Black Country that lack gigabit broadband access, and which are unlikely to get it in the next 3 years.

⁴ Tech UK Local Digital Capital Index 2023

2.13 However, while BDUK recognises this market failure it has decided not to proceed with Lot 35 because it appears to regard the market data as inconclusive, although it hasn't explained why. BDUK says *"It is likely that some small pockets of poor urban digital connectivity will remain unserved by the commercial market without government intervention. In order to accurately ascertain how to best serve these premises, we have chosen to pause our procurement timeline and engage the market, councils and other local stakeholders on the most suitable design and scale of any future intervention."* This decision appears to have been taken without consultation with the WMCA, WM5G or local partners.

2.14 For this reason, the WMCA Board is recommended to request for further information from BDUK to clarify this decision and to expedite the identification and evaluation of interim solutions – one possibility is the extension of broadband voucher schemes to start to address this issue – while re-examining the opportunity for the West Midlands to receive targeted funding from Project Gigabit. It is also recommended that WMCA seek confirmation of the Government's support for Lot 11 covering parts of Coventry and Solihull.

3. Strategic Aims and Objectives

3.1 The report aligns to four of the strategic aims and objectives of the WMCA:

- To develop our organisation and our role as a good regional partner.
- To reduce carbon emissions to net zero, enhance the environment and boost climate resilience.
- To promote inclusive economic growth in every corner of the region.
- To ensure everyone has the opportunity to benefit.

4. Financial Implications

4.1 There are no immediate financial implications from this report and no additional funding is being sought beyond the very limited (£50k) funding allocated to the Culture & Digital portfolio budget for 2024/25. The WMCA funding referenced in the Digital Roadmap is exclusively funding that has been secured through external grants for particular programmes from government and other sources.

4.2 Some of the activity described in the Digital Roadmap in order to address opportunities and challenges will require finance and funding but partner investment or external grant funding will be sought in order to unlock such activity.

4.3 The majority of funding will need to be sourced through a variety of routes, including central government, local authorities, private sector and the WMCA; this support will be both financial as well as in-kind. This will be considered and agreed on a case by case basis, based on priorities and funding.

5. Legal Implications

5.1 There are no specific legal implications contained within the report.

6. Single Assurance Framework Implications

- 6.1 There are no SAF Implications for this paper, this has been verified by the Programme Assurance and Appraisal team.

7. Equalities Implications

- 7.1 A Health and Equalities Impact Assessment (HEQIA) was conducted for the Roadmap. The HEQIA supports the approach taken in the document to align Roadmap missions areas to all aspects of the Inclusive Growth Framework (see section 8).

8. Inclusive Growth Implications

- 8.1 The Inclusive Growth Team advised on how to show alignment between the Inclusive Growth Framework and the Roadmap mission areas. This advice was applied throughout the evidence base report and updated Roadmap document and clear alignment is shown throughout both documents. A summary is provided below:
- **Reducing CO2** - Adoption of technology is a key factor in reducing emissions and this is a key priority for business support programmes like Made Smarter. Enabling residents to access digital public services could also help to reduce carbon emissions through a reduced need to travel.
 - **Reducing health inequalities** – mission 5 activities are aimed at increasing the use of digital public services to improve health and wellbeing for residents.
 - **Increasing skill levels** – the work across mission 1 is designed to increase skills, using skills investment fund provision.
 - **Designing out homelessness** - the work across mission 1 is aligned to the designing out homelessness aspiration with much of the work being targeted at those that might be at risk of homelessness.
 - **Improving accessibility of resources and opportunities** – mission 3 activities are aligned to this priority, in particular the work to increase the use of social tariffs by residents that qualify for cheaper broadband rates.
 - **Reducing employment inequalities & Increasing household income** – the work to improve digital skills (mission 1) and to build economic resilience (mission 4) are aligned to improving employment inequalities and increasing incomes.
 - **Citizens feeling that they have influence and agency** – some mission 2 activities are designed to improve residents access to WMCA published data, which will enable them to understand more about the WMCA and its priorities.

9. Geographical Area of Report's Implications

- 9.1 The priorities and resulting activities are targeted at and will benefit the seven Local Authority areas in the WMCA region. While the WMCA is confident that it can continue to deliver the Roadmap priorities with its partners, we would appreciate the Board's support to acknowledge:
- The WMCA's concerns around the withdrawal of Project Gigabit Lot 35 for Birmingham and the Black Country – with the implication that around 100,000 premises which do not have access to gigabit broadband and are unlikely to get it in

the next three years, will not receive Government support to accelerate broadband rollout, as has happened in other regions.

- Support the WMCA's request for further information from Government to clarify this decision and to expedite the identification and evaluation of interim solutions – such as the extension of broadband voucher schemes to start to address this issue – while re-examining the opportunity for the West Midlands to receive targeted funding from Project Gigabit.

10. Other Implications

10.1 There are no other significant implications.

11. Schedule of Background Papers

WMCA Digital Roadmap (2021-2026)

WMCA Digital Roadmap (2024-2027)

WMCA Digital Roadmap Evidence Report (2024-2027)

This page is intentionally left blank



West Midlands Digital Roadmap

2024-2027

Contents

Mayor Foreword	3
Cllr Harley Foreword	4
The Digital Roadmap	6
Our region	7
Where are we now?	9
Significant Challenges Across the Region	11
Roadmap Missions (2024-2027)	12
Governance and Delivery	36

Mayor Foreword

Collaboration is key to the success of our region in the months and years ahead. The West Midlands Combined Authority plays a vital role in this as a regional advocate and convenor - actively promoting partnerships to achieve our collective ambitions. It's only by working together – with local, regional and national partners - that we can harness our remarkable potential. Our second Digital Roadmap sets out how we will work together to achieve our jointly held priorities across our five Digital Roadmap mission areas. We're blessed to have the people, infrastructure, and private sector firepower we need to fulfil our ambitions.

That's why we're updating our Digital Roadmap to further leverage the tremendous knowledge and experience of our region's innovators to help us prosper. Indeed, this is the very thinking that led us to appoint our region's first Tech Commissioner to harness technology for the benefit of local people – enhancing our economic resilience. The recently established Business Growth West Midlands will also help to support and grow all of our sectors - including the tech sector which is worth over £15bn to our region's economy.

In many respects, our region is already going places and demonstrating its digital prowess. We're leading the way with genuinely world-class digital

connectivity – with the West Midlands confirmed as the best-connected Combined Authority region for 5G. We're doubling down on this 'best in class' reputation by accelerating digital innovation and adoption – driving economic growth and building a more inclusive region. Digital technologies can transform our region and the WMCA is playing its part. Whether it's our SWIFT smart ticketing scheme enabling over 50 million journeys a year, our digital bootcamp funding helping thousands of residents to access jobs or our pioneering Smart City Region programme that is improving health outcomes by scaling-up remote monitoring and community diagnosis, we're proving that digital done right changes lives for the better.

So I look forward to continued collaboration delivering results right across our region and I hope we can work with our partners to shout louder about what we're doing. The West Midlands has the potential to truly be a digital powerhouse for the UK and our refreshed Digital Roadmap lays out our trajectory over the next three years. Together, we will succeed.

Andy Street
Mayor of the West Midlands



Cllr Harley Foreword

The West Midlands has gone through a period of significant change in the last two years since the production of our last Digital Roadmap. We have seen a growth in innovation and the use of technology by communities and businesses, which has resulted in the digital technologies sector now being worth £5bn across the region and around 25% of the region's workforce doing at least part of their jobs from home, enabled by digital technologies and the region's improving connectivity infrastructure. There have also been significant changes in the policy landscape for the WMCA and our local authority partners, for example resources secured through the Deeper Revolution Deal and enhanced capacity at the WMCA to drive forward our digital priorities.

More frequent and in-depth analysis of data and intelligence has also enabled us to update our understanding of the regional landscape and this is informing more targeted discussions with our partners all part of a more rigorous approach to the Roadmap. Our analysis shows that we have made progress in key areas, for example being the best connected region for 5G coverage at 65% geographic coverage, although analysis of digital inclusion and public services metrics show a gap to the national average on key measures like the number of adults that

are digitally excluded based on their ability to complete foundational digital and data tasks and the number of adults accessing their medical records online. These are issues that need to be addressed to ensure our region remains on the path of inclusive growth.

This new landscape illustrates why we are now updating the Digital Roadmap, building on the good work we started in 2021. We are using this report as a call to action for partners to work with us to deliver, enable and influence activities over the next three years which will see digital driving our efforts to create a digitally inclusive economy which prioritizes carbon reduction and improving public services for communities.

Cllr Patrick Harley
WMCA Culture and Digital Portfolio Holder and
Leader of Dudley Council





The Digital Roadmap

The Digital Roadmap (2024-2027) brings together the activities that will help enable the region to become a fairer, greener, healthier, better connected and more prosperous region for all.

These activities are purposely designed to continue our journey towards becoming a forward looking and inclusive digital economy, where data is used to improve our public services and the latest technology used to reduce our carbon footprint.

All of the activities and projects listed in this Roadmap have been designed on the back of ongoing engagement with Local Authorities and other partners on digital matters, including a review of jointly held regional opportunities, challenges and priorities. The activities and projects will act as the foundation to our Roadmap workplan.

Summary - 5 Missions for 2024 - 2027



Securing access for everyone to digital opportunities, particularly those in poverty



Sharing and using data to improve people's lives



Becoming the UK's best-connected region



Realising the potential of digital to transform our economy and build economic resilience



Using digital public services to build a fairer, greener, healthier region

Our region

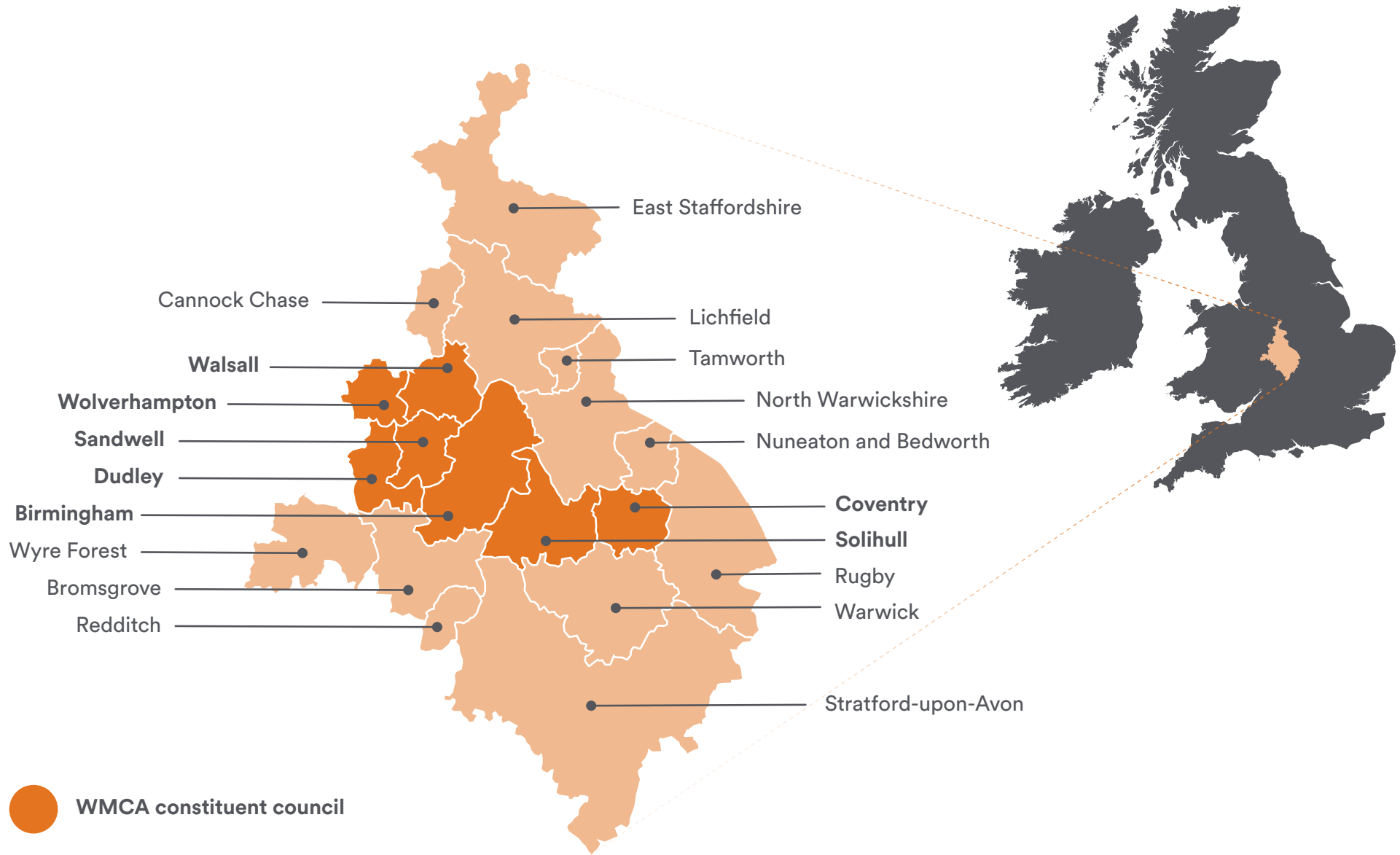
The West Midlands region is a place of enormous potential and a strong economic history. The region's key economic sectors are helping to make this a possibility and the Plan for Growth Strategy demonstrates how key clusters can create an additional £3.2bn worth of GVA and up to 44,800 jobs. Creating growth is even more important for the region given that economic forecasts suggests that the West Midlands will experience below average growth without significant intervention. The region is projected to have a GVA of £131bn in 2040, an increase of 23.5% with a yearly growth rate of 1.16% - below the projected UK annual yearly growth rate of 1.35%. With this outlook in mind the WMCA and partners are working to ensure regional strengths and opportunities and specialisms can drive growth in the coming years:

- **West Midland Tech strengths**

- The Tech sector is worth £15.3bn to the regional economy with 144,000 people working in tech roles and 2,400 businesses.
- £4bn is generated through the creative and digital sector.

- International trade in digital services as a percentage of regional GVA is at 1.4%, and in the upper quartile.
- There are 300 Artificial Intelligence businesses in the wider Midlands region (11% of the national total). This represents a 122% growth in the last 10 years.
- Manufacturing is one of the key drivers of growth in the region, generating £16bn in GVA and there are 32,500 students doing STEM subjects in the region. 61% of the region's healthcare sector is in MedTech, 8% of the UK's overall turnover in the field.
- **High Potential Opportunity (HPO) schemes led by Department for International Trade to boost FDI:**
 - Birmingham and Solihull Data Driven Healthcare & Technologies.
 - Coventry and Warwickshire Connected and Autonomous Vehicle Modelling and Simulation.
 - Warwickshire 'Silicon Spa' Games Development.

- **A young and diverse population:** a population of just under 3m across the 7 constituent Local Authorities – one of the youngest and most diverse areas of the country (34% of people in the region are 24 and younger, compared to 29% nationally) and the West Midlands is the largest Combined Authority outside of London.
- **Great Connectivity:**
 - Centrally located - 90% of the UK is within four hours of the West Midlands. High Speed Rail 2 will mean you can get from the West Midlands to London in under 38 minutes.
 - Best 5G coverage of any region outside of London nationally, 65% geographic coverage, up from 22% in 2021.
 - High levels of gigabit capable broadband - WMCA Gigabit availability 94% vs UK 79%.



Where are we now?

Since the publication of our last Roadmap we have been delivering projects and programmes across all five mission areas, strengthening and forming partnerships and embedding digital across all of our strategies. Some of our key activities since the last Roadmap include:

Page 123

Delivering projects and programmes

- We used the Community Renewal Fund to run the [Digital Futures Project](#).
- We have been investing in digital skills - [£15m worth of investments to upskill residents](#).
- We have been improving connectivity – [developed the UK's first 5G enabled tram](#)

Strengthened and formed new partnerships with key stakeholders

- We have [appointed a Tech Commissioner](#) and are working with [Tech West Midlands](#) to help shape our digital economy projects and programmes.
- We are working with companies like [Microsoft to close the skills gap](#).
- We have strengthened our relationship with Government through our membership of the [Digital Infrastructure Leadership Group](#) and our leadership of the Digital Infrastructure Connectivity Acceleration (DCIA) and UK Telecoms Innovation Network (UKTIN) programmes.

Strengthened our strategies

We have further embedded the role of digital in our key strategies:

- [WMCA Deeper Devolution Deal](#)
- [Plan for Growth strategy](#)
- [Adult Education Budget Strategy](#)
- [Local Transport Plan](#)

We have commissioned research and have worked with partners to strengthen our evidence base, this includes commissioning the Young Foundation to complete [Peer to Peer Digital Exclusion Research](#) and contributing to UFI's [Skills for an economy in transition](#) research.

Case Study: WM5G

Access to fast and reliable digital connectivity (fixed + mobile) is critical for all citizens, businesses and public services. From a mobile perspective, 5G is forecast to super-charge the West Midlands economy by around £1.9bn by 2025 according to research by Barclays and the region has been at the forefront of 5G launch, rollout and innovation through WM5G and its partners. But we can only realise these benefits when 5G is available to all citizens, businesses and public services throughout the region. As of April 2023, 5G coverage was available from at least one operator to around 65% of our geography and over 90% population coverage from at least one operator. While this is a strong start and region-leading, thanks to WM5G and WMCA Local Authorities work with the private sector and government to make it faster and easier to upgrade sites, it's imperative that we continue the work to ensure that the remaining 35% of the West Midlands geography can access 5G and the benefits it can deliver as quickly as possible as well as to enable businesses and public services to generate benefits.

Access to fast and reliable broadband is also critical for all citizens, businesses, and public services. Not only does access to fast and reliable broadband contribute an estimated 2% of GVA of

its own accord, but it also enables social inclusion and supports the delivery of over 20% of GVA created by digital services – across a wide range of sectors including retail, health and social care, education, transport, energy, manufacturing and many others.

Whilst the West Midlands has seen investment in connectivity and has successfully demonstrated the ability to roll out infrastructure, the overall picture for gigabit broadband is inconsistent across the region. Consequently, ensuring the provision of fast and reliable broadband is a critical part of the West Midlands' Plan for Growth and the West Midlands shares the Department for Science Innovation and Technology's mission "to make sure everyone can get faster broadband speeds and reap the benefits of internet-fuelled innovations in the coming decades." Ensuring the accelerated availability of full fibre broadband at key strategic sites is key to this aspiration.



Significant Challenges Across the Region

For this Roadmap update we produced an evidence base report which includes “Scale of the Challenge” analysis to help us understand the gap between the West Midlands and national performance on several key indicators that are linked to the five Digital Roadmap mission areas and which feature in key reports like the techUK’s Local Capital Index report.

Page 125

Securing access for everyone to digital opportunities, particularly those in poverty

- Our region has 92,000 more adults that are unable to complete foundational digital tasks compared to the national average and 46% of the region’s population are non/limited users of the internet.
- Our region needs 280,000 more people to gain essential digital skills to be line with the national average.

Sharing and using data to improve people’s lives

- Our region needs 3,700 more businesses to share data to be in line with the best performing region for data sharing.

Becoming the UK’s Best-Connected Region

- We want the region to be in the top decile of gigabit capable broadband access of any UK region – continuing the progress on broadband access.

Realising the potential of digital to transform our economy and build economic resilience

- Our region needs 115 more high growth businesses to be in line with the national average

Using digital public services to build a fairer, greener, healthier region

- Our region has 69,000 fewer adults using digital public services compared to the national average.



Roadmap Missions (2024-2027)

The Digital Roadmap missions and outcomes are designed so they align to the WMCA's Inclusive Growth Framework themes. Doing this means that our work on digital adheres to the Inclusive Growth principle which is “a more deliberate and socially purposeful model of growth, measured not only by how fast or aggressive it is; but also, by how well it is created and shared across the whole population and place, and by the social and environmental outcomes it realises for our people.”

We set out the key strategies, projects and programme and partnerships activities that we are prioritizing across our five mission areas for the next three years. We intend for this Roadmap to be a live document, meaning that we have periodic reviews to track progress and continue to use the evidence base to develop activities.



Digital Roadmap Missions	Digital Roadmap Aspirations	Inclusive Growth Fundamentals
<ul style="list-style-type: none"> ● Securing access for everyone to digital opportunities, particularly those in poverty 	<ul style="list-style-type: none"> ● Everyone has access to an affordable device and connection, and feels confident to access the internet and basic services. 	<ul style="list-style-type: none"> ● Affordable and safe spaces
	<ul style="list-style-type: none"> ● Everyone can access digital jobs, particularly young people and those at risk of redundancy. 	<ul style="list-style-type: none"> ● Equality
	<ul style="list-style-type: none"> ● The supply of digital skills meets demand 	<ul style="list-style-type: none"> ● Education and Learning
<ul style="list-style-type: none"> ● Sharing and using data to improve people's lives 	<ul style="list-style-type: none"> ● Data is shared effectively across organisations to solve key regional challenges. ● The West Midlands are national leaders on data ethics, open data, and data security. ● Advanced data analytic methods are regularly used to improve public services and grow our economy. 	<ul style="list-style-type: none"> ● Power and Participation
<ul style="list-style-type: none"> ● Becoming the UK's Best-Connected Region 	<ul style="list-style-type: none"> ● Best 5G mobile coverage in UK - with at least 40% population coverage by 2025. ● Best 4G mobile coverage in UK – with >95% outdoor and >90% indoor coverage. ● Highest gigabit broadband access with the region achieving its fair share of full fibre broadband investment versus other large urban conurbations 	<ul style="list-style-type: none"> ● Connected Communities
<ul style="list-style-type: none"> ● Realising the potential of digital to transform our economy and build economic resilience 	<ul style="list-style-type: none"> ● All SMEs and micro business adopt basic digital technologies to boost output and productivity. ● Firms across the regional economy adopt advanced digital technologies (e.g. AI, blockchain, VR/AR, 5G, IoT). ● Tech and digital firms that are looking to scale up can access support and finance in the region. 	<ul style="list-style-type: none"> ● Inclusive Economy
<ul style="list-style-type: none"> ● Using digital public services to build a fairer, greener, healthier region 	<ul style="list-style-type: none"> ● Regional carbon reduction as outlined in the WM2041 net zero strategy. 	<ul style="list-style-type: none"> ● Climate Resilience
	<ul style="list-style-type: none"> ● Reduction in the health inequalities by ensuring that vulnerable adults and those with multiple and complex needs are provided humancentred support to improve their wellbeing. ● The WMCA and other regional organisations should work to increase citizen engagement via digital portals and platforms. 	<ul style="list-style-type: none"> ● Health and Wellbeing



Mission 1: Securing access for everyone to digital opportunities, particularly those in poverty

Over the next three years we want to reduce digital exclusion and upskill residents in an effort to support greater social mobility.

Outlook

In recent years the region has improved its performance on digital skills and the area is now ranked 19th out of 41 areas on the Tech UK Local Capital Index. Digital exclusion does remain a challenge though with 8% of the region’s adults being classed as digitally excluded based on their inability to complete foundational digital tasks, compared to 4% nationally.

The region does have some key strengths and opportunities which can help us to address the outlook for digital exclusion and skills, these include:

WMCA’s ability to tailor provision to the needs of the region on both digital inclusion and skills through its Skills Investment Fund.

The ability of Local Authorities and the community and voluntary sector to provide evidence that can be used to shape policy and delivery of inclusion initiatives; and

The potential of social tariffs to drive uptake of broadband in poorer households.

We will use these and other mechanisms to support the achievement of our objectives in the next three years.

Regional Challenges

- Our region has 92,000 more residents that are unable to complete foundational digital tasks compared to the national average.
- Our region needs 280,000 more people to gain essential digital skills to be line with the national average.

Linked Inclusive Growth Fundamentals

- Affordable and safe spaces
- Equality
- Education and Learning

Key Partners

- Local Authorities
- Voluntary and Community Sector Organisations
- Central Government

WMCA Funding Investment

- Inclusive of £4m secured through the Deeper Devolution Deal and £2m of WMCA Skills Investment Funding.

Roadmap activities

Regional Aspirations

Everyone can access digital jobs, particularly young people and those at risk of redundancy.

The supply of digital skills meets demand.

Everyone has access to an affordable device and connection, and feels confident to access the internet and basic services.

Page 129



The WMCA will work with will work with partners to tackle digital exclusion and improve social mobility:

- **Connected Services Programme** - £4m secured through Deeper Devolution Deal to support 20,000 residents that experience and/or at risk of experiencing digital exclusion to access data and devices.
- **Social tariffs:** We will ensure that our digital inclusion work (e.g. our social tariff campaign) is targeting those households that do not have access to the internet to get more people online. Where possible we will work with partners to promote the use of GP digital services specifically to aid uptake.
- **Data Banks** – Work with partners in the region to improve access to data banks for residents.
- **Digital Divide Funding** – £2m for Voluntary and Community Sector organisations to provide a service that engages, stabilizes, and progresses those that are digitally excluded, connecting them with formal progression routes.
- **Digital Curriculum** – with the Good Things Foundation developed a guide to help providers to better understand the barriers residents face to getting online.

Improving digital skills

- Work to increase the proportion of digital skills delivery from 8% to 20% via revised curriculum approach.
- Continue to fund digital bootcamps to help industry access talent.
- Engage with West Midlands companies to help shape how WMCA skills provision is delivered to help increase the number of people with work digital skills.
- **Careers service** – use new place-based governance arrangements for careers gained through the Deeper Devolution Deal to shape regional and national policies and programmes that are developed to improve digital skills, including for young people.
- **Transport Skills Academy** – we are actively encouraging young people to take an active part in understanding job roles and services we offer that relate to data and digital through our Transport Skills Academy.
- **Youth Engagement Platform** - Use the WMCA youth engagement platform to provide more information to young people about routes to improving digital skills and gaining employment in digital and tech related roles.

Case Study: Connected Services Programme

The Connected Services Programme is being funded by £4m secured through the Deeper Devolution Deal. The project is supporting 20,000 residents directly with data enabled devices and training but will have a greater impact across families of those supported – anticipated benefits reaching 100,000 residents.

The project uses a place-based targeted approach focusing on those areas identified within the Digital Exclusion Risk Index cross referenced against WMCA's own digital inclusion map.

The project will improve IT accessibility, close the digital divide, and help the most disadvantaged communities get online. Targeting those at the highest risk of digital exclusion, the WMCA will work with local authorities and community partners to help residents improve their access to public services, increase their employment chances by learning digital skills and reduce isolation among vulnerable members of society.

The anticipated benefits of the project include:

- Greater resilience to cost of living pressures - shopping and paying bills on-line can result in substantial cost savings
- Improved access to public services such as welfare, health, council services – alongside potential reductions in the cost of providing these services. Research shows a £6.40 return on investment for every £1 invested in digital health inclusion.
- Reduction in isolation of older and other vulnerable people including those with disabilities, through greater connection with family and friends, and with essential services.
- Improved access to employment for residents, through increased confidence to gain skills, look for work online, and secure employment.
- Stronger employment and earnings progression for residents. Manual workers with essential digital skills can earn £2,160 more per year compared to those without these skills (Lloyds Bank UK Consumer Digital Index 2020).
- Improved productivity among businesses, through effective utilisation of employees' digital skills.





Mission 2: Sharing and using data to improve people's lives

In the coming years we want to use technologies to capture and share data in more effective ways, support behaviour changes through scenario modelling and play a key role in continuing to improve data ethics in the region. This supports our ambitions to become nationally recognised for our work on data, although we recognise that we need to increase our regional capacity to enable this.

Outlook

The use and sharing of data are key enablers of what we do across the Roadmap missions because it helps us to understand the region and make evidence-based decisions.

Our evidence report uses Annual Business Survey data to show the rate of which data is being acquired and shared across the region by businesses, in line with Tech UK analysis. The data shows that the region performs better than the national average on data acquisition, which is the % of businesses that 'acquires or collects any data (34% compared to 29% nationally). The region also marginally outperforms the national average on the % of businesses that share data at 17% compared to 16% nationally, for context Greater London is the best performing area on this measure with 21%.

Our ambition for data use and sharing means that we will work to improve position on these measures and use of these indicators to help shape the actions that we will take over the next three years to achieve our aims.

Regional Challenges

- Our region needs 3,700 more businesses to share data to be in line with the best performing region for data sharing.

Linked Inclusive Growth Fundamentals

- Power and participation

Key Partners

- Regional statutory agencies
- Academia
- Technology companies

WMCA Investment

- Activities to be delivered as part WMCA core funded activities and in-kind support from external partners.

Roadmap activities

Regional Aspirations

The West Midlands is a national leader on data ethics, open data, and data security.

Advanced data analytic methods are regularly used to improve public services and grow our economy.

Data is shared effectively across organisations to solve key regional challenges.

Page 192



Partnership working, publishing and sharing datasets will be at the forefront of our efforts to share more data in the region:

- **Governance** - improve regional governance forums to enable more coordinated discussions and partnership work and implement data partnership with Government as part of the Deeper Devolution Deal.
- **Collaborative projects:**
 - identify a series of areas for collaborative data projects that showcase the value of data utilization and inform evidence based decision making and make the case for further data focused initiatives.
 - Seek to work with other Combined Authorities, Tech UK, Local Authorities and other partners to access more digital related intelligence to inform our understanding of our places.
- **Research and insights** - published online to make data more accessible to the public and other private and public sector organisations.

We will continue our drive to become leaders in national data ethics, open data and security through:

- Data Strategy - Develop and then use our data strategy to further maximize how we use data as a Combined Authority.
- Business Growth West Midlands - understand what support businesses need to enable them to acquire and share data to stimulate growth opportunities associated with data ethics, open data, and data security, e.g., opportunities related to cyber.

Our work to grow the economy and improve public services will see us do the following:

- **Drones** - will fly over congested hotspots and traffic queues at accident scenes or road closures and send live footage to transport managers enabling them to better plan diversions and keep the public informed.



- **Digital Twins:**
 - Energy - improve decision-making on energy infrastructure by bringing together key stakeholders and relevant datasets in a virtual environment.
 - Regional Strategic Model / Digital Twin - update the WMCA's existing strategic transport modelling and will support traditional transport planning activity by already accomplished transport modellers.
- **Data literacy:**
 - Up-skilling and improving the capacity and capability of our digital, data and technology (DDaT), data experts, operational research, social science and research and intelligence professionals; and wider training of data users: training and engagement of members, senior officers, policy officers and strategic stakeholders.
 - Share training and development opportunities enhanced and shared through regional forums.
- **Symposium** – WMCA will convene a symposium with the relevant government departments and agencies to leverage the benefits of data science capability to local policymaking and service delivery. This is part of wider package of data benefits secured through the Deeper Devolution deal.
- **Regional Transport Coordination Centre (RTCC)** - use the data collected through the RTCC and transport sources such as sensors, manual counting, commercial data from vehicles and mobile phone data to shape the information we provide to the public, key partner organisations and politicians. Here, we are using frequently updated short-term forecasts that support users making operational decisions in real time

Case Study: Transport for West Midlands Drones

The Regional Transport Coordination Centre and Safer Travel Command Centre, based in Birmingham, receive images from more than 2,500 fixed CCTV cameras covering the West Midlands major road, rail and tram networks, as well as some town and city centres. But there are gaps in the coverage, meaning they are unable to view traffic building up around some accidents. Now, thanks to the new drone team, live images can be relayed back to the command centre filling those gaps in coverage, at a fraction of the cost of installing and maintaining static CCTV cameras.

It not only means that traffic can be better managed around incidents, but more accurate and timely advice can be given to the travelling public – including via the @WMroads social media channels.

Andy Street, Mayor of the West Midlands and WMCA Chair, said:

“Our Regional Transport Coordination Centre has been at the forefront of innovation in transport management - playing a major role in the success of last summer’s spectacular Commonwealth Games. Now we’re building on the existing provision of hundreds of CCTV cameras covering our road, rail and tram networks by bringing drone technology into our repertoire to further improve coverage. Having a wider aerial view of various scenarios that can be beamed back to the RTCC will enable our traffic managers to make better and faster decisions about how best to deal with incidents – enhancing the travel experience for local people right across our region.”

A drone has also been deployed during Aston Villa matches to spot traffic issues and allow up-to-date information to be sent out via social media channels. Those drone images are shared with Birmingham City Council and West Midlands Police. The live panoramic overview provided by the drones is already making a difference in how congestion at junctions is managed and minimized. And the team is also set to trial an automated drone which would be launched from the roof of Walsall Bus Station in collaboration with drone safety specialists [Skybound Rescuer](#). It would be the first urban trial of a remote operated drone system in the UK.





Mission 3: Becoming the UK's best-connected region

We are working with a range of partners to improve the region's broadband and mobile infrastructure. Although the outputs are focused on infrastructure it is key to note that intelligence gathering and sharing and stakeholder engagement are key to the success of this mission.

Outlook

WM5G, the subsidiary of the WMCA leading digital connectivity, has developed a proven model for working in partnership with Local Authorities, telecoms network providers and government to implement processes and new ways of working that make it simpler, faster and cheaper to deploy connectivity infrastructure – in compliance with regulations.

As a result network providers have invested more money in the West Midlands 5G network than other comparable regions. This resulted in more citizens, businesses and public services having access to 5G – pulling forward over £100 million GVA of estimated benefits over 5 years.

It's imperative that we continue this work to ensure that all citizens, businesses and public services can access the benefits of 5G and also

that we extend this approach to broadband, where the region faces similar challenges.

Regional Challenges

- We want the region to be in the top decile of gigabit capable broadband access of any UK region.

Linked Inclusive Growth Fundamentals

- Improving accessibility of resources and opportunities

Key Partners

- Central Government
- Local Government
- Local Industry
- Private Sector

WMCA Investment

- Inclusive of £10m secured through the Deeper Devolution Deal for the Smart Cities Region and £4m secured through the 5G Innovation region programme.

Roadmap activities

Regional Aspirations

Best 5G mobile coverage of any CA region - with at least 40% population coverage by 2025.

Best 4G mobile coverage in UK – with >95% outdoor and >90% indoor coverage.

Page 15
Highest gigabit broadband access with the region achieving its fair share of full fibre broadband investment versus other large urban conurbations.



WM5G are the lead agency for mission 3 activities and they will lead the work on improving mobile and broadband:

- **Collaborating with Government:**
 - identify key policy changes and engage strategically with DSIT to overcome challenges to drive change at a faster pace across the region.
 - Work proactively with DSIT through the Digital Infrastructure Leadership Group to accelerate broadband roll-out and connectivity.
- **5G Innovation Region** - £4m to accelerate the adoption of 5G technology across the two of the region’s most important clusters – manufacturing and smart communities (which includes social care & social housing) – to boost productivity, wellness and jobs.
- **Strategic Partnerships** – Work with the WMCA and other local partners to create strategic relationships with industry partners that help to take advantage of the Roadmap opportunities identified in the evidence report.
- **Intelligence** - including updating the mobile connectivity map of the region with all new or changed public assets and mobile connectivity assets so that our strategic partners have an update to understanding of regional infrastructure.
- **Digital Forum** – engagement in this forum will foster partnership working between the WMCA, WM5G, Local Authorities and other partners when rolling out new technology. WM5G will also disseminate the latest best practice guidance (including Digital Connectivity Infrastructure Accelerator phase 1), review progress and address any escalations.
- **Barrier Busting** - work with Local Authorities and operators to identify new barrier busting interventions to resolve connectivity issues. WM5G will also develop and launch broadband barrier busting best practice guidance and improvement plan with the seven West Midlands Local Authorities, Government and private sector.

- **Capacity** – work to increase the capacity of WM5G, this will include identifying ways of working more closely with our partners and recruiting specialists to lead on key areas of work, including broadband.
- **Analogue switch off** – develop plans to support residents and business understand plan for the implications of the analogue switch off that is planned for 2025.
- **Projects and programmes** – continuing to trial and test to innovate across the region, including through the Smart Cities work that is referenced under mission 5.

Case Study: Fast Track Legal Process

WM5G have developed the Fast Track legal process, meaning the processes of site selection, legal and Town and Country planning are managed centrally by us.

This enables Industry to engage with a common interface across the whole of the WMCA region which has improved relationships across the whole ecosystem. As a result, the time to deploy new mobile sites in the region has reduced from 18 months to 6 months with the legal process alone reducing from 12 months to 6 weeks. The process has had 92 sites pass through it and the benefits can clearly be seen in the coverage figures for the region. MNO's suffer less not-spots as sites churn because replacement sites can be delivered far sooner. Extra network capacity can be deployed faster which maintains user experience.

WM5G have taken these learnings and extended it to the deployment of small cells. Through the Digital Connectivity Infrastructure Accelerator project and the relationships with industry, WM5G has enabled Birmingham to create and sign an Open Access agreement in record time, allowing industry to be able deploy telecoms equipment on street furniture in the region with ease which saw VMO2 install their first small cells in the city centre in the last 2 weeks. This will further help to ensure people in the region are always connected when on the move.





Mission 4: Realising the potential of digital to transform our economy and build economic resilience

Over the next three years we will use the region’s business support provision to provide firms with specific support at the different stages of their journeys, in addition to supporting them to access market opportunities and help firms to adopt technology to grow.

Outlook

The West Midlands has the second largest Tech sector outside of London, generating £15bn to the wider regional economy, with 2,400 businesses employing 144,000 people. The evidence reviewed shows that this growth is driven by the ability of the region to attract business in key sectors and clusters such as advanced manufacturing, healthtech, medtech and fintech.

Tech UK’s Local Capital Index shows that digital adoption is another key driver with the region going up 2 places to 22nd on digital adoption. Regional initiatives like Made Smarter are making a significant difference to adoption in the manufacturing industry.

An increasingly important facet to adoption is the utilisation of AI and we are aware of the need to support our business base in further understanding how AI and DeepTech adoption more broadly can drive growth.

Regional Aspirations

- All SMEs and micro business adopt basic digital technologies to boost output and productivity.
- Firms across the regional economy adopt advanced digital technologies (e.g. AI, blockchain, VR/AR, 5G, IoT).
- Tech and digital firms that are looking to scale up can access support and finance in the region.

Regional Challenges

- Our region has 1,300 fewer digital business start-ups per year compared to the national average.

Linked Inclusive Growth Fundamentals

- Reducing employment inequalities
- Increasing household income

Key Partners

- Tech WM
- Private Sector
- Central Government
- Academia
- West Midlands Growth Company

WMCA Investment

- £1m worth of Digital Economy activities will be generated by Tech WM with every £1 of WMCA investment multiplying into £2 of private sector funding. Additional activities are being funded via core WMCA programmes, e.g. £14.7m work of skills funding.

Introduction by Martin Ward, Tech Commissioner

As Tech Commissioner for the West Midlands, I am excited to introduce the range of activities that reflects our commitment to harnessing the tremendous potential of the digital and tech sector in our region which is worth more than the £15bn.

Our region is home to world-class universities, innovative start-ups, and established businesses driving digital success. We have an incredible talent pool that continues to grow, attracting skilled individuals from across the globe. The scale of the West Midlands tech and digital sector is truly impressive, and we should be proud of what we have achieved so far. But it is not just the size and scale of our digital sector that makes the West Midlands special. Our region possesses unique strengths that set us apart. For instance, we have a long history of manufacturing excellence, and we are now translating that expertise into the digital space. We have seen companies leverage advanced manufacturing techniques combined with cutting-edge digital technologies, creating transformative solutions in industries like automotive to healthcare, and everything in between.

Furthermore, our region benefits from improving connectivity, thanks to state-of-the-art infrastructure such as 5G networks and full-fiber

broadband. This connectivity accelerates the adoption of emerging technologies and provides the foundation for digital innovation across industries. It empowers businesses, strengthens public services, and enhances the overall quality of life for our citizens.

However, we also recognize that there are challenges to be addressed and obstacles to overcome, including: a fragmented ecosystem; a need to improve high growth support; a purpose to unify the ecosystem and the need to improve our visibility and have our narrative understood. Together with partners, we will overcome these challenges and create an ecosystem that nurtures and supports entrepreneurs, provides a platform for start-ups to scale, and attracts investment from around the world.

Through collaboration and tenacious efforts, we will establish the West Midlands as a frontrunner in the digital era, creating a prosperous and inclusive future for all.



Tech WM, alongside the Tech Commissioner, Martin Ward, have played a leading role in developing the programme for Mission 4. TechWM is a not-for-profit organisation who act as the independent voice of the West Midlands tech sector. Since its inception in 2019, the organisation has worked tirelessly to support the region's tech ecosystem and grow the digital economy.

TechWM has set out an ambitious plan to ensure the region's tech sector is at the forefront of the new technological revolution and is truly seen as a global tech superpower. The plans are designed to address three specific issues that emerged:

Page 140

1. A fragmented ecosystem that's hard to navigate
2. Absence of a strong narrative and shared purpose
3. A limited access to high-quality business support and investment opportunities

Announced at Birmingham Tech Week 2023, TechWM will invest £1m over 2024 in a number of key initiatives that centre on their Connect/Amplify/Transform strategy.

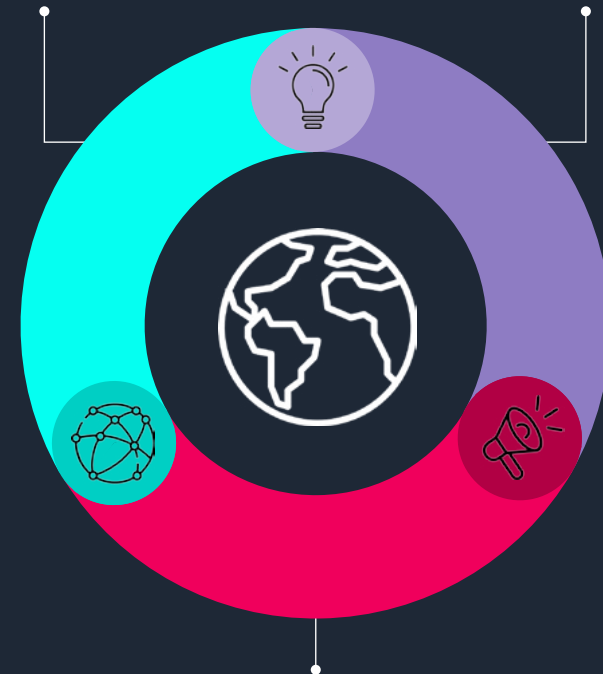
This investment and strategy will be delivered in partnership with public, private and academic stakeholders through a close working relationship with WMCA.

OUR MODEL

designed to address the challenges and help the region realise its full potential as a global tech hub

CONNECT

TRANSFORM



AMPLIFY



Connect

The Connect element of the strategy, named 'TechConnect' will focus on 4 P's: Place, People, Platform and Programme.

- **TechConnect Hubs:** The place part of TechConnect is a series of physical spaces across the West Midlands where businesses can get support and work in an environment alongside their peers. This includes a Hub in partnership with Bruntwood Sci-Tech at their Innovation Birmingham campus and a Hub at 1 Mill Street in Leamington Spa.
- **TechConnect Live:** The programme element of TechConnect is a series of events, workshops and forums that will give entrepreneurs and businesses access to unique insight, experts and mentors. This includes activity with the University of Warwick, Aston University, HSBC, Accenture and Gowling WLG, to name a few.
- **TechConnect Support:** The people part of TechConnect is an expert team with over 40 years combined experience in helping tech companies scale. This team, consisting of experts in support, innovation, investment and talent, will be on hand to support businesses and signpost them to relevant parts of the ecosystem.
- **TechConnect Platform:** The platform part of TechConnect is a SaaS solution designed with businesses in mind. It will capture information about an organisation and then provide real-time and contextually relevant recommendations. It will also provide a real-time map of the ecosystem so everyone has a good understanding of the sector.



Amplify

The Amplify part of our strategy is designed to ensure the region's tech sector and businesses get the recognition they deserve. This consists of 3 key components:

- **Narrative & Proposition Development:** To ensure the region has a strong, inspiring and compelling story, TechWM will commission an agency to develop a narrative and proposition for the West Midlands tech sector. This will be developed by engaging with, and capturing insight from, partners, collaborators and stakeholders. The outputs from the initiative will be:
 - **A Storybook:** A visually engaging document that clearly articulates our region's past, present and future. It will demonstrate our strengths and showcase our key businesses and assets.
 - **A Video:** A video will be produced to bring the story to life in an engaging and exciting way.
 - **An Asset Library:** A set of assets will be produced including case studies, reports, quotes and stats that can be used to demonstrate the tech sector's capabilities.

All of these outputs will be shared and made readily available to everyone in the ecosystem so the region has a consistent narrative.

- **Showcase Events:** In order to promote the tech sector to a national and international audience we will continue to put on our two key events:
 - **Birmingham Tech Week:** The UK's largest regional tech festival attracts 7,500 people, including investors, delegations from over 25 countries, ministers, public figures and execs from the likes of Microsoft, Google and Amazon.
 - **West Midlands Tech Review:** The annual tech review, now in its 3rd year, brings together partners, collaborators and stakeholders from across the region so everyone is aligned around shared strategic initiatives and goals. It takes a look at the previous year and looks at the year ahead. 300+ senior tech leaders will be in attendance.

- **PR, Marketing, Media and Social:** Ongoing promotional activity will be delivered to ensure there's a constant stream of news across a multitude of channels. This includes a purpose-built website which will act as the 'shop window' for the region's tech sector.



Transform

The final part of the plan, ‘Transform,’ will take a deep dive into the ecosystem and understand what’s working, what’s not and what’s missing. Where needed, policy recommendations will be made and investment cases will be formed so interventions can be made.

Overseeing this part of the plan will be an independent Tech & Digital Advisory Board who will make strategic recommendations, create business cases and will be responsible for the region’s Tech & Digital Strategy. This Board is Chaired by Martin Ward, the West Midlands Tech Commissioner and consists of industry experts, including Janet Coyle CBE, Lord Kulveer Ranger of Northwood and Paul Faulkner. The Board includes experts from across the ecosystem, including people from the public, private, academic and third sectors.

The Transform part of the plan will focus on how we can create more tech scaleups and unicorns by addressing 3 key growth drivers:

1. **Business Support** - creating a world-class ecosystem of business support designed for high-growth tech businesses

2. **Investment & Funding** - Addressing funding gaps and investment readiness, especially around early-stage startups (Pre-Seed and Seed)
3. **Digital Skills & Talent** - A focus on narrowing the region’s digital skills gap so businesses have the necessary talent they need to grow.

Each one of these areas will have a dedicated Special Interest Group (SIG), Chaired by an expert alongside a number of knowledgeable subject matter experts. The objective of these groups will be to make recommendations to TechWM, WMCA and the Tech & Digital Advisory Board for activation and delivery through regional partners.

Alongside these core SIGs, a number of focussed groups will be formed, these include:

- **AI & Future Tech:** Launching in March 2024 - Chaired by Dr Chris Meah, Founder of School of Code and Co-Chaired by Professor Andrew Pardoe, Head of the DeepTech Centre at the University of Warwick.
- Other groups being planned include Cyber, Women in Tech, CreaTech, 5G/Telco and other key verticals across the tech sector.

All investments and initiatives are co-supported by WMCA through a variety of funding sources including core funding, shared prosperity fund and the Innovation Accelerator funded West Midlands Innovation Programme.



Supplementary Activities

- **Plan for Growth** - work to understand emerging digital opportunities and challenges for the clusters. This will include:
 - explore how the Roadmap can strengthen connections between industry and academia to develop and apply new digital approaches quickly, sparking growth in nascent clusters like EdTech.
 - use of WMCA Co-Invest Fund and digital workspaces to meet the digital needs of priority and nascent clusters.
 - working with skills leads to support the investment in advanced engineering and digital skills to help workers progress to higher-skilled roles and increase resilience of the cluster.
 - support the work to further public and private investment around the Digbeth Loc project and opportunities with the Digital Catapult on immersive technology.
- **WMCA Digital Skills training investment:** More than £14.7 million is being invested by the WMCA in bespoke training schemes designed to help meet the skills need generated by the region's booming tech sector.
- **Talent for Skills** - WM5G, as part of the UK Telecoms Innovation Network (UKTIN) launched the Talent Advisory Group for skills, Clusters Network for UK regions and a UKTIN adoption programme focusing on health, transport, agritech and smart communities.
- **Exploratory activities on Deep Tech (including AI):**
 - The potential for developing a West Midlands Ethical framework for AI and deep tech.
 - Working with HE, FE and industry to create courses that focus on AI and deep tech that respond to industry needs.
 - Forecasting job creation and GVA impact of Deep Tech across our sectors.
 - Work with key partners such as the [Digital Catapult](#) to explore areas for collaboration that could see businesses supported to adopt technologies, in particular Deep Tech.
- **WM5G SME Adoption programme** – supporting over 700 SMEs to raise awareness, engagement and support for digital transformation covering 5G, internet of things and data/AI opportunities with 98% very likely to action some of the learnings from the programme.
- **DIATOMIC (Digital InnovAtion TransfOrMatIve Change)** - will accelerate place-based innovation in the West Midlands. Harnessing the region's existing international relationships and through a series of targeted initiatives, it will focus on growing the region's clean tech, health tech and med tech markets.
- **Made Smarter adoption programme** – supporting SMEs in the manufacturing sector to raise awareness of Industry 4.0 adoption benefits and support planning.
- **Business Growth West Midlands** - Single location for all business enquiries, using LA account managers to signpost businesses to the most relevant support.
- **Sector Engagement**
 - Working with the West Midlands Growth Company to engage with major digital employers and potential investors, outlining the scale of digital opportunities and potential for growth in the region.
 - Promoting the region through key events such as Birmingham Tech Week to enable innovative firms to showcase their companies.

Case Study: Credicar

Credicar is a pioneering financial technology (fintech) company that has revolutionized the world of automotive financing. The company is one of many that are supported through SuperTechWM. The company was founded by a team of finance and technology experts who recognized the need for a more efficient and user-friendly way of obtaining car financing. Their vision was to create a platform that would empower individuals to secure vehicle loans easily, transparently, and at competitive rates. The founders aimed to disrupt the traditional lending landscape by utilizing advanced technology and data-driven decision-making.

Credicar's groundbreaking platform is built upon sophisticated algorithms and machine learning capabilities. Through extensive data analysis and risk assessment, the platform evaluates loan applications swiftly and accurately. By leveraging advanced quantitative models, Credicar assesses borrower creditworthiness based on various parameters such as credit history, income stability, and employment status. Moreover, the company capitalizes on AI to streamline the application and approval process. An intuitive user interface allows applicants to swiftly navigate the platform, providing necessary

financial information and documentation. The AI-powered algorithms analyze these inputs, enabling Credicar to determine loan eligibility and present tailored financing options to customers in real-time.

Amar Rana, the CEO and Founder of Credicar, "We founded Credicar on the principle of empowering individuals by simplifying the car loan process. Our advanced technology enables us to offer unparalleled convenience and transparency to consumers, making their car financing journey seamless. We are committed to leveraging cutting-edge solutions to reshape the industry and provide accessible financing options for all."

Credicar's innovative approach has deeply resonated with car buyers, resulting in rapid growth and market expansion. By embracing technology and leveraging data insights, Credicar has successfully minimized the time and effort required to obtain car loans while ensuring competitive interest rates. As a result, a significant number of customers who were previously underserved by traditional financing institutions have now gained access to affordable and flexible credit options.

The company is poised to continue its upward trajectory in transforming how individuals access automotive finance. With ongoing collaboration and support from Supertechwm, Credicar remains committed to incorporating emerging technologies, refining its platform, and expanding its market reach, solidifying its place as a trailblazing fintech company.





Mission 5: Using digital public services to build a fairer, greener, healthier region

Our work on digital public services is focused on using platforms and data to influence behavior change, using technology to share and dispense information to shape services and running programmes which encourage our residents to become more informed and healthier.

Outlook

Intelligence reviewed for mission 5 emphasises the important role of digital public services in creating a fairer, greener and healthier society. The latest statistics show that 47% of West Midlands residents are accessing these services online, below the national average of 50% and 14 percentage points below London which is the best performing region. Improving this position is a key priority for the region given the benefits that accessing digital public services can bring, including the potential to help reduce the number of journeys made, thus reducing the region's carbon footprint.

Our work in this area will focus on enabling our residents to access public services and as such it will be delivered in conjunction with our digital inclusion and skills work as part of Mission 1.

Regional Challenges

- Our region has 69,000 fewer adults using digital public services compared to the national average.

Links to Inclusive Fundamentals

- Climate Resilience
- Health and Wellbeing

Partners

- NHS
- Technology companies
- Local Authorities

WMCA Funding

- Inclusive of £10m secured through the Deeper Devolution Deal for the Smart City Region and £25k from the Connected Services programme.

Designated Roadmap Activities

Regional Aspirations

Reduction in the health inequalities by ensuring that vulnerable adults and those with multiple and complex needs are provided humancentred support to improve their wellbeing.

The WMCA and other regional organisations should work to increase citizen engagement via digital portals and platforms.

Regional carbon reduction as outlined in the WM2041 net zero strategy.



Health and Communities:

- We will deliver specific activities to improve public services and increase the awareness of digital public services:
 - **Smart Cities** - the three regional Integrated Care Boards to roll-out / enhance successful health & social care pilots based on digital connectivity (home remote monitoring, remote diagnostics, digital prevention, exemplar smart hospital) between now and March 2025.
 - **AI and Healthcare** – work with GPs / primary care to take cardiovascular data, particularly relating to hypertension, and create a tool to enhance identification and management of patients, improving workforce productivity and clinical outcomes.
 - **Connected Services Programme (Health)** - £25k capital funding (part of the wider £4m Connected Services Programme) for digital health devices, helping to support behaviour change for health improvements.
- Work with the NHS and other organisations to understand which areas in the region have low take up of digital public services to inform our place based work to increase usage, for example understanding the neighbourhoods where there is low take up of digital GP services.
- Once published, use the updated WMCA Health of the Region report to identify further support our understanding of the places across the region that should be targeted for greater use of public services to aid health outcomes.
- **Social connectivity tariffs** - Development of materials to help raise awareness of social tariffs amongst key communities via existing channels – including Local Authorities, charities, Combined Authority, operators and others.



Transport:

- **Influencing Transport Lab** - facilitate and action collaboration in the behaviour change field, allowing the transport sector to make faster progress towards a sustainable transport ecosystem.
- **Travel Demand Management Strategies** - use data and digital tools to analyse information about individuals, personas and segmentation and our existing transport capacity, to assess demand and hotspots to provide and apply mitigations.
- **Real Time Information** – continue to use RTI to provide travellers with up to date information and use intelligence garnered from travellers to shape service delivery.
- **Retrofit Data Infrastructure** – Develop a data infrastructure solution, and capacity within Energy Capital to make better use of data from retrofits. This will facilitate new, outcomes-based finance for funding retrofit, and work towards our position for future devolved funding.

Energy and Net Zero:

- **Net Zero & Environment Data Dashboard** - produce the Data Dashboard and publish on WMCA website.
- **Project EQUINOX** – The WMCA are participating in Project EQUINOX, where residents with low-carbon heating can save money on their energy bills by being paid to reduce their energy demand during peak times. Smart metres are required for participation, linking digital inclusion to carbon reductions and bill savings.
- **Local Area Energy Planning:** WMCA are working with partners NGED, Advanced Infrastructure, and Regen to develop the LAEP+ tool and an accompanying governance structure to interface with OFGEMs newly proposed ‘Regional Energy Systems Planner’. This governance structure will be informed by the LAEP+ tool which is a ‘digital twin’ of the energy infrastructure region (currently Black Country, Solihull and Coventry). This platform will help coordinate energy infrastructure projects by highlighting areas of constraint and opportunity, allowing us to make smarter, more informed decisions on where we deliver and invest in our energy infrastructure.

Case Study: Smart City Region

The Smart City Region Health, Care and Connectivity programme (SCR) is focused on scaling-up the technology trials that the West Midlands has successfully pioneered and proven in order to deliver radically more effective and efficient health and social care services and boost productivity. There are five key Spending Objectives covering:

Remote Monitoring - Provide sensor-based remote monitoring services for up to 5,000 adults needing ongoing care. This will improve patient care and reduce admissions / re-admissions to hospitals enhancing the impact of virtual wards and intermediate care.

Diagnostics - Complement existing NHS initiatives and help thousands of citizens to receive faster diagnoses with an initial focus on bowel cancer delivered in home and through innovative mobile units taking advantage of advanced connectivity.

Preventative Healthcare - Complement our Thrive programmes with new digital solutions to include 200k employees across the West Midlands with a focus on improving wellbeing and productivity.

Exemplar Hospital - Launch an exemplar smart hospital in partnership with local teams providing enhanced connectivity that enables the hospital to reach and serve more people.

Learning Network - Provide a Learning Network to support health and care staff to benefit from the scaling and acceleration of the above innovative solutions.

These objectives directly respond to the Government's mission to level up health: faster diagnoses will help reduce the backlog, ongoing remote monitoring will help reduce the burden on hospital and domiciliary care services and an exemplar smart hospital will ensure continued technological advances, continually contributing to improving access to health services and thereby reducing inequalities in access. Furthermore, shifting resources into preventative healthcare will contribute to DLUHC's mission to level up well-being.

Taken together, these will bring up healthy life expectancy (HLE), reducing the HLE gap that is central to DLUHC's mission to level up health. These missions and our proposed response are critical in a climate where high rates of economic inactivity are attributable to poor health and wellbeing. It also aligns strongly with the WMCA Plan for Growth, the three regional Integrated Care Boards and LAs' priorities and national priorities to increase digital inclusion.



Governance and Delivery

Since the publication of our last Roadmap we have strengthened and widened our partnerships with stakeholders in the public, private and voluntary and community sectors to increase the rate of which we deliver across the missions and to utilise sectoral expertise and insights to shape our Roadmap Programme.

Digital Roadmap Steering Group and Advisory Groups

In the next three years our Digital Roadmap Steering Group will provide the strategic leadership for the Roadmap programme, some of the key functions for the Steering Group will include:

- Convene regional and national organisations and senior stakeholders to resolve challenges and build on regional strengths, opportunities and specialisms
- Lobby Central Government to secure additional resources for Digital Roadmap priority areas
- Combine resources to address common challenges across the mission areas.

The Digital Roadmap Steering Group will be supported by several advisory groups that will lead on mission specific activities and be responsible for delivery of mission specific activities. Some of the key functions of these groups will be to:

- To collaborate on delivering mission specific activities, including through providing resources to support delivery.

- Recommend supplementary activities that will complement Roadmap activities to accelerate progress across mission areas.
- Share best practice and experiences with other advisory groups to support delivery of mission areas.

Our governance system will receive senior sponsorship from the WMCA's Executive Director for Strategy, Economy and Net Zero who will chair the Digital Roadmap Steering Group. The Executive Director will lead on engagement with the Mayor for the West Midlands, WMCA Culture and Digital Portfolio holder and other WMCA Executive Directors to ensure the Roadmap is embedded in the WMCA policy ecosystem.

Some of the key actions for us in the coming months include:

- Further enhance our efforts to promote the region, using key industry engagement assets (e.g., WM Growth Company and Business Growth West Midlands) so potential investors understand regional strengths.

- Work with our partners to continually develop and refine the projects and programmes that drive forward our missions. This includes working with Local Authorities and Government to take advantage of emerging opportunities such as the 5G Innovation Regions.
- Continue to work with Government to ensure that resources and relationships gained through the Deeper Devolution Deal are fully maximised – our participation in the Digital Infrastructure Leadership Group will be key to this.
- Garner new strategic partnership with industry partners to take advantage of our regional strengths and tackle the regional challenges outlined.

WMCA Local Authorities

There are seven constituent Local Authorities that make up the WMCA area:

- Birmingham City Council
- Coventry City Council
- Dudley Metropolitan Borough Council
- Sandwell Metropolitan Borough Council
- Solihull Metropolitan Borough Council
- Walsall Metropolitan Borough Council
- City of Wolverhampton Council.

The seven Local Authorities play an integral role in forming WMCA strategies and are also key delivery partners:

Strategy – regular engagement through digital and other forums with local authority representatives have helped significantly to shape Roadmap priority areas. Furthermore, we will explore the formation of an LA Officer Steering Group to support the delivery of the five Roadmap priorities.

- **Delivery** – Local Authorities are strategic partners on key initiatives such as the £4m Connected Services Programme and steers provided by policy leads have shaped the development of future activity listed in the Roadmap, for example the £2m digital divide funding.

The following are examples of how local authority led projects are aligned to the Roadmap Missions:

- [Fablab Coventry](#) - Coventry City Council, Coventry University and the University of Warwick, along with a number of other partners from both the private and charity sectors have contributed to the creation of FabLab Coventry. The project aims 'to encourage all citizens in Coventry to become more technically skilled, but in an environment that is fun, well equipped, geared for self-paced learning, and open to everyone'. This initiative is aligned to Missions 1 and 4 of the Digital Roadmap.

- [Wolverhampton Digital Inclusion Schemes](#) – City of Wolverhampton Council have three primary schemes that are tackling digital exclusion across the City, they are Wolves Online a device and connectivity lending scheme; the Wolves Tech Aid a device recycling scheme and local delivery of the Connected Services Programme a device gifting scheme to support residents to get online. Overall working with a network of 75 trusted partners, the schemes have provided 3,347 devices and 89,840 gigabit of data (equivalent of 3.5 million hours of data) supporting 7,100 residents to get online and improve digital skills. These initiatives

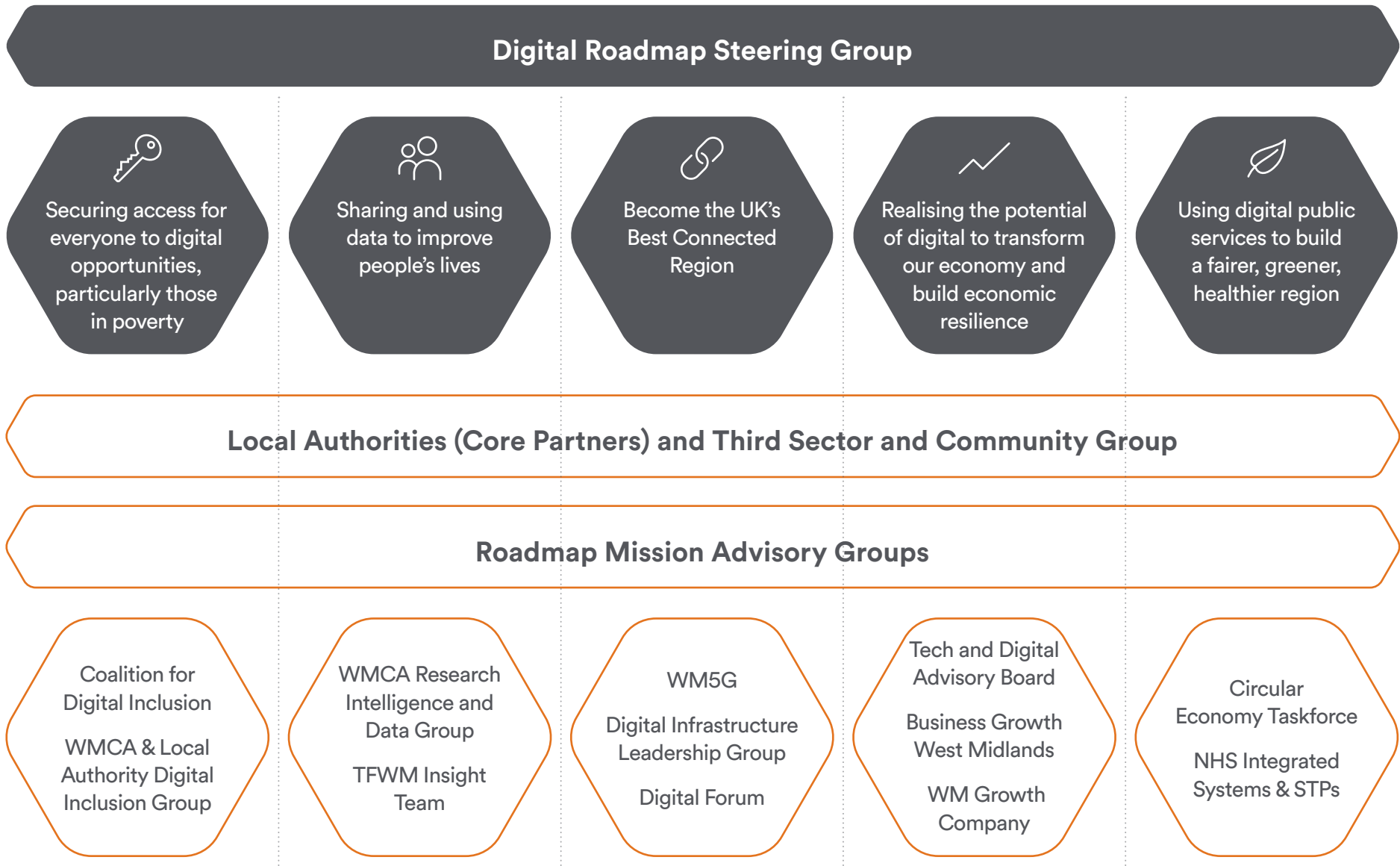
are aligned to Missions 1, 2 and 5 of the Digital Roadmap.

- [Sandwell Digital Den](#) - The Digital Den was a Sandwell based digital inclusion and connectivity project. Led by Greets Green Community Enterprises the project provided access to digital online provision for children, adults and older people including support to get online and improve employment readiness and access to employment opportunities for Sandwell residents. The initiative is aligned to missions 1,3 and 5 of the Digital Roadmap.

Civic leadership also plays a key role in our Roadmap and this document has been endorsed by the seven Council Leaders who sit on our WMCA Board.



Digital Roadmap Governance





West Midlands
Combined Authority

wmca.org.uk

© 2023



**West Midlands
Combined Authority**

Investment Board

Monday 13 November 2023 at 10.00 am

Minutes

Present

Councillor Bob Sleigh (Chair)	Portfolio Lead for Finance
Councillor Mike Bird	Walsall Metropolitan Borough Council
Councillor Christopher Burden	City of Wolverhampton Council
Councillor Matthew Dormer	Non-Constituent Authorities
Councillor Jayne Francis	Birmingham City Council
Councillor Karen Grinsell	Solihull Metropolitan Borough Council
Councillor Peter Hughes	Sandwell Metropolitan Borough Council
Councillor Jim O'Boyle	Coventry City Council
Gary Taylor	Greater Birmingham & Solihull Local Enterprise Partnership

In Attendance via MS Teams

Councillor Steve Clark	Dudley Metropolitan Borough Council
Paul Brown	Business Representative
Sue Summers	West Midlands Development Capital

Item Title

No.

60. Apologies for Absence

Apologies for absence were received from Councillor Simkins (Wolverhampton) and Councillor Thompson (Birmingham).

61. Notification of Substitutes

Councillor Simkins had nominated Councillor Burden to attend on his behalf.

Councillor Thompson had nominated Councillor Francis to attend on her behalf.

62. Minutes - 16 October 2023

The minutes of the meeting held on 16 October 2023 were agreed as a true record.

63. Investment Programme Update and Dashboard

The board considered a report of the Director of Commercial and Investment on the status of the Investment Programme to help set the context for any decisions being made.

The report provided an analysis of the overall regional investment Programme expenditure, funded grants administered by the WMCA and Match funding sources.

The Director of Commercial and Investment, Ian Martin, reported that approved grant funding awarded and administered by the WMCA to programmes within the Regional Investment Programme totals £853.7m as of 31 October 2023 (no overall change since the last report to Investment Board as at 30 September 2023).

Resolved that:

1. There have been no new approvals of business case submissions under delegated authority by WMCA Officers since previous meeting of the Investment Board be noted;
2. The WMCA Investment Programme funding status and current affordable limit as outlined in section 4 of the report be noted and
3. The Regional Investment Programme delivery update detailed within the report and appendices (including the project-level summary within the WMCA Investment Programme dashboard at Appendix 2) of the report be noted.

64. WMCA Commercial Investment Fund (CIF) - Dashboard

The board considered a report detailing the Commercial Investment Fund dashboard (public iteration) as at 1 November 2023.

Resolved: That the report be noted.

65. WMCA Brownfield Land and Property Development Fund (BLPDF) - Dashboard

The board considered a report detailing the Brownfield Land and Property Development Fund dashboard (public iteration) as at 1 November 2023.

Resolved that: The report be noted.

66. WMCA Residential Investment Fund (RIF) - Dashboard

The board considered a report detailing the Residential Investment Fund dashboard (public iteration) as at 1 November 2023.

Resolved that: The report be noted.

67. Presentation: WM5G Update

The board received a presentation from Robert Franks, WM5G, that provided an update on how the organisation is delivering 5G across the region and the transformational benefits it is providing for key sectors in health and social care, manufacturing, transport and for SMEs and start-ups.

The Chair noted that many people were reluctant to support 5G despite the many benefits it would bring and enquired how this issue was being addressed.

Robert Franks reported that the organisation does explain the benefits of 5G especially the health and social care benefits and was also keen to obtain public feedback with regards to poor mobile and broadband coverage.

Councillor Bird concurred with the Chair regarding the need to demonstrate the benefits of 5G to people, especially with regards to health and social care and to companies that provide services that support the elderly including local authorities. He also considered the need for WM5G to communicate widely what it does using all communication channels not just social media.

Robert Franks agreed with Councillor Bird and reported that WM5G was working with the NHS, the WMCA and local authorities to support citizens.

Councillor Grinsell reported that she welcomed the benefits of 5G but had received feedback from residents that whilst operators are consulting with them on the planning of 5G infrastructure, they are not listening to them and are siting boxes and masts too close together and asked whether operators could share masts.

Robert Franks reported that he was working with operators to 'bake in' early consultation with communities. In relation to the sharing of masts, he advised that there were some joint ventures, however, this was challenging due to the commercial competitiveness between operators and more masts were needed. He agreed that sharing infrastructure should be the way forward.

In relation to an enquiry from Councillor Dormer as to whether WM5G worked with non-constituent authorities as he was trying to follow-up opportunities in Redditch that were highlighted three years ago, Robert Franks reported that funding was provided for the constituent area of the WMCA but WM5G was working closely with non-constituent authorities on projects and undertook to contact Councillor Dormer with regards to following-up opportunities in Redditch.

In relation to an enquiry from Councillor Hughes regarding how WM5G is tackling youth unemployment and is 'selling' the technology to young people, Robert Franks advised that awareness is being raised among communities through the Ambassadors Programme, through social media, collaboration with the industry to provide work experience and mapping career paths. He added that work on skills is at its early stage but WM5G is collaborating with private skills providers and further education colleges.

The Chair thanked Robert Franks for his presentation and asked that the next presentation to Investment Board provide updates on communications, infrastructure and public resistance and, skills.

Resolved that:

1. The presentation be noted and

2. The next presentation to this board include updates regarding communications, infrastructure and public resistance and, skills be agreed.

68. Housing & Land Investment Programme Business Case

The board considered a report of the Interim Executive Director, Housing, Property and Regeneration that attached the retrospective Programme Business Case for the Housing and Land Funds which sets out the overarching principles and approach for administering secured Housing and Land funds.

The Head of Strategy and Analysis, Rob Lamond reported that the Housing and Land Funds Programme Business Case, documents a process that is already in operation in respect of the three housing and funds that have been devolved since 2018 (Land Fund, Brownfield Housing Fund and National Competitive Fund). The systems and process are managed in compliance with the Single Assurance Framework and the funding conditions set by Government.

The Interim Executive Director, Housing, Property and Regeneration, John Godfrey, reported that the Programme Business Case would be updated shortly to reflect a revised programme following a review of the existing pipeline and projects; a report providing an update on the matter would be considered later in the meeting.

Resolved that:

1. The retrospective Programme Business Case for Housing & Land Funds, which sets out the overarching principles and approach for administering secured Housing & Land Funds be agreed and
2. The Programme Business Case be updated in line with the revised programme set out in the funding programme update presented to this Investment Board as a separate agenda item be noted.

69. Royal Sutton Coldfield Town Hall

The board considered a report of the interim Executive Director of Housing, Property and Regeneration that sought approval for grant funding of up to £1m from the Brownfield Land and Property Development Fund to support emergency and enabling works to be carried out at Royal Sutton Coldfield Town Hall.

The interim Executive Director of Housing, Property and Regeneration, John Godfrey outlined the report and advised the board that this was an unusual project, in that, it was a heritage building that needed its roof replacing along with other emergency works. He reported that support in principle was given to the project in July 2023. The project did not provide any housing outputs but would safeguard 16 jobs and create a further 9 jobs. A partnership would be undertaken with the Royal Sutton Coldfield Town Hall Community Trust to mitigate risks and any payments of funds would be made in arrears.

Councillor Burden reported that he was not opposed to the report but considered its approval would set a precedent for similar projects to come forward and felt the project did not provide real brownfield remediation. He enquired whether all other funds have been exhausted as this project did not seem to fit the core aims of the Brownfield Land and Property Development Fund.

The interim Executive Director of Housing, Property and Regeneration advised that all other funding options have been explored and that was why funding was being sought from the Brownfield Land and Property Development Fund.

Councillors Hughes, Bird and Grinsell concurred with the comments made by Councillor Burden and noted the lack of housing outputs. Councillor Bird also enquired whether funding had been sought from Commonwealth Games Legacy Enhancement Fund and the Heritage and Community Pillar.

The Executive Director of Finance and Business Hub, Linda Horne reported that she had asked why funding could not be allocated from the Commonwealth Games Legacy Enhancement Fund and had been told that funding was already allocated, and the project did not meet the criteria for funding.

In relation to an enquiry from Councillor Bird as to what schemes would miss out on funding if the project was taken forward, the Director of Commercial and Investment, Ian Martin, reported that the Brownfield Land and Property Development Fund was an opportunity/market driven fund that was until the last meeting oversubscribed; the decision taken to no longer extend ring-fenced funding for Shard End released £4.36m for available projects. He gave an example of what sort of project would receive funding and advised that if funding was allocated to Royal Sutton Coldfield Town Hall, the remaining £3.38m funding could be used for a large brownfield site project of c.15 acres requiring remediation, this project was expected to be considered at the next meeting.

Councillor Bird asked that the WMCA continue to work with the Royal Sutton Coldfield Trust to see whether any funding could be found from other sources so that it could be returned to the fund.

Resolved that:

1. The investment of a maximum of £1m for the carrying out of enabling works to the Royal Sutton Coldfield Town Hall taking into account the assessment of doing so, and not doing so, as set out in the report be approved and
2. Authority be delegated to the Interim Executive Director of Housing, Property & Regeneration in consultation with the Director of Law and Governance to agree the terms of the investment to be made to with the Royal Sutton Coldfield Trust (RSCTHCT) in accordance with the terms of this report as approved by the Investment Board;

3. That funding is required for the emergency and enabling works to proceed be noted and
4. That the WMCA continue to work with the Royal Sutton Coldfield Trust with regards to obtaining other sources of grant funding with a view to some grant funding being returned to the Brownfield Land and Property Development Fund be agreed.

70. Exclusion of the Public and Press

Resolved:

That in accordance with Section 100A4 of the Local Government Act 1972, the press and the public be excluded from the meeting during the consideration of the following items of business as they involve the likely disclosure of exempt information relating to the business affairs of any particular person (including the authority holding that information).

71. Horgan Commercial Development Loan

The board considered a report of West Midlands Development Capital (WMDC) that sought approval for loan funding from the Commercial Investment Fund for the sum specified in the report, to the 'Company', to facilitate the development of 16 industrial units for SMEs, at the location identified in the report.

It was noted that the development would supply energy efficient starter units for which occupier demand is strong as significant interest had already been expressed by buyers for 9 of the 16 units.

The Director of Commercial and Investment, Ian Martin advised that the loan to the 'Company' was straightforward and confirmed there was a good market for small commercial industrial units for SMEs.

Resolved that:

1. The powers and ability of the WMCA to make the proposed loan be noted;
2. The comments made by Investment Panel when the proposal was submitted be noted;
3. The loan investment from the Commercial Investment Fund for the sum specified in the report to the 'Company' for a term of up to 2.5 years as per the terms and conditions set out in the report be approved and
4. The negotiation and approval of the final terms of the loan be delegated to the Director of Commercial and Investment in consultation with the Section 151 Officer and Monitoring Officer be agreed.

72. Stone Yard Development Site

The board considered a report of the interim Executive Director of Housing, Property and Regeneration that provided an update on the progress of the Stone Yard Development Project and sought endorsement of the recommended option from the five options open to the WMCA following the transfer of ownership of the Stone Yard site.

The Interim Executive Director of Housing, Property and Regeneration, John Godfrey outlined the background to the project, and the current position with regards to the grant agreement and the change of ownership.

It was noted that following the change of ownership of the site, external legal advice had been sought on the options available to the WMCA under the terms of the Grant Agreement which have been considered alongside advice from the WMCA's internal legal team.

The Interim Executive Director of Housing, Property and Regeneration explained the reasons why option five was deemed to be the preferred option under the circumstances.

The board expressed concern that the contract had been extended without the terms of the grant being negotiated, including the grant payments made and scheduled and also that the new developer would not meet the Authority's target of 20% affordable housing; the minimum 10% would be met.

The Chair noted that the intervention rate for the project remained low and the housing outputs were quite substantial.

In relation to how the decision had been made to extend the contract without negotiating the terms of the grant agreement, the Executive Director of Finance and Business Hub, Linda Horne, reported that the decision had been taken by the former Executive Director of Housing, Property and Regeneration, Gareth Bradford, under delegated authority. The Executive Director of Finance and Business Hub undertook to request an investigation into the matter and report back to a future meeting.

The board sought assurance that no other contracts would put the WMCA in a similar position.

The Interim Executive Director of Housing, Property and Regeneration, John Godfrey reported that lessons would be learnt on how contracts were drafted going forward to ensure the WMCA was better prepared if there was a change in ownership. He added that the contract in question, was a bespoke contract that was made during lockdown.

The board agreed that if the new developer requires a further extension to the project, this be reported back for consideration.

Resolved that:

1. The options open to WMCA to take the transfer of ownership of the Stone Yard Development Site, and the limitations and risks associated with each option be noted and the Officer's recommendations to adopt option 5 as set out in paragraph 3.7 of the report be endorsed and
2. The recommendation that the Interim Executive Director of Housing and Property and Regeneration affirms the grant agreement between (1) WMCA and (2) Court (the Charter) Birmingham Limited, (subject to the grantee releasing all rights to the £1m final tranche) and the rationale for affirming the grant agreement be endorsed;
3. That Officers intend to keep the prescribed terms of WMCA grant agreements under review be noted;
4. That if the 'Developer' requires a further extension to the 'start on site' date of the project, a Change Request be submitted to Investment Board be agreed and
5. That the Executive Director of Finance and Business Hub request an investigation into the decision-making process with regards to the extension agreed by the former Executive Director of Housing, Property and Regeneration with the 'Developer' and this be reported back to the Investment Board.

73. Housing & Land Funds Programme Update

The board considered a report of the interim Executive Director of Housing, Property and Regeneration that provided an update on the status of the Housing and Land Funds programme including findings and proposed actions from a review undertaken over the last quarter.

The interim Executive Director of Housing, Property and Regeneration, John Godfrey, reported that following a review of committed projects and the project pipeline for the three existing housing funding streams, it was proposed to reassign and reallocate projects across the funds to ensure the WMCA meets the Government's minimum housing outputs and Housing Start date as appropriate, in accordance with the grant conditions of the three funds.

The proposed changes to the funding programme and proposed reallocations were set out in section 4 of the report.

The Housing, Property and Regeneration Consultant, Martin Yardley, reported that WMCA officers would be speaking to local authorities colleagues regarding their schemes and proposed schemes, to ensure the schemes comply with the grant conditions.

Resolved that:

1. The current status of the devolved Housing and Land fund programme be noted;
2. The work undertaken to date to identify and reduce the level of risk associated with under-delivery of the requirements for each fund be noted and
3. The actions proposed in the light of the findings of this work be endorsed including;
 - a. Review and refinement of the existing pipeline, including re-allocation of previously committed projects within the funding programme and placing on hold projects with low or non-existent housing outputs and/or low possibility of delivery and
 - b. Review and refinement of existing internal project developmental/approval processes to accelerate deployment of grant funds to projects with enhanced likelihood of delivering outputs in line with grant conditions for value money and speed of delivery.

74. WMCA Commercial Investment Fund (CIF) - Dashboard

The board considered a report detailing the Commercial Investment Fund dashboard (private iteration) as at 1 November 2023.

Nick Oakley, West Midlands Development Capital, provided an update on schemes that had drawn or were due to draw since the last meeting.

Resolved that: The report be noted.

75. WMCA Brownfield Land and Property Development Fund (BLPDF) - Dashboard

The board considered a report detailing the Brownfield Land and Property Development Fund (private iteration) as at 1 November 2023.

Nick Oakley, West Midlands Development Capital, provided an update on the fund.

Resolved that: The report be noted.

76. WMCA Residential Investment Fund (RIF) - Dashboard

The board considered a report detailing the Residential Investment Fund dashboard (private iteration).

Resolved that: The report be noted.

77. Land and Property Investment Fund (LPIF)

The board considered a report detailing the Land and Property Investment Fund as at 2 November 2023.

Resolved that: The report be noted.

The meeting ended at 11.50 am.



West Midlands Combined Authority

Economic Growth Board

Thursday 16 November 2023 at 1.30 pm

Minutes

Present

Councillor Stephen Simkins (Chair)	Portfolio Lead for Economy & Innovation
Councillor Adrian Andrew	Walsall Metropolitan Borough Council
Councillor Paul Bradley	Dudley Metropolitan Borough Council
Councillor Matthew Dormer	Non-Constituent Authorities
Councillor Ian Courts	Solihull Metropolitan Borough Council
Councillor Bob Piper	Sandwell Metropolitan Borough Council
Councillor Bob Sleigh	Portfolio Lead for Finance & Investments
Sarah Windrum	Business Representative

In Attendance via MS Teams

Katie Trout	West Midlands Growth Company
-------------	------------------------------

Item Title No.

31. Apologies for Absence

Apologies for absence were received from Councillor John Cotton (Birmingham), Councillor George Duggins (Coventry) and Corin Crane (West Midlands Chambers of Commerce).

32. Minutes - 22 September 2023

Agreed as a correct record, subject to an amended to minute no. 22 to better reflect the comments made by Councillor Ian Courts.

33. Economic Conditions in the West Midlands & WISE Newsletter

The committee considered a report outlining the latest data relating to the wider performance of the West Midlands economy as reported in the WMCA's new West Midlands Insights on Society and Economy (WISE) newsletter, as well as qualitative insights from the West Midlands Business Insight Forum.

The Chair commented that from the information provided, good progress was being made in respect of economic growth. He did however highlight the issues impacting youth unemployment, but noted the positive news detailed within the report relating to NEATs. Councillor Stephen Simpkins highlighted that the WMCA needed to add value to the economic conditions in the West Midlands to fulfil the skills deficit.

Resolved:

The current economic conditions for the West Midlands be noted.

34. Tacking Rising Youth Unemployment in the WMCA Area

The committee considered a report from the Interim Director for Employment following a request at the last meeting to undertake a deep dive on how to tackle youth unemployment in the region.

Members of the committee thanked officers for responding quickly to their request to undertake a deep dive on this concerning issue for the region. The Chair highlighted that report indicated a lack of funding to support tackling this issue and considered it necessary to identify where further funding could be sought from. He considered that any strategy or programme implemented needed to be achievable and that engagement with employers would be beneficial. He also commented that in the past apprenticeship work shops had been positive. Councillor Bob Sleight welcomed the report and felt that it identified the key obstacles to youth employment and wanted to further understand how the WMCA would tackle these. Sarah Windrum highlighted the need to engage with businesses to help amplify tackling youth unemployment within the region. Katie Trout commented that the West Midlands Growth Company was developing a Strategic Relationship Management Programme working closely with local authorities to engage with strategic employers across the region, providing an opportunity to address skills needs feeding into tackling youth unemployment.

Resolved:

- (1) The contents of the report, following a deep dive into what worked in tackling youth unemployment, be noted.
- (2) The comments made by members of the board be noted
- (3) A future report on tackling youth unemployment in the WMCA area be submitted to a future meeting of the board.

35. Towards a Sustainable Economy

The committee considered a report on the regional level activities that achieved the dual ambitions of driving economic productivity and enhancing environmental sustainability in the West Midlands. A presentation was also provided on the Plan for Growth modern and low carbon utilities cluster, the industrial energy taskforce looking to address the current energy demand and, the different ways the WMCA supported and worked with partners across the region to drive productivity and address net zero targets.

The Chair noted that hydrogen opportunities needed to be further explored, ensuring that the region was not left behind, and suggested that a presentation be shared with the board in the future. He also commented on the local issues in relation to transport materials and the need to promote and encourage local businesses first.

Resolved:

- (1) The presentation delivered to board be noted.
- (2) The contents of the report be noted.
- (3) An item on hydrogen opportunities be submitted to a future meeting of the board.

36. Presentation : Tech WM Feedback on Digital Economy/Birmingham Tech Week

The committee received a presentation providing an update on the tech sector, Tech West Midlands, data relating to the strengths related to the start-up of the organisation and highlights from the 2023 Tech Sector Strategy.

Resolved:

The presentation be noted.

37. WM Growth Company Q1 & Q2 Performance Report against the 'Global West Midlands' Business Plan

The board considered a report providing oversight of the performance of the West Midlands Growth Company's 2023-25 business plan. The report also outlined narrative and commentary on key issues, challenges and opportunities for quarters 1 and 2 of the 2023/24 financial year.

Resolved:

The contents of the performance report from the West Midlands Growth Company against its adopted Business Plan be noted.

38. Work Programme

The board received a report updating it on its work programme.

Resolved:

The updated work programme be approved.

39. Exclusion of the Public and Press

Resolved:

In accordance with s100(A) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business as they were likely to involve the disclosure of exempt information as specified in paragraphs of the Act.

40. West Midlands International Strategy Green Paper & Consultation Approach

The board considered a report of the Executive Director of Strategy, Economy & Net Zero and the Director of Policy & Partnerships, West Midlands Growth Company on the West Midlands International Strategy Green Paper and consultation approach, as well the geographic frame of reference for the final strategy which would be implemented via the delegation to the Executive Director for Strategy, Economy & Net Zero.

The West Midlands Growth Company had been commissioned to lead the development of the West Midlands International Strategy on behalf of the region by this board. It had been agreed that the purpose of the strategy would be to shape the region's collective international effort and resources to elevate the region's presence and impact on the global stage. It also agreed that its focus should be to internationalise the Plan for Growth, which had been a significant input in the process to date. The Deeper Devolution Deal includes a commitment from the Department for Business & Trade to co-develop the West Midlands International Strategy with the region, and to share accountability for its delivery.

Resolved:

- (1) The West Midlands International Strategy Green Paper and consultation approach be noted.
- (2) The Executive Director for Strategy, Economy & Net Zero be given delegated authority to finalise the Green Paper.
- (3) The geographical focus of work to date on the seven metropolitan authorities be noted.
- (4) The consultation period be for a period of no fewer than 10 weeks.
- (5) The final strategy, through consultation, reflecting the wider West Midlands geography be submitted to a future meeting of the board for approval in March 2024.

41. Major Events Fund Update

The board considered a report of the Executive Director for Strategy, Economy & Net Zero providing an update on the Major Events Fund and a proposal from the Major Events Advisory Group of how to award the remaining £3m based on the ranking of the results. The report also noted the Major Events Advisory Group's desire for partners to consider the possibility of seeking funds through other channels to fund events that passed selection thresholds but were not prioritised.

Resolved:

- (1) The £6m Commonwealth Games Legacy Enhancement Fund approved for the Major Events Fund by the Investment Board in July 2023, and the £3m that had been allocated to Sport Accord, be noted.

- (2) It be noted that, at its meeting on 24 July 2023, Investment Board had agreed to delegate authority to the Interim Director of Employment, Skills, Health & Communities, in consultation with the Executive Director for Strategy, Economy & Net Zero, the Section 151 Officer and the Monitoring Officer, to award onward funding in line with the Economic Growth Board's approach on the shortlisted major events opportunities.
- (3) The allocation of the remaining £3m in the Major Events Fund to the events recommended by the Major Events Advisory Group be approved, noting that the list of events was based on the highest scoring applications evaluated through the framework agreed by the Economic Growth Board at its meeting in September 2023.
- (4) It be agreed that the proposal for alternative opportunities to fund unsuccessful applications should be explored by all partners, including local authorities, the WMCA, West Midlands Growth Company and Government agencies to realise the economic and regional impact of the event.
- (5) The proposal for the Major Events Advisory Group to meet quarterly to monitor and evaluate progress on successful events funded to ensure the outcomes and economic impact for the region was achieved, and that monitoring reports be provided to the Economic Growth Board on quarterly bases, be agreed.
- (6) The planned approach for communication to all parties and next steps be noted.
- (7) Further clarification be sought to confirm that, where potential funding within the programme that could be reallocated was identified, the Economic Growth Board would determine its reallocation, based on the recommendations made to it by the Major Events Advisory Group.

42. Date of Next Meeting
Thursday 25 January 2024 at 10.00am.

The meeting ended at 3.10 pm.

This page is intentionally left blank



West Midlands
Combined Authority

Audit, Risk & Assurance Committee

Monday 4 December 2023 at 10.00am

Minutes

Present

Mark Smith (Chair)
Councillor Dave Borley
Councillor Brigid Jones
Councillor Ram Lakha
Councillor Rose Martin
Councillor Liam Preece
Lisa Ritchie

Independent Member
Dudley Metropolitan Borough Council
Birmingham City Council
Coventry City Council
Walsall Metropolitan Borough Council
Sandwell Metropolitan Borough Council
Business Representative

In Attendance

Julia Cleary
Louise Cowen
Dan Essex
Mark Finnegan
Linda Horne
Helen Lillington
Grant Patterson
Lorraine Quibell
Joti Sharma
Kieran Stockley

Head of Corporate Support & Governance
Head of Financial Management
Governance & Scrutiny Manager
Lead Treasury Accountant
Executive Director of Finance & Business Hub
Grant Thornton
Grant Thornton
Internal Audit Liaison Officer
Head of Programme Assurance & Appraisal
Head of Legal Services

35. Inquorate Meeting

The Governance & Scrutiny Manager indicated that the meeting was inquorate, and therefore any decisions made at the meeting would need to be ratified at the next meeting of the committee on 30 January 2024.

36. Chair's Remarks

The Chair reported that he had recently attended a meeting of the West Midlands Audit Committee Chairs forum, where there had been a good discussion on the role of the independent member. He had also continued to have good engagement with the chairs of the WMCA's two overview & scrutiny committees, particularly in respect of the recently published Scrutiny Protocol.

37. Minutes - 4 October 2023

The minutes of the meeting held on 4 October 2023 were agreed as a correct record.

38. Annual Accounts 2022/23 for West Midlands Combined Authority

The committee considered a report of the Executive Director for Finance & Business Hub to approve the annual accounts for the WMCA for the financial year ended 31 March 2023. The Interim Audit Findings for the WMCA report was also presented, along with the Auditor's Draft Annual Report on the WMCA for the year ended 31 March 2023, which summarised the key findings arising from the work carried out by the external audit team at Grant Thornton. The Auditor's Draft Annual Report provided a commentary on the results of Grant Thornton's work to the WMCA and to external stakeholders.

The Head of Financial Management explained that there were two minor outstanding issues to resolve, but it was expected that these would be completed by the end of the month. In respect of the WMCA's levels of financial reserves, the Executive Director of Finance & Business Hub explained that the lower levels of reserves were due to the fact that 93% of the WMCA's expenditure comprised grant funding, which either needed to be spent or handed back. Reserves could only therefore be accrued from either fees or the transport levy, and discussions with constituent authorities had indicated that these should be kept lower due to the impact of councils' budgets. However, the WMCA did hold appropriate levels of reserves in respect of its transport functions (eg. concessionary travel payments).

The Chair noted instances where a small number of duplicate payments had been made. The Executive Director of Finance & Business Hub suggested that this had been a result of the increased complexity of WMCA activity, which often involved multiple funding sources. She had asked the Head of Financial Management to undertake a review of how the WMCA's financial services were delivered to ensure these issues were addressed, including the need to bring in additional accounting resources.

In respect of the Auditor's Draft Annual Report on the WMCA, Grant Patterson noted that this was a period of significant development for the WMCA. In respect of procurement arrangements, the Executive Director of Finance & Business Planning confirmed that the recently appointed Head of Procurement was to develop an overarching procurement strategy to complement the WMCA's existing procurement regulations. The Chair thanked Grant Patterson and his staff for his useful report and findings.

Recommended:

- (1) The annual accounts for 2022/23 be approved.
- (2) The Interim Audit Findings for the WMCA report for 2022/23, presented by Grant Thornton, be noted.
- (3) It be noted that Grant Thornton proposed to issue an unqualified audit opinion for the accounts.
- (4) The signing of the letter of representation by the Executive Director of Finance & Business Hub be approved.

- (5) The Chair of Audit, Risk & Assurance Committee be authorised to sign off any further changes required to the Statement of Accounts for 2022/23 prior to publication.
- (6) Subject to no further issues being raised by Grant Thornton, the Mayor and the Executive Director of Finance & Business Hub be authorised to sign the accounts on behalf of WMCA.
- (7) The Auditor's Annual Report on the WMCA for the year ended 31 March 2023 be noted.
- (8) The publication of the Auditor's Draft Annual Report on the WMCA on the WMCA's website be approved.

[NB. Councillor Brigid Jones declared a personal interest in this item in respect of any future decision to excluded former members of the WMCA Board from becoming a member of this committee.]

39. Treasury Management Mid-Year Report 2023/24

The committee considered a report of the Executive Director for Finance & Business Hub providing a mid-year review of the WMCA's investment portfolio, borrowing strategy, debt rescheduling undertaken, and compliance with Treasury and Prudential Limits for 2023/24.

Following a review of compliance limits in September 2023, a control failure within the treasury management software had been discovered which impacted on the operating parameters for loan limits with counterparties. A software update had now taken place to ensure systems were operating as intended, with additional measures incorporated to strengthen reporting, the segregation of duties, and protocols/procedures for system changes and updates in future. The Executive Director of Finance & Business Hub confirmed that a further report on this matter would be submitted to the next meeting of the committee.

In respect of the list of investments made by the WMCA, the Chair noted that it only went up to the end of the current financial year, and requested that a full list be submitted to future meetings.

Recommended:

The report be noted.

40. Internal Audit Update

The committee considered a report of the Director of Law & Governance providing an update on the work completed by internal audit so far this financial year.

The Internal Auditor Liaison Officer reported that delivery of the internal audit plan continued to be monitored and current indications were showing that full delivery was unlikely to be achieved within year. This was due to the availability of temporary resources whilst the WMCA recruited and developed an in-house Internal Audit team, and the requirement to redirect resources to the review of the Transport for West Midlands capital programme and other unexpected matters being brought to Internal Audit's attention. The Head of Corporate Support & Governance reported that an appointment to the Head of Audit & Information Governance was being finalised, and she hoped that the successful candidate would be able to be introduced to the committee at its next meeting.

Recommended:

The report be noted.

41. Financial Due Diligence Checks on Suppliers in Response to Rail Package 1

The committee considered a report of the Executive Director of Finance & Business Hub on the financial due diligence procedures that were carried out at contract award for Buckingham Group Contracting Ltd in June 2021 and to provide update on what procedures were in place to manage risk and keep an update on suppliers post contract award.

Following a compliant tendering process, the construction contract for Rail Package 1 was awarded to Buckingham Group Contracting in June 2021. However, they submitted a notice to appoint an administrator in August 2023, and formal appointment was made on 4 September 2023. On the same day, Kier Group announced that it had agreed to acquire substantially all the rail assets from Buckingham Group Contracting and their HS2 contract supplying Kier Group's HS2 joint venture, EKFB, for a total consideration of £9.6m.

The Chair sought assurances that the due diligence undertaken by the WMCA was sufficiently up to date. The Executive Director of Finance & Business Hub explained that due diligence was undertaken on company accounts, which by their nature were retrospective. The construction sector was also traditionally a difficult sector to predict. However, the WMCA only paid work actually undertaken and this provided some assurance in respect of companies going into liquidation.

Recommended:

- (1) The financial due diligence process carried out when awarding contracts be noted.
- (2) The ongoing financial checks and mitigations in place for future contract awards be noted.

42. Single Assurance Framework Performance Report - July to September 2023

The committee considered a report of the Executive Director of Finance & Business Hub on the Programme Assurance & Appraisal Team's activity from July to September 2023.

The Single Assurance Framework had been implemented across all WMCA directorates and the SAF Framework document had been updated to reflect national guidance and approved by the WMCA Board. This was to mitigate the risk of non-compliance to mandatory devolution commitments. If this risk was to materialise, it would be a WMCA strategic risk that could potentially impact its reputation with Government and to secure future additional money to deliver major projects. The SAF was a risk mitigation tool designed to protect public funding and increase confidence that project outcomes could be achieved through approving use of investment grant funding. The report summarised Programme Assurance & Appraisal Team activity between October 2022 and September 2023 and demonstrated engagement across all directorates and an overall increase in activity over time.

Resolved:

The report be noted.

43. Forward Plan

The committee considered the forward of items to be reported to future meetings.

Recommended:

The report be noted.

44. Exclusion of Public

Resolved:

In accordance with s100(A) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business as it was likely to involve the disclosure of exempt information as specified in paragraph 1 of the Act.

45. Update on Whistleblowing Claims

The committee considered a report of the Director of Law & Governance providing an update on whistleblowing claims received to date and the actions having been taken in response to them.

The WMCA had a whistleblowing policy in place to meet its obligations of the Public Interest Disclosure Act 1998. It enabled individuals to raise a concern that they considered to be in the public interest. Any claims received were managed by Internal Audit to ensure independence from any operational area. Four claims had been received to date in 2023/24, with all being treated as a priority to limit further impact of any claims found to be proven upon investigation. The Internal Audit Liaison Officer confirmed that all four claims this year had now been investigated and none of them were found to require any further action on behalf of the WMCA.

Recommended:

The actions taken by Internal Audit team in response to whistleblowing claims received from individuals this financial year be noted.

46. **Date of Next Meeting**
Tuesday 30 January 2024 at 10.00am.

The meeting ended at 12.00pm.

Draft



**West Midlands
Combined Authority**

Investment Board

Monday 11 December 2023 at 10.00am

Minutes

Present

Councillor Mike Bird	Walsall Metropolitan Borough Council
Councillor Karen Grinsell	Solihull Metropolitan Borough Council
Councillor Peter Hughes	Sandwell Metropolitan Borough Council
Councillor Stephen Simkins	City of Wolverhampton Council
Sue Summers	West Midlands Development Capital

In Attendance on Microsoft Teams

Paul Brown	Business Representative
------------	-------------------------

Officers

Dan Essex	Governance & Scrutiny Manager
Linda Horne	Executive Director of Finance & Business Hub
Ian Martin	Director of Commercial & Investment
Kieran Stockley	Head of Legal Services

78. Appointment of Chair

In the absence of the Chair, Councillor Karen Grinsell was appointed to chair this meeting.

79. Apologies for Absence

Apologies for absence were received from Councillor Jim O'Boyle (Coventry), Councillor Bob Sleigh (Portfolio Lead for Finance), Councillor Sharon Thompson (Birmingham) and Gary Taylor (Greater Birmingham & Solihull LEP).

80. Minutes - 13 November 2023

The minutes of the meeting held on 13 November 2023 were agreed as a correct record.

In respect of minute no. 72 ('Stone Yard Development Site'), the Head of Legal Services clarified that because the resolution was not proscriptive on the project's start date, the decision of the Interim Executive Director of Housing, Property & Regeneration to vary the start date did not contradict the board's resolutions, nor were there any financial implications arising from the amended start date.

81. Investment Programme Update

The board considered a report from the Director of Commercial & Investment on the status of the Investment Programme to help set the context for decisions being made at this meeting.

Councillor Peter Hughes noted that the Metro Wednesbury to Brierley Hill Extension project had a 'red' forecast completion date. The Director of Commercial & Investment explained that he was currently awaiting a revised project completion date by means of a Change Request submission. He expected to be able to revise the dashboard following approval of that.

Resolved:

- (1) It be noted that there had been no new approvals of business case submissions under delegated authority by officers since the previous meeting of the board.
- (2) The Investment Programme funding status and current affordable limit be noted.
- (3) The Regional Investment Programme delivery update, including the project-level summary within the Investment Programme dashboard, be noted.

82. Update Report: City Region Sustainable Transport Settlement - Q2 2023/24

The board considered a report from the Head of Transport Strategy & Planning on an update on the £1.05bn West Midlands City Region Sustainable Transport Settlement programme.

Councillor Stephen Simkins enquired as to how the funding in the City Region Sustainable Transport Settlement 2 programme would be allocated. The Head of Transport Strategy & Planning indicated that it was likely that the forthcoming Local Transport Plan update would influence the projects that were taken forward with this funding, although there was considerable time leading up to 2027 to undertake this work. The Chair reminded the board that it was its remit to monitor the delivery of the City Region Sustainable Transport Settlement projects, rather than decide which projects would be taken forward. Councillor Mike Bird indicated that it would be helpful for a future WMCA Board to receive a report that set out how the funding was to be used.

Councillor Peter Hughes noted that 5% of the programme was designated a 'red' risk, and enquired as to whether this was sufficient. The Head of Transport Strategy & Planning explained that a number of the projects were still quite immature, and the risk rating would be refined as the project developed. He expected the end of year review report to reflect these changes.

Resolved:

- (1) The report be endorsed, including:
 - (a) The status of the City Region Sustainable Transport Settlement change control application submitted to Department for Transport.
 - (b) The terms, process and content of the City Region Sustainable Transport Settlement 1 programme re-base submission approved by the WMCA Board on 15 September 2023 in response to the Department for

Transport's 'once in a programme' opportunity to re-baseline the programme.

- (c) The monitoring & evaluation and reporting requirements associated with the City Region Sustainable Transport Settlement.
- (d) The Quarter 2 2023-24 progress.
- (e) The implications for the West Midlands of the announcement of Network North and City Region Sustainable Transport Settlement 2.

83. WMCA Commercial Investment Fund Dashboard

The board considered a report detailing the Commercial Investment Fund dashboard as at 1 December 2023.

Resolved:

That the report be noted.

84. WMCA Brownfield Land & Property Development Fund Dashboard

The board considered a report detailing the Brownfield Land & Property Development Fund dashboard as at 1 December 2023.

Resolved:

That the report be noted.

85. WMCA Residential Investment Fund Dashboard

The board considered a report detailing the Residential Investment Fund dashboard as at 1 December 2023.

Resolved:

That the report be noted.

86. Exclusion of the Public and Press

Resolved:

That in accordance with Section 100A4 of the Local Government Act 1972, the press and the public be excluded from the meeting during the consideration of the following items of business as they involve the likely disclosure of exempt information relating to the business affairs of any particular person (including the authority holding that information).

87. Goold Estates, Bilston Urban Village (Wolverhampton)

The board considered a report from the Director of Commercial & Investment seeking approval to make an investment in the form of a loan and grant, and detailing the powers and ability of the WMCA to make such an investment. The proposed

investment would facilitate the development of 166,500ft² of new industrial space at Bilston Urban Village.

Councillor Stephen Simkins noted that this proposed development was close to Pipe Hall, which was in WMCA ownership also needed redevelopment. He enquired as to whether there could be more collaboration in the development of these sites. Ian Martin explained that the Pipe Hall site was the responsibility of Housing, Property & Regeneration directorate, and he will request that an update report on the site could be submitted to the meeting of the board on 12 February 2024.

Resolved:

- (1) The powers and ability of the WMCA to make the proposed loan and grant be noted.
- (2) The comments made by the Investment Panel when this proposal was presented to it be noted.
- (3) The investment providing a loan to Goold Estates (Bilston) Ltd for a term of four years under the Commercial Investment Fund for the amount and in accordance with the terms and conditions set out within the report, and the provision of a grant for the amount set out in the report from the Brownfield Land & Property Development Fund to the borrower in accordance with the terms and conditions set out within the report be approved.
- (4) Power be delegated to the Director of Commercial & Investment to negotiate and agree any other terms and conditions of the loan and grant that were not set out in the report.
- (5) Power be delegated to the Director of Commercial & Investment to exercise the rights granted to the WMCA under the terms of the loan, and grant to authorise Goold Estates (Bilston) Ltd on such terms as shall be considered appropriate to either:
 - (i) transfer of any part of the development site, and/or
 - (ii) grant of any lease, easement, wayleave, or other instrument in each case to either:
 - (a) any utility company, and/or
 - (b) any local authority in the exercise of its planning and highway functions, and
 - (c) any third party in the discharge of any planning obligation.

[NB. Councillor Stephen Simkins declared a non-prejudicial interest in this item due to the development taking place in the ward he represented as a Wolverhampton councillor.]

88. Walsall Bus Station Acquisition

The board considered a report from the Executive Director of Transport for West Midlands seeking to acquire and own Walsall bus depot.

Councillor Peter Hughes noted that the proposed acquisition had progressed at speed. The Executive Director for Finance & Business Hub explained that this was a strategic asset acquisition opportunity for the WMCA that had arisen following discussions with bus operators. She confirmed that the acquisition would stand on its own as an investment with the driver for the acquisition being the potential for the WMCA's ownership of this depot to play an important part in facilitating any future decision to consider bus franchising options.

Councillor Stephen Simkins enquired as to whether similar opportunities existed in respect of other bus depots in the region. The Executive Director for Finance & Business Hub explained that Transport for West Midlands was producing a Bus Depot Strategy that would identify the strategic assets it needed to help open up the bus market.

Councillor Mike Bird expressed his disappointment that he had not been previously briefed about this proposal given that he was both the WMCA's Portfolio Lead for Transport and the Leader of Walsall Metropolitan Borough Council.

Resolved:

- (1) The powers and ability of the WMCA to make the proposed investment be noted.
- (2) Acquisition of the freehold title of the National Express bus depot in Walsall at the total cost as set out within the report, including the purchase price and ancillary costs, be approved.
- (3) The simultaneous lease back to National Express at the negotiated rent following advice from expert commercial partners, on the terms as set out within the report, be approved.
- (4) Authority be delegated to the Executive Director of Transport for West Midlands, in consultation with the s.151 Officer and Monitoring Officer, to negotiate and agree the commercial terms of the lease and purchase, provided that the broad terms were in accordance with the report, and for the Executive Director of Transport for West Midlands to either:
 - (i) transfer any part of the investment property, or
 - (ii) grant any lease, easement, wayleave, or other instrument.

89. WMCA Commercial Investment Fund Dashboard

The board considered a report detailing the Commercial Investment Fund dashboard as at 1 December 2023.

Resolved:

That the report be noted.

90. WMCA Brownfield Land & Property Development Fund Dashboard

The board considered a report detailing the Brownfield Land & Property Development Fund dashboard as at 1 December 2023.

Resolved:

That the report be noted.

91. WMCA Residential Investment Fund

The board considered a report detailing the Residential Investment Fund dashboard as at 1 December 2023.

Resolved:

That the report be noted.

92. Land & Property Investment Fund

The board considered a report detailing the Land & Property Investment Fund dashboard as at 30 November 2023.

The Chair requested that an officer be in attendance at future meetings of the board to present this report.

Resolved:

That the report be noted.

93. Date of Next Meeting

Monday 15 January 2024 at 10.00am

[The meeting ended at 11.05am]



Transport Delivery Overview & Scrutiny Committee

Monday 11 December 2023 at 1.00 pm

Minutes

Present

Councillor John McNicholas (Chair)	Coventry City Council
Councillor Mary Locke (Vice-Chair)	Birmingham City Council
Councillor Pervez Akhtar	Coventry City Council
Councillor Robert Alden	Birmingham City Council
Councillor Aqeela Choudhry	Sandwell Metropolitan Borough Council
Councillor Zaker Choudhry	Birmingham City Council
Councillor Timothy Huxtable	Birmingham City Council
Councillor Carol Hyatt	City of Wolverhampton Council
Councillor Martin McCarthy	Solihull Metropolitan Borough Council
Councillor Saddak Miah	Birmingham City Council
Councillor Josh O'Nyons	Solihull Metropolitan Borough Council
Councillor Gurmeet Singh Sohal	Walsall Metropolitan Borough Council
Councillor David Stanley	Dudley Metropolitan Borough Council

In Attendance

Councillor Barbara McGarrity	City of Wolverhampton Council
------------------------------	-------------------------------

Item No.

40. Apologies for Absence

Apologies were received from Councillor Amo Hussain, Councillor Alan Taylor, Councillor Narinder Kaur Kooner, Councillor Emma Marshall and Councillor Ian Nellins.

41. Declarations of Interest

No declarations of interest were received.

42. Chair's Remarks

The Chair addressed the committee regarding the scrutiny protocol, and acknowledged its assurance that the committee was on the right path but emphasised the need for continued improvement. He directed the committee to focus on refining its processes. He also noted that the last two meetings were inquorate, and encouraged all committee members to attend all meetings or send a substitute if they were able to. The Chair asked the committee to recognise the importance of their presence for more effective decision-making.

Councillor Mary Locke submitted a petition on behalf of Councillor K Scott and Councillor R Pocock, with a request for it to be forwarded to National Express promptly. The petition urged National Express to provide additional buses for pupils at John Wilmott School and Fairfax School, ensuring their timely commute to and from school and requested Birmingham City Council's support for the initiative.

43. Minutes - 30 October 2023

It was agreed that the plan would be updated to include actions that have been completed, along with the respective dates of completion.

Resolved:

The minutes and actions were noted.

44. HS2: Cancellation of Phases 2a, 2b and HS2 East

The Strategic Lead for Rail Policy provided an update on the HS2 programme, following the Government's announcement on 4 December in respect of the cancellation of the HS2 line north of Birmingham.

In response to a query from Councillor Carol Hyatt, members discussed capacity on the network and the feasibility of accommodating more than three trains per hour at bottleneck areas on the network.

Highlighting the potential for unlocking new stations in the Solihull and Castle Vale and Castle Bromwich area, Councillor Timothy Huxtable suggested examining the Midlands Rail Hub and new station proposals to envision a broader improvement of the region. Councillor Pervez Akhtar expressed concern about the loss of speed and capacity, and the implications that this would have for economic growth.

Resolved:

(1) The report was noted.

(2) A further report be submitted to a future meeting of the committee when there was greater clarity regarding the funds available for rail improvements following the cancellation of HS2 north of Birmingham.

45. Future Bus Policy Delivery Options - Update

The Director of Integrated Transport Services and the Head of Network Transformation sought views from the committee on the ongoing bus options work. The Head of Network Transformation presented an update on the Enhanced Partnership Scheme, offering the committee a comprehensive background and overview. He reported that the scheme involved evaluating the existing Enhanced Partnership Scheme, conducting a Full Franchising Assessment, and considering municipal bus company operations, particularly those that existed before the deregulation of bus services in 1986.

Councillor Carol Hyatt enquired about the funding sources for subsidised bus services over the next five years. The Head of Network Transformation clarified that the assessment had a long-term perspective, and ongoing discussions were addressing the source of short-term funding.

The Chair enquired about the involvement of the committee in the recommendations and the Director of Integrated Transport Services confirmed that all full business cases would be brought to the committee for scrutiny. The Chair requested that lessons learned be incorporated into the update, and an outlined timetable would be shared with Governance Services for further discussion and dissemination to members. Councillor Timothy Huxtable encouraged officers to include the Bus Alliance in their considerations.

Councillor David Stanley expressed concern about the services being experienced by customers. The Director of Integrated Transport Services provided assurance that efforts were being made in this area to mitigate issues. The Chair acknowledged the commendable service by other operators under challenging circumstances and highlighted the commitment to addressing challenges and seeking improvements in the bus services, acknowledging the perspectives and concerns raised by committee members.

- (1) The progress being made in considering future options for delivering bus services in the region be noted.
- (2) The timetable for completing the Full Franchising Assessment in preparation for a decision to progress further to audit and consultation by the WMCA Board in July 2024 be noted.
- (3) The progress made through existing Enhanced Partnership provisions led and agreed through the former Transport Delivery Committee be noted.
- (4) The position associated with the consideration of municipal bus companies be noted.

46. Draft Safer Travel Plan 2024 - 27

The Head of Security and Policing presented the Safer Travel Plan, seeking to provide an update and engage with members of the Transport Delivery Overview & Scrutiny Committee regarding the status of the Draft Safer Travel Plan for the period 2024–2027 and its next steps. The existing Safer Travel Plan was set to expire in March 2024, resulting in the development of the new draft plan in collaboration with various stakeholders through the Safer Travel Governance Board.

He reported that over the past six months, extensive consultations and discussions had taken place to formulate and agree on the themes of the new plan. Key themes in the update included emphasising the goals of making travellers feel safer, be safer, and promoting a connected network. He outlined the next steps in the plan's development and informed the committee that a comprehensive report would be received in the summer of 2024.

Councillor Tim Huxtable inquired about the connection between the Safer Streets Fund and the Safer Travel Plan and how they influenced each other. The Head of Security and Policing explained that collaboration with local police, both on the network and within the local community, was crucial to reducing issues on the travel network.

In response to a question from Councillor Robert Tromans, the Head of Security and Policing informed the committee that Transport for West Midlands had its own drone team, and data sharing protocols are in place, audited every 12 months to ensure compliance and transparency.

- (1) The latest position with regards to the Draft Safer Travel Plan 2024 – 27 be noted.
- (2) It be noted that a further update will be brought to the Transport Delivery & Scrutiny Overview Committee in July 2024, with the intention of publishing the new Safer Travel Plan in Autumn 2024.
- (3) The Transport Delivery Overview & Scrutiny Committee wished to make no further comments on this report to the WMCA Board at this stage.

47. Financial Monitoring Report

Councillor Pervez Akhtar presented the financial monitoring report. He provided the committee with the financial position as at 30 September 2023 related to the financial position of the Combined Authority's Transport Delivery Revenue and Capital Budgets.

The Head of Finance Business Partnering and Strategic Planning reminded the committee of the Proposed Budget Q&A on 14 December 2023.

Resolved:

- (1) The position at 30 September 2023 against the Transport for West Midlands Revenue Budget which showed a favourable variance of £2.2m was noted.
- (2) It was noted that the Transport for West Midlands Capital Programme position at 30 September 2023 showed a favourable variance of £47.0m for WMCA delivered schemes and a favourable variance of £7.4m for externally delivered schemes against budget.

48. City Region Sustainable Transport Settlement – Quarter 2 Financial Year 2022/23

The Head of Transport Strategy & Planning presented a report to update the Transport Delivery Overview and Scrutiny committee with an update on the £1.05Bn West Midlands City Region Sustainable Transport Settlement ('CRSTS') programme. He shared with the committee an update on the program's progress.

He communicated the significant events impacting the program, including change in guidance and advice from the Department for Transport (DfT). He outlined the requirements for monitoring and evaluation (M&E) and reporting within the CRSTS program; and provided an update on the overall progress.

During the discussion that followed, Councillor Robert Alden raised a concern regarding the absence of risk information. He suggested that future reports should delve into more detailed information. Councillor Timothy Huxtable noted the absence of scrutiny items related to the park and ride programme and proposed its addition to the work program. He further mentioned the ongoing efforts of the Executive Director for TfWM in developing improved dashboard reporting, which is anticipated to be ready by Q4 of the next year.

Councillor Martin McCarthy requested an update on the North Solihull/Arden Cross projects, and the Head of Transport Strategy & Planning confirmed that a connectivity study was currently underway. The study aimed to identify areas in North Solihull, East Birmingham, and other regions with poor connectivity where improvements could be made. The Executive Director for TfWM expected the study to be completed by April 2024.

Councillor Carol Hyatt raised concerns about mitigating the effects of inflation. In response, the Head of Transport Strategy & Planning clarified that the rebaseline was designed to address inflationary impacts, with some delivery and design projects having undergone reassessment, with funding redirected towards larger or earlier projects.

- (1) The contents of the report be endorsed by the committee, including:
 - (a) The status of the City Region Sustainable Transport Settlement change control application submitted to Department for Transport.
 - (b) The terms, process and content of the CRSTS 1 programme rebase submission approved by WMCA Board on 15th September 2023.
 - (c) The M&E and reporting requirements associated with the City Region Sustainable Transport Settlement.
 - (d) The Quarter 2 FY23-24 progress reported.

49. Member Engagement Groups – Progress Report

The Scrutiny Champions of the committee each gave verbal updates of their Member Engagement Group progress reports. They invited the wider committee to attend their next meetings.

Resolved:

- (1) The committee received an update on the cancellation of HS2 north of the West Midlands.
- (2) The committee endorsed the use of other local home language radio stations be considered by Transport for West Midlands.

50. Work Programme

The Statutory Scrutiny Officer shared the WMCA Forward Plan and the committee' work programme. She reminded them that the work programme was a live document and encouraged the committee to input into it. The work programme was noted.

51. Date of Next Meeting

Thursday 14 December at 2:00pm (Mayoral Q&A; Proposed Draft Budget)

The meeting ended at 3.15 pm.

DRAFT



West Midlands
Combined Authority

Wellbeing Board

Tuesday 12 December 2023 at 10.00 am

Minutes

Present

Councillor Izzi Seccombe (Chair)	Portfolio Lead for Wellbeing
Councillor Karen McCarthy (Vice-Chair)	Birmingham City Council
Sean Russell	Universities West Midlands (Coventry)
Rebecca Howell-Jones (Substitute)	Birmingham City Council
Giri Rajaratnam (Substitute)	Office for Health Improvement & Disparities

In Attendance

Mubasshir Ajaz	West Midlands Combined Authority
Rachael Clifford	West Midlands Combined Authority
Craig Evans (Secretary)	West Midlands Combined Authority
Helen Frost	West Midlands Combined Authority

In Attendance via MS Teams

Julia Cleary	West Midlands Combined Authority
Simon Hall	West Midlands Combined Authority

Item Title No.

54. Apologies for Absence

Apologies for absence were received from Mark Axcell (Black Country Integrated Care Board), Councillor Margaret Bell (Warwickshire County Council), Councillor Ian Bevan (Dudley Metropolitan Borough Council), Councillor Kamran Caan (Coventry City Council), Councillor Tony Dicccico (Solihull Metropolitan Borough Council), Councillor Julian Gutteridge (Nuneaton & Bedworth Borough Council), Councillor Suzanne Hartwell (Sandwell Metropolitan Borough Council), Councillor Jasbir Jaspal (City of Wolverhampton Council), Lisa Stalley-Green (Birmingham & Solihull Integrated Care Board), Peter Wilson (West Midlands Fire Service), Justin Varney (West Midlands Association of Directors of Public Health Representative) and Mike Wade (Office for Health Improvement & Disparities / NHSE Midlands).

The substitutes attending the meeting on behalf of Mike Wade was Giri Rajaratnam (Office for Health Improvement & Disparities) and for Justin Varney was Rebecca Howell-Jones (Birmingham City Council).

The meeting was inquorate and therefore the decisions contained within the recommendations of the reports would be ratified at the WMCA Board on 12 January 2024.

55. Chair Remarks (if any)

The Chair welcomed attendees of the Wellbeing Board to the meeting and encouraged future in person meetings to improve on inqorate meetings to enable attendees the ability in getting to know each other better in person during discussions and to share ideas together.

56. Minutes - 3 July 2023

The minutes of the meeting were approved as a correct record, subject to an amendment of Mike Wade's dual representation which was noted incorrectly as NHS England and to amend to Office for Health Improvement & Disparities / NHSE Midlands.

57. Governance: Wellbeing Board Development Day

The board considered a report from the Head of Health & Communities, Mubasshir Ajaz, to note the key discussion points from the Wellbeing Board development session held on 5 October 2023 that was facilitated by the West Midlands Combined Authority's (WMCA's) Governance team to outline the proposed changes to the Wellbeing Board governance and to organise the board in a way which was more meaningful and utilised the considerable leadership qualities of members from local authorities to be able to align itself to the health in all policies approach being promoted from within the Wellbeing Board. The changes included the introduction of new sub-groups and the new Mayor's Health Equity Advisory Council, as well as consideration to on-going Wellbeing Board membership and consideration for hybrid meetings to continue to increase engagement with members.

The Head of Corporate Support & Governance, Julia Cleary, noted the feedback from the development session that focussed on the purpose of the Wellbeing Board to highlight key discussion points and the importance in understanding the added value of the board in which ideas and best practices were shared between local authorities, health organisations and partners for the West Midlands region, improved engagement with communities, consistency of approach, effective leveraging and ensuring that the passion from a local level was not lost.

Furthermore, the establishment of the new Mayor's Health Equity Advisory Council would bring together expert advice feeding into the Wellbeing Board to enable a more strategic approach to be built into the Wellbeing Board Terms of Reference and approved at WMCA Board to support the health in all policies due to an overarching approach and better connection internally with other directorates within the WMCA, as well as external work being carried out at local levels.

Councillor McCarthy noted the importance in member engagement, whether in person or virtually, was vital to the success in the changes, to which the Chair agreed and outlined her preference in at least one or two in person meetings per year as opposed to hybrid meetings.

The Head of Health & Communities noted that in-person meetings would continue to be encouraged, however as proposed within the report to continue to provide a hybrid meeting option to encourage more engagement and to take advantage of broader engagement with the health system through the Mayor's Health Equity Advisory Council and through the sub-groups, led by Wellbeing Board members, which aligned to the health in all policies area. The Chair responded to note that the sub-groups would prove extremely valuable in bridging across the different board meetings.

In response to Councillor McCarthy who noted that as there was no health duty, the context of work needed to focus on the role of the WMCA, particularly as some of the functions around hyper local working within communities still sat with relevant local authorities and health organisations. The Chair agreed and noted that the Wellbeing Board's focus had always been to provide additionality for approval at WMCA Board rather than to reinvent what had already been achieved in member organisations.

The Head of Corporate Support & Governance noted that by submission of items to the Wellbeing Board following sub-group meetings and by updating the Terms of Reference, should improve attendance levels of board members and engagement due to the additionality in making a difference and impact to communities across the West Midlands.

The Head of Health & Communities referred board members to the Terms of Reference within the report to note the proposed Mayor's Equity Advisory Council, Health & Employment Advisory Group, Physical Activity Advisory Group and the Disability Exemplar Working Group. The Chair noted and the board agreed following scrutiny of each sub-group to commence initially with establishing the Disability Exemplar Working Group first as the Terms of Reference neared completion, followed by the Physical Activity Advisory Group and then finally the Health & Employment Advisory Group.

The Strategic Lead for Wellbeing & Prevention, Simon Hall, agreed with the Chair's sequencing of the sub-groups commencement and noted in regard to disability in particular, that the establishment of the Disability Exemplar Working Group would demonstrate the value of work undertaken by the Wellbeing Board over the past couple of years to strengthen disabled systems and voices through a connected multi stakeholder relationship, where there was now a platform to begin to explore those areas around being an exemplar region following identification of key members within the system and to build out with citizens, accompanied by local authority, Office for Health Improvement & Disparities and Integrated Care Board representation to drive that work forward and to report back to the Wellbeing Board.

The Head of Health & Communities introduced the Senior Programme Lead - Commonwealth Games Legacy (Inclusive Communities), Helen Frost, who shared a presentation and provided board members with an overview of the Inclusive Communities Grant Programme of £9million, administered by the Heart of England Community Foundation, which was part of the Commonwealth Games Legacy & Enhancement Funding for sport, physical activity, mental health and wellbeing, and arts, culture and creativity investments that Constituent and Non-Constituent Authorities in the region could apply for.

Following the presentation, the Chair noted that it would be beneficial for the board to have the ability in receiving the locations and projects of the grant allocations across the West Midlands and outcomes over time that the Senior Programme Lead - Commonwealth Games Legacy (Inclusive Communities) confirmed would be presented to the board at a future meeting. The Head of Health & Communities suggested that it would also benefit and prove valuable to board members in the identification of any projects that were funded and aligned to the West Midlands Mental Health Commission findings and recommendations to include within the future Inclusive Communities Grant Programme update to the board.

Resolved:

- (1) The key areas of discussion from the Wellbeing Board development day on 5 October 2023 as provided in the report be reviewed.
- (2) The Terms of Reference for the Mayor's Equity Advisory Council be noted.
- (3) The revised Terms of Reference and governance of the Wellbeing Board which would be approved by the WMCA Board be endorsed.

58. Health of the Region Report 2023

The board considered a report from the Head of Health and Communities who noted that the Health of the Region 2023 report was due to be published by the WMCA in January 2024 and that his team had been drafting the report and would present the emerging findings to the Wellbeing Board during the meeting.

The report was supplemented by a presentation that was introduced by the Head of Health & Communities and to note that the WMCA had a pivotal role to play in shaping the conditions that create unfair differences in health outcomes for the West Midlands region and provided an update on the key outcomes from the previous Health of the Region 2020 report where Covid-19 highlighted the extent of the region's health inequalities, the WMCA fostered collaboration between partners in the region to address health inequalities and also established a Health of the Region roundtable.

The Senior Delivery Manager – Healthy Communities & Mental Wellbeing, Rachael Clifford, continued the presentation to note the key health issues and impacts for the region following the previous report iteration in 2020 and comparative data used.

The presentation noted that life expectancy in the region had decreased and was falling at a faster rate than the national average, which was further broken down in to the seven Constituent areas within the region that had the greatest impact dependant on where a person lived. The causes of preventable diseases as a contributing factor for the WMCA area were noted as higher levels of being overweight and obesity in adults and children, the lowest levels of physical exercise in England, increased alcohol related deaths and adult smoking rates that had remained unchanged across the region, apart from Wolverhampton that had seen a significant reduction since 2014. The presentation noted the causes of preventable diseases was further exacerbated by an increasing number of children living in poverty and that the WMCA area had some of the highest rates of fuel poverty in the country.

There had however since the previous report been some positive outcomes in that there had been a reduction in the number of 16-17 years not in employment education or training since 2018, that since 2013/14 there had been progress on reducing the gap between those with physical or mental long term health conditions and the overall employment rate, and that since 2013/14 there had been improvements in self-reported wellbeing for the WMCA area.

The presentation further noted the WMCA's role in improving health outcomes to shape the conditions that influence residents' health outcomes across the region, through the WMCA's devolved responsibilities and role as convenor, as advocate, as commissioner and in delivery across its core responsibilities and by leveraging investment in transport, housing, energy, environment, skills, employment and economy to support the existing collaborative approach and effort between NHS and local authority partners who had a statutory focus on clinical inequalities (Core20PLUS5) and the specific needs of their population (Health and Wellbeing Strategies).

The Senior Delivery Manager – Healthy Communities & Mental Wellbeing noted that the Health of the Region report was due for publication in January 2024 with a roundtable scheduled in March 2024 and to use the report to set the context of the health landscape and highlight some of the work that supported good health. The report itself was still in draft form and the Head of Health & Communities encouraged and welcomed further comments from board members prior to finalisation.

The board discussed some of the current and imminent health issues across the West Midlands and noted in particular concern regarding smoking cessation, increase in opioid drugs and obesity rates in children.

The Head of Health & Communities acknowledged the health issues were very concerning; however the responsibility of such health concerns was the responsibility of Integrated Care Boards and local authority public health teams and that the WMCA would continue to play a convening role to identify health issues facing the region, with a focus on influence, collaboration and seeking opportunities for delivering on health improvements through its devolved powers.

The Chair thanked attendees for their valuable contributions and requested for the Governance Services Officer to draft a letter to be sent to all Wellbeing Board members to be given a further week to provide feedback and comments to the Head of Health & Communities on the draft Health of the Region 2023 report, prior to the report being finalised. The Head of Health & Communities further noted the next steps to publication of the report once further comments had been received from board members to note that the report would be submitted to the WMCA Executive Board on 10 January 2024 for approval to WMCA Board in February 2024, as well as to the WMCA's Overview & Scrutiny Committee. The Health of the Region 2023 report would then be presented in conjunction with the State of the Region report, which was very much focussed across the inclusive growth fundamentals in each of those areas.

Resolved:

- (1) The outline of the Health of the Region 2023 report be noted.
- (2) The draft of the report that had been shared with members be reviewed, with comments and feedback provided.
- (3) The launch of the final report and to promote its implementation through the role of Wellbeing Board members as local leaders be supported.

59. High Level Deliverables Update

The board considered a report from the Head of Health & Communities to provide an update on the progress made against high level deliverables for 2023/24.

Resolved:

- (1) The progress against high level deliverables for 2023/24 be reviewed.
- (2) Brief updates against key delivery programmes aligned to the high level deliverables be noted.

60. Date of Next Meeting

Wednesday 6 March 2024.

[The meeting ended at 12.01pm].



**West Midlands
Combined Authority**

Joint Overview & Scrutiny Committee

Thursday 14 December 2023 at 2.00 pm

Minutes

Present

Councillor Cathy Bayton (Chair)	Association of Black Country Authorities
Councillor Naeem Akhtar	Coventry City Council
Councillor Pervez Akhtar	Coventry City Council
Councillor Robert Alden	Birmingham City Council
Councillor Philip Bateman MBE	City of Wolverhampton Council
Councillor Andrew Burrow	Solihull Metropolitan Borough Council
Councillor Amo Hussain	Walsall Metropolitan Borough Council
Councillor Timothy Huxtable	Birmingham City Council
Councillor Ian Kettle	Dudley Metropolitan Borough Council
Councillor Narinder Kaur Kooner OBE	Birmingham City Council
Councillor Ewan Mackey	Birmingham City Council
Councillor Martin McCarthy	Solihull Metropolitan Borough Council
Councillor Miranda Perks	Birmingham City Council
Councillor Josh O'Nyons	Solihull Metropolitan Borough Council
Councillor Lauren Rainbow	Birmingham City Council
Councillor Gurmeet Singh Sohal	Walsall Metropolitan Borough Council
Councillor David Stanley	Dudley Metropolitan Borough Council
Councillor Alan Taylor	Dudley Metropolitan Borough Council
Amanda Tomlinson	Business Representative
Councillor Antony Tucker	Coventry City Council
Councillor Adrian Warwick	Warwickshire County Council

In Attendance

Councillor Bob Sleigh	Portfolio Lead for Finance
Andy Street	Mayor of the West Midlands

Item Title No.

1. Inquorate Meeting

This meeting was inquorate and therefore any decisions taken at the meeting would be submitted to the WMCA Board on 12 January 2024.

2. Welcome and Introductions

The Chair welcomed the Mayor, Deputy Mayor and members of the committee.

3. Apologies for Absence

Apologies were received from Councillor Carol Hyatt (Wolverhampton), Councillor Mary Locke (Birmingham), Councillor Nigel Lumby (Shropshire), Councillor John McNicholas (Coventry), Councillor Saddak Miah (Birmingham), Councillor Paul Moore (Sandwell), Councillor Jamie Tennant (Birmingham), Councillor Ian Ward (Birmingham) and Councillor Vera Waters (Walsall).

4. Questions to the Mayor and the Portfolio Lead for Finance from Members of the Committee

The Chair initiated the question-and-answer session by asking whether the decision not to set a precept during the entire existence of the WMCA had impacted the stability of the budget. The Mayor confirmed that no precept had been set thus far, and that it had not been the view of the WMCA Board to date that a mayoral precept should have been set. However, he did consider that in the next mayoral term this issue would need to be revisited, given the Government's view as to further fiscal devolution to the region when it considered the WMCA was not making use of revenue raising powers it already had.

The committee explored questions regarding Network North funding and the acknowledgement of the need for subsidy for public transport in urban areas, an increase in the transport levy and support for this across the local authorities to sustain the current offer to residents and financial pressures experienced by local authorities. In addition, the Mayor explained the WMCA's position with regards to Birmingham City Council's highways PFI deal.

The committee sought assurances regarding the financial risk register and risk assurance underpinning the proposed budget. The Mayor explained that the WMCA Board received regular budget monitoring reports and also considered risk mitigation measures. Further topics discussed included the impact of concessionary fare cuts on members of the public who did not have access to a car, and business resilience support contained within the Government's Autumn Statement. Efforts to enhance this support, including the development of a shared pot, were discussed, along with initiatives to simplify access for businesses.

Questions were asked about funding for active travel, the capital budget's effect on the Midlands Rail Hub, and challenges related to transport investment. The Mayor highlighted successful efforts in securing Government funding, investments in clean transport, and plans for a bus franchising assessment in July 2024. Concerns about concessionary fares, bus reliability and accessibility issues were also discussed.

The discussion concluded with insights into the impact of business rates retention, lessons learned from the WMCA's funding approach, and reflections on the cycle hire scheme's financial viability and sustainability.

Resolved:

The draft WMCA 2024/25 budget be noted.

The meeting ended at 4.00pm.

DRAFT

This page is intentionally left blank



**West Midlands
Combined Authority**

Environment & Energy Board

Thursday 21 December 2023 at 11.00 am

Minutes

Present

Councillor John Cotton (Chair)
Councillor Rob Clinton
Councillor Andy Mackiewicz

Portfolio Lead for Environment, Energy & HS2
Dudley Metropolitan Borough Council
Solihull Metropolitan Borough Council

In Attendance

Kate Ashworth
Ed Cox
Craig Evans (Secretary)
Jackie Howman
Elspeth Sage
George Simms
Tony Thaper
Ayushi Vyas
Mike Webb

West Midlands Combined Authority
West Midlands Combined Authority
West Midlands Combined Authority
West Midlands Combined Authority
West Midlands Combined Authority
West Midlands Combined Authority
West Midlands Combined Authority
West Midlands Combined Authority
West Midlands Combined Authority

In Attendance via MS Teams

Councillor Craig Collingswood
Councillor Peter Hughes
Councillor Majid Mahmood
Aqueel Rizvi
Tristan Semple

City of Wolverhampton Council
Sandwell Metropolitan Borough Council
Birmingham City Council
West Midlands Combined Authority
West Midlands Combined Authority

Item Title No.

13. Apologies for Absence

Apologies for absence were received from Councillor Jim O'Boyle (Coventry City Council), Matthew Rhodes (Energy Capital) and Suzanne Ward (Environment Agency).

The meeting was inquorate and therefore the decisions contained within the recommendations of the reports would be ratified at the WMCA Board on 12 January 2024.

14. Minutes - 26 September 2023

The minutes of the meeting were approved as a correct record, subject to an amendment to note the attendance of Councillor Peter Hughes at the meeting.

15. Local Investment in Natural Capital Programme

The board considered a report from the LINC Project Manager, Tristan Semple, to inform and update the board on the £1million Department for Environment, Food & Rural Affairs (Defra) funded Local Investment in Natural Capital (LINC) programme that was supplemented with a presentation shared to the board by Tristan to note an overview of the programme.

The Government had set a goal to mobilise at least £500million in private finance to support nature's recovery every year by 2027 in England, rising to more than £1billion by 2030. The Government's Green Finance Strategy aimed to identify LINC programmes as one of the measures to support the transition to a climate resilient, nature-positive and net-zero economy. The West Midlands Combined Authority (WMCA) had been selected as one of four regions in England to deliver Defra's LINC programmes and would run until 31 March 2025, supported by a £1million grant from Defra that was secured as part of the Devolution Deal.

The next steps of the programme outlined that consultants would be appointed in January/February 2024 to support LINC, whereby the WMCA and consultants would carry out stakeholder engagement and market research to understand the supply and demand-side opportunities for nature markets in the region. An options appraisal and Investment in Natural Capital Strategy would be developed in April/May 2024 and would be brought to the Environment & Energy Board for review and approval.

Councillor Mackiewicz noted that Solihull was key to local infrastructure projects in the West Midlands, due to the council's existing biodiversity net gain planning and provided the board with a brief verbal overview of projects undertaken in the borough such as tree planting, the creation of a new park in Shirley, biodiversity at Hope Coppice and in particular an urban biodiversity project at Kingshurst Brook where funding had been secured for de-culverting a stream and planting wildflowers in the creation of a mini park. In response, Tristan noted that the team were working with multidisciplinary teams across all of the local authorities, as well as a range of other key delivery partners to pull the opportunities together and to identify elements of existing good practices and linkages.

In response to Councillor Clinton who suggested whether it be better for each local authority to be allocated some funding to develop projects within the parameters set to allow for learning and local resident involvement as opposed to selecting several projects in the region, the Executive Director for Strategy, Economy & Net Zero, Ed Cox, recognised the fantastic projects already being undertaken in the region by local authorities and noted that the role of the WMCA was to scale up those projects and that the LINC and Net Zero Neighbourhoods programmes were designed to try and find a financial model that would enable scaling up projects in the future.

In response to Councillor Clinton who requested whether the WMCA could undertake a conference for attending on the findings and to bring experts from local universities to disseminate the information out into the higher educational facilities, Tristan noted a large part of the programme was about knowledge exchange and education, with the aim of capacity and capability building across all organisations and that the WMCA had been involved in events since January 2024 to enhance levels of understanding with future webinars and workshops scheduled to be planned of the nature market and green finance landscape for people to attend.

In response to Councillor Hughes who queried the membership in terms of the governance arrangements for the LINC programme, due to elements of the programme crossing between multiple portfolio areas and services at Sandwell, the Executive Director for Strategy, Economy & Net Zero noted that a list would be sent to councillors of the Environment & Energy Board of the named local authority officers representing the five or six working groups across energy and environmental programmes.

In regard to the climate vulnerability map of the presentation, Councillor Hughes noted that one of the ideas from government was to address the unequal distribution of environmental benefits and queried whether the programme could support Sandwell with proposed green projects as compared to other areas of the region due to Sandwell being largely urban and brownfield land, with very little green space, or lacking land identified for housing and employment. Tristan acknowledged Councillor Hughes' comments and noted that the programme was heavily driven by investment in an open and free market that could not be forced as investors would be seeking an evidence base to ensure where investment would have the greatest impact, however the WMCA would support local authorities with a strong narrative to try and achieve nature recovery investments for areas to link to other key drivers such as deprivation, access and climate vulnerability.

Councillor Mahmood highlighted existing and proposed key green projects for Birmingham City Council such as scaling up parks in deprived areas, the conversion of housing land to wild meadows and tree planting, as well as the Urban Accelerator Programme to increase tree coverage and canopy, as well as established meeting forums at Birmingham and recommended for the WMCA to link to such as the Nature Board, The Theme of Open Space Forum and Future Parks Celebrate, as well as external organisations such as the NHS in terms of health benefits from natural capital and Network Rail for the rail corridor between Solihull and Birmingham where a lot of fly-tipping occurred on land.

Councillor Mackiewicz reflected on the discussions and in particular addressed Councillor Hughes' concern of Sandwell being a heavily urban area and noted that Solihull had a working model called the Wildlife Waste Project which was an £18.6million project that was a completely urban project that delivered small benefits, sites and cycleways that may address Sandwell's concern and recommended for the WMCA to contact Solihull Metropolitan Borough Council to discuss the project further which was a working model, rather than to reinvent a new model.

Resolved:

- (1) The update on the Local Investment in Natural Capital Programme be received.
- (2) Input to the engagement and outreach process be provided.

16. Local Net Zero Accelerator

The board considered a report from the SMART Hub Lead, George Simms, and the Net Zero Neighbourhood Delivery Manager, Ayushi Vyas, to inform the board of the WMCA's decision to withdraw the Net Zero Neighbourhood Innovation project from the Innovate UK funding programme, in order to be awarded a larger sum of government funding for a Net Zero Accelerator pilot alongside Manchester through the WMCA's Devolution Deal. Geroge noted that the new programme was about channelling investment and funding into creating net zero places and in doing so, creating much greater impact and potential for scale than individual grant schemes would do and was also highly relevant to the work of the WMCA on devolution, single settlement, energy system planning, as well as furthering the regions inclusive growth principles and investments.

The report was supplemented by a presentation that was shared to the board from Ayushi to provide an overview of the programme, project purpose, vision, delivery and next steps following endorsement from the board for a programme business case to be prepared and that would be forwarded to the WMCA's Investment Board in March 2024.

In response to Councillor Mackiewicz who suggested whether the WMCA was looking in to either the installation of solar panels on roofs or shared battery containers for reducing fuel poverty in net zero neighbours, Ayushi and the Energy Infrastructure Lead, Cheryl Hiles, confirmed this was being considered to be built into the scope.

Councillor Clinton noted the importance for working with educational establishments and stakeholders in local manufacturing in the production of solar panels and battery containers without being reliant on other countries to support the region's economic growth and to support young people with the skills and jobs in manufacturing.

In regard to Councillor Mackiewicz and Councillor Clinton's observations, the Executive Director for Strategy, Economy & Net Zero noted that the single settlement that the WMCA was negotiating with government at the moment across a whole range of regional priorities included a large chunk of funding towards retrofit that would mean in the WMCA area a significant sum over a five year period should provide the manufacturing sector with a degree of certainty and for driving invest in the areas of manufacturing and skills.

Resolved:

The decision to accept the Net Zero Accelerator Pilot funding offered by the Department for Energy, Security & Net Zero (DESNZ) be endorsed.

17. Local Nature Recovery Strategy

The item was deferred to the next meeting of the Environment & Energy Board due to the conclusion of the meeting.

18. Community Environment Fund

The board received a presentation from the Community Environment Fund Manager, Tony Thaper, to provide an overview of the Community Environment Fund that was launched in October 2023 by the WMCA and that had £1m of grant funding available from The Government's Commonwealth Games Legacy Enhancement Fund to support communities in delivering initiatives that improve the environment and people's lives.

The Community Environment Fund was open to applications that was managed by the Heart of England Community Foundation and was based around five themes of natural environment, access to open space, circular economy, adaptation and environmental awareness.

The Grant Assessment Panel was due to meet in January/February 2024 and then every two months thereafter where it was hoped funds could be released with awards made and to anticipate the full allocation of funding to be used when the project completed in March 2025, followed by results and learning to report back to the Environment & Energy Board in achieving the outcome of a more energised community sector that was more engaged with environmental projects and to raise environmental awareness.

Tony further noted that there would be upcoming webinars in January/February 2024 to further promote the scheme and that his team were more than happy to visit applicants and potential projects to discuss further.

The Chair requested for a list of the webinar dates to be forwarded for board members information and Councillor Mackiewicz noted that it would also be beneficial for board members to receive an electronic brochure with full details of the scheme for councillors to forward on to their local authority officers that Tony confirmed he would do following conclusion of the meeting.

Resolved:

The details of the Community Environment Fund launched in October 2023 by the WMCA, that has £1m of grant funding available from The Government's Commonwealth Games Legacy Enhancement Fund to support communities in delivering initiatives that improve the environment and people's lives be received and noted.

19. Date of Next Meeting

Thursday 7 March 2024.

[The meeting ended at 12.44pm].

This page is intentionally left blank



Young Combined Authority (YCA) Board update, December 2023

Update

Our current Young Combined Authority (YCA) members have been busy as we move into a transition period where current members will move into other WMCA-related opportunities and our new younger cohort of members are recruited.



Talha - *“During our education workshop, which was conducted under a trauma-informed lens, those faith leaders, YP and professionals in attendance advocated the importance and role of faith partnerships in the remedying and continued co-production of healthier community wellbeing.”*

Hamaam - *“Young people, who should be the vibrant engine of progress and innovation, are instead grappling with a crisis that threatens to undermine their potential and aspirations. It is a crisis that reaches into the pockets of students struggling to pay for education, into the homes of young adults striving to put a roof over their heads, and into the daily lives of those trying to make ends meet.”*

Mental Health Round table

Following the successful Mental Health Youth Summit in July, the YCA and Faith Strategic Partnership Group (FSPG) came together again to share proposed next steps with key stakeholders across the region.

Next steps:

- Include Mental Health Commitments in the Faith Covenant, this reflects the request from YCA members to have written commitment from WMCA and Faith leaders to continue collaborating in this space.
- To work with The Delicate Mind, Taraki and Mount Zion, to develop culturally sensitive Mental Health workshops and capacity building for Faith Settings.

Key Headlines

The roundtable highlighted the challenges our communities face when it comes to broaching the subject of Mental Health:

- Recurring issue of shame within communities around Mental Health
- Cultural stigma, no words in community languages, unable to translate mental health-related terms, making it less real in a sense and not normalised.
- Lack of comfortable and safe spaces/ mental health services as well as Patriarchal and misogynistic environment- lack of youth voice in some settings.

YCA Taster Day

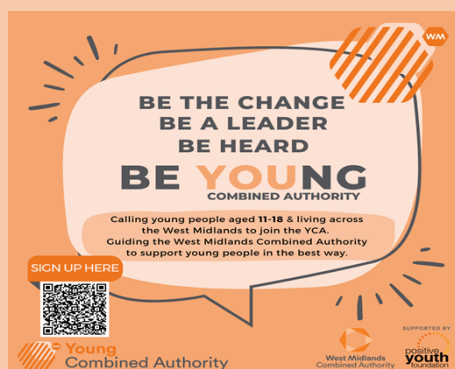
Positive Youth Foundation have delivered two taster days for perspective members.

Members had the opportunity to meet current members of the YCA, find out about the work they have done this year and deepen their understanding of the WMCA.

The young people also did several activities to help to think about what policy areas they might want to prioritise and what areas they may want to influence.

We now have 20 members recruited with just 10 spaces remaining.

Finally, to finish the year on a high we hosted a Christmas meal for current YCA members to thank them for all their insights and hard work and continued support across this year. They look forward to passing the baton onto the new YCA Members in January.



Recent Activity:

Mental Health Working Group- Tuesday 19h December 2023- This meeting brings together current YCA and FSPG members, and mental professionals to explore the proposed next steps.

YCA Launch Day- Friday 5th January- The Launch Day is an opportunity for the New YCA members to come together with current YCA members and set the Young Combined Authority's priorities for 2024. New members will learn about some of our policy areas, Inclusive Growth, Environment and Transport to allow the members to begin to understand which policy areas they might want to work with and influence.

Once new YCA members have agreed priorities for 2024 they will come back to board in March to share their plans with WMCA Board

Any questions, please email: Miriam.Aslam@wmca.org.uk

This page is intentionally left blank