



# WEST MIDLANDS COMBINED AUTHORITY

## WMCA Board

Friday 9 March 2018 at 11.00 am

### Minutes

#### Constituent Members

Andy Street (Chair)

Councillor Bob Sleigh (Vice-Chair)

Councillor Sean Coughlan

Councillor Ian Courts

Councillor George Duggins

Councillor Patrick Harley

Councillor Brigid Jones

Councillor Roger Lawrence

Councillor Paul Moore

Councillor Ian Ward

Mayor of the West Midlands Combined Authority

Solihull Metropolitan Borough Council

Walsall Metropolitan Borough Council

Solihull Metropolitan Borough Council

Coventry City Council

Dudley Metropolitan Borough Council

Birmingham City Council

City of Wolverhampton Council

Sandwell Metropolitan Borough Council

Birmingham City Council

#### Non-Constituent Members

Councillor George Adamson

Councillor Steven Claymore

Councillor Shaun Davies

Councillor Bill Hartnett

Councillor Dennis Harvey

Councillor David Humphreys

Ninder Johal

Tim Pile

Councillor Alex Phillips

Councillor Chris Saint

Councillor Izzi Seccombe

Councillor Michael Stokes

Cannock Chase District Council

Tamworth Borough Council

Telford & Wrekin Council

Redditch Borough Council

Nuneaton & Bedworth Borough Council

North Warwickshire Borough Council

Black Country Local Enterprise Partnership

Greater Birmingham & Solihull Local Enterprise Partnership

Shropshire Council

Stratford-on-Avon District Council

Warwickshire County Council

Rugby Borough Council

#### Observer Members

Councillor John Edwards

David Jamieson

West Midlands Fire & Rescue Authority

West Midlands Police & Crime Commissioner

#### In Attendance

Councillor Philip Davis

Councillor Pete Hughes

Councillor Ian Shires

Councillor Richard Worrall

Transport Delivery Committee

Overview & Scrutiny Committee

Overview & Scrutiny Committee

Transport Delivery Committee

- | <b>Item No.</b> | <b>Title</b>   |
|-----------------|--|
| <b>165.</b>     | <p><b>Apologies for Absence</b><br/>Apologies for absence were received from Jonathan Browning, Councillor Steve Eling, Councillor Paul Nutting and Stewart Towe.</p>  |
| <b>166.</b>     | <p><b>Chair's Remarks</b><br/>The Mayor noted that this was the last meeting before Stella Manzie stood down as Interim Chief Executive of Birmingham City Council and he thanked her for the work she had done supporting the WMCA during her time in post.</p>   |
| <b>167.</b>     | <p><b>Minutes - 9 February 2018</b><br/>The minutes were agreed as a correct record.</p>   |
| <b>168.</b>     | <p><b>Forward Plan</b><br/>The forward plan of items to be considered at future meetings was noted.</p>  |
| <b>169.</b>     | <p><b>Devolution Action Plan</b><br/>The board considered a report from Julia Goldsworthy, Director of Strategy, that provided details on the proposed Devolution Action Plan and the 'phase three' of devolution referred to in the report considered by this board at its meeting on 9 February 2018.</p> <p>The second devolution deal was announced in the government's Autumn Budget in November 2017 and contained a number of commitments for the WMCA and the government to work together on. This work was set out in an Action Plan and covered a wide range of areas, including the Housing Deal, Local Industrial Strategy, skills, employment, transport, public services and Funding for Growth Commission.</p> <p>Councillor George Adamson reported on the poor bus service that existed in Cannock Chase on Sundays. Councillor Roger Lawrence noted the implications that this had for people seeking to travel to either the New Cross or Cannock Chase hospitals. Transport for West Midlands was rolling out the Swift smartcard into Cannock Chase, which was hoped would make travelling by public transport easier and result in increased patronage.</p> <p>David Jamieson, West Midlands Police &amp; Crime Commissioner, indicated that he wished to be directly involved in the workstream that was looking at proposals for merging the role of Mayor and Police &amp; Crime Commissioner, and the Mayor agreed for the Action Plan to be amended to reflect this.</p> <p>Resolved:</p> <p>The approach to further work with government on devolution described in the report, with the coverage and portfolio leadership set out in the high level Action Plan, be approved.</p> |
| <b>170.</b>     | <p><b>Establishment of West Midlands Innovation Board</b><br/>Councillor Ian Ward presented a report seeking approval to establish a West Midlands Innovation Board to take a strategic lead in ensuring that innovation drove future economic growth and public sector reform.</p>  |

Councillor Alex Phillips enquired whether membership of the Innovation Board would include representatives from non-constituent authorities, and whether the University of Shrewsbury should be included in its work. The Mayor confirmed that the Innovation Board covered the 'three-LEP' geography and so would include non-constituent authorities within that. However, he understood that the University of Shrewsbury was not involved with the West Midlands Combined Universities or Midlands Innovation partnership arrangements, which were the groupings that were involved in the Innovation Board.

Resolved:

- (1) The creation of the West Midlands Innovation Board be approved, reporting to the Strategic Economic Plan Board, to take a strategic lead in ensuring that innovation
  - (i) drove economic growth and public service reform, and
  - (ii) was embedded across the activities of the West Midlands Combined Authority; and
- (2) The West Midlands Innovation Board take a new delivery-orientated approach for innovation, building on the findings of the West Midlands Science and Innovation Audit, to ensure that innovation delivered tangible economic growth and public service reform across the West Midlands Combined Authority geography.

**171. WMCA Digital Board**

Councillor Ian Ward presented a report outlining the work being undertaken by the Digital Board since it was established in 2017, including its current membership, current priorities and focus areas.

The role of the Digital Board was to ensure appropriate focus was placed on developing the digital focus of the West Midlands by bringing together the various strands of activity that had already been operating across the region. There was a commitment that the next phases of the Digital Board's work was developed in collaboration with local authority and system partners, so as to ensure that the Digital Board was adding value and was strategically well placed.

Resolved:

The current progress and focus areas of the Digital Board be approved.

**172. Financial Monitoring 2018/19**

Councillor Izzi Seccombe presented a report setting out the financial position of the WMCA as at the end of January 2018. The report summarised the revenue and capital financial positions against the approved budget, the Investment Programme and balance sheet. The overall consolidated revenue position showed a £5.2m favourable variance from budget, which was largely within the transport revenue budget where there was a £4.8m previously reported saving as a result of a change in the Minimum Revenue provision policy.

Councillor Izzi Seccombe noted that as part of the budget, the WMCA confirmed the adoption of the previous Centro pay policy in operation since 2012 that ensured staff were paid above the UK real living wage, subject to an annual review of affordability.

Resolved:

The financial position as at the end of January 2018 be noted.

**173. WMCA Funding for Growth Programme Update**

Councillor Izzi Seccombe presented a report that provided an update on the Funding for Growth Programme membership, meetings convened so far, current areas of focus and initial findings to date. The Funding for Growth Programme was a key part of the region's approach to devolution following the first devolution deal and was set up to focus on generating and implementing ideas that would drive additional funding for the region.

Councillor Ian Ward indicated that he looked forward to working with the programme in his capacity as Portfolio Lead for Economic Growth. Six-monthly update reports on the work of the programme would be submitted to future meetings of this board.

Resolved:

The approach taken to date and the next steps being undertaken be noted.

**174. Coventry Station Masterplan**

Councillor Izzi Seccombe presented a report setting out the work undertaken by the Investment Board and the assurance provided to support the approval of £39.4m for the Coventry Rail Station Masterplan. The report summarised the key aspects to the application, which was supported by a summarised business case submitted by Coventry City Council to the Investment Board.

The Coventry Rail Station Masterplan would involve a comprehensive redevelopment of the station, delivering new infrastructure including a second station building, 644 space multi storey car park, footbridge connecting all platforms, new bay platform to enable more frequent services between Coventry - Nuneaton, six-bay bus interchange with provision for rail replacement services, and significant highway improvements to deal with traffic operation around the station.

Resolved:

- (1) The award of £39.4 million Devolution Deal funding to Coventry Rail Station Masterplan project, which was promoted by Coventry City Council based on assurance work completed and the endorsement of the project by the Investment Board on 29 January 2018, be approved; and
- (2) Delegated authority be given to the Monitoring Officer and the Director of Finance, in consultation with the Portfolio Lead for Finance & Investments, to conclude the grant agreement with Coventry City Council in accordance with the report.

**175. Coventry Friargate Business District Phase 1**

Councillor Izzi Seccombe presented a report seeking approval for £51m funding for Coventry Friargate Business District Phase 1. The report set out the assurance work undertaken by Investment Board to support the proposal, along with the summarised business case submitted by Coventry City Council to the Investment Board.

Phase 1 of the Friargate Masterplan comprised five office blocks and a hotel. The first office block in the scheme was already complete and occupied by Coventry City Council, and this funding sought to develop the remainder of the scheme. The proposal in the final business case was to start the development of Phase 1 using WMCA funding to deliver the second building against a commitment from Coventry City Council that, once annual rental income was secured, it would use its ability to borrow to fund further buildings, using rental income to fund finance costs.

Resolved:

- (1) The award of £51m Devolution Deal funding to Coventry Friargate Business District Phase 1, which was promoted by Coventry City Council based on the assurance work completed and the endorsement of the project by the Investment Board on 29 January 2018, be approved; and
- (2) Authority be delegated to the Monitoring Officer and the Director of Finance, in consultation with the Portfolio Lead for Finance & Investments, to conclude the grant agreement with Coventry.

**176. Commonwealth Games Athletes Village - WMCA Contribution**

Councillor Izzi Seccombe presented a report seeking the approval of £20.075m from the Brownfield Land and Property Fund to help deliver the athletes' village required to facilitate the 2022 Commonwealth Games.

In December 2017, Birmingham was confirmed as the host city for the 2022 Commonwealth Games. The winning bid reflected the requirement for there to be a single athletes' village constructed for occupancy by athletes, officials and event organisers between April - August 2022. The village would provide temporary accommodation for some 6,510 people, with subsequent modifications to enable the residential accommodation to become mixed tenure homes to deliver a legacy uplift for Perry Barr.

Because the legacy outcomes to be achieved by the investment were outside the operational timing parameters of the fund (occurring between 2023-25 rather than 2017-21), it was proposed that a derogation be agreed in respect of this as part of the approval of the funding.

Councillor Ian Ward welcomed this report, noting its importance in delivering a legacy from hosting the Games to residents across the region. David Jamieson stressed the need to ensure that the police and security services were involved in the construction plans for the proposed site, so as to help ensure the safety of all participants during the course of the Games.

Resolved:

- (1) The award of a grant to Birmingham City Council from the WMCA Brownfield Land and Property Development Fund to the Commonwealth Games Village application totalling no more than £20.075m be approved, subject to:
  - (i) The final independent valuations being in line with the current estimates underpinning the £20.075m estimate; and
  - (ii) In the event there was a surplus on the athletes' village scheme following sale of the residential units, this surplus would be shared with WMCA up to a maximum of £20.075m;
- (2) The elements of the bid, with a particular reference to grant conditions A4 (Learning Institutions), be approved, given that this was the first time that this type of expenditure would be funded under the Brownfield Land and Property Development Fund;
- (3) The principle that the contribution be subject to the successful shortlisting of the Housing Infrastructure Fund announcement which provided the 39% (£144m) of the overall funding for the village be agreed; and
- (4) A one off variation to the basis of the Brownfield Land and Property Development Fund be agreed for this project to recognise that the outcomes of this application would not be delivered until 2022 for the Commonwealth Games Village and 2023-25 for the permanent scheme, as this fell outside the time period indicated in the originating fund documents approved by the WMCA Board.

**177. Implementation of Devolution Agreement - Adult Education Budget - Transfer of Powers to WMCA**

Councillor George Duggins presented a report on the process for agreeing the Devolution Orders required to enable full devolution of the Adult Education Budget, along with the proposed timescales. The principal purpose of the Adult Education Budget was to engage adults in learning that supported wider economic and social priorities. Devolution of the Adult Education Budget would only be applied within constituent authority areas, and the indicative budget would be approximately £112m for 2019/20 based on current spend on residents.

The Authority was required to provide the Department for Education with consent to the draft order by the end of April to meet the necessary timescales to enable full devolution in 2019/20. The Order would need to be laid before Parliament by the end of June and made in November to meet the timescales to commission for the 2019/20 academic year.

Resolved:

- (1) The transfer of functions to the West Midlands Combined Authority to ensure the successful devolution of the Adult Education Budget in 2019 be approved;
- (2) Consent be given on behalf of the West Midlands Combined Authority to the making of an Order giving effect to this transfer;
- (3) Delegated authority be given to the WMCA Section 151 Officer together with the WMCA Monitoring Officer, in consultation with the Portfolio Lead for Skills & Productivity, to approve the final draft Devolution Order in order to meet the timetable for agreement as set out in the report; and
- (4) Constituent authorities be requested to give their consent to the making of an Order giving effect to this transfer, including the necessary delegation to approve the final draft Order as set out in (3) above.

**178. Swift Programme Update**

Councillor Roger Lawrence presented a report that provided a progress update on the Swift programme and highlighted the recent launch of Swift in Redditch with the aim of gaining agreement for the next steps that would see Swift rolled out across all non-constituent authority areas.

Swift was the largest smartcard scheme in the UK outside London, with 189,000 unique users accessing buses, trains and trams across the West Midlands. There were more than 35m journeys undertaken with the Swift card in 2017, a growth of 60% on 2016. In January, the Swift card launched in Redditch and already 1,000 journeys had been undertaken. As well as continuing to work with Redditch to further develop the offer, the Swift team were designing a catalogue of options to present to other non-constituent authorities.

Councillor Bill Hartnett thanked the Swift team for the work that they had undertaken to launch the smartcard in Redditch, and reported an increasing awareness of it amongst the public which he was encouraged by.

Resolved:

- (1) The progress of the Swift Programme be welcomed;
- (2) The delivery of the Swift pilot in Redditch, which was successfully launched on the 10 January 2018, be welcomed; and
- (3) It be agreed that Transport for West Midlands would begin discussions with all other non-constituent members of the West Midlands Combined Authority to enable the development of a programme that would see, subject to their agreement, the rollout of Swift into their areas.

**179. Devolved Transport Grant**

Councillor Roger Lawrence presented a report that set out the approach for allocating the Devolved Transport Grant for 2018/19 and outlined the indicative allocations to 2020/21.

The allocation of the consolidated local transport budget for 2018/19 was expected to be £35.261m and the report identified its allocation between Integrated Transport Block, Highways Maintenance Block, Highway Incentive Fund and Bus Service Operator Grant. There was no proposal to adjust the percentage allocations upon which the Integrated Transport Block was distributed across local authorities.

Resolved:

- (1) The Devolved Transport Grant allocations, including Integrated Transport Block for 2018/19 be agreed, and the anticipated grant allocations through to 2020/21 be noted;
- (2) A Joint Initiatives Top Slice of £90,000 be agreed; and
- (3) The continuation of a ring fenced development funding pot within individual local authority annual allocations be agreed.

**180. West Midlands Mental Health Commission Update**

Councillor Bob Sleigh presented a report setting out the progress being made in respect of delivering the Mental Health Commission Action Plan during the first 12 months following its adoption. The report provided a detailed breakdown of the work undertaken in respect of each workstream within the plan.



Councillor Bob Sleight reported that significant progress had been made during the last year and thanked Sean Russell, Director of Implementation, for the key role he had played in the delivery of the plan's objectives. Councillor Sean Coughlan endorsed these views and thanked Councillor Pete Lowe for the leadership he had provided within this area when he had portfolio responsibility during 2016/17.

Resolved:

The progress and update on the current position of the West Midlands Mental Health Commission Action Plan and the work undertaken since the launch of the programme on 31 January 2017 be noted.

**181. Minutes - Investment Board - 29 January 2018**

The board received the minutes of the Investment Board held on 29 January 2018.

Resolved:

The minutes of the meeting on 29 January 2018 be noted.

**182. Minutes - Transport Delivery Committee - 5 February 2018**

The board received the minutes of the Transport Delivery Committee held on 5 February 2018. Councillor Philip Davis noted that 1 April would mark the tenth year anniversary of the introduction of the English National Concessionary Travel Scheme that provided for free off-peak bus travel for qualifying pass holders throughout England, and he commended the success this had been.

Resolved:

The minutes of the meeting on 5 February 2018 be noted.

**183. Minutes - Investment Board - 13 February 2018**

The board received the minutes of the Investment Board held on 13 February 2018.

Resolved:

The minutes of the meeting on 13 February 2018 be noted.

**184. Minutes - Public Service Reform Board - 22 February 2018**

The board received the minutes of the Public Service Reform Board held on 22 February 2018.

Resolved:

The minutes of the meeting held on 22 February 2018 be noted.

**185. Friday 11 May 2018 at 11.00am**

The date of the next meeting was noted.

**186. Any Other Business**

**Councillor Dennis Harvey, Nuneaton & Bedworth Borough Council**

Councillor Sean Coughlan noted that this was the last meeting Councillor Dennis Harvey would be attending before he was to step down as a councillor. He paid tribute to his dedication to public service during his 45 years as a councillor and 32 years as Leader of Nuneaton & Bedworth Borough Council.

**187. Exclusion of the Public and Press**

Resolved:

That, 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.

**188. West Midlands HS2 Growth Board - Future Governance and Programme Support**

Councillor Bob Sleigh presented a report seeking approval to TUPE transfer four members of staff and one vacant post that comprised the HS2 Growth Strategy Programme team from Birmingham City Council to the West Midlands Combined Authority based on new information with regard to work patterns. Councillor Ian Ward indicated that he supported the proposals contained within the report.

Resolved:

- (1) The existing HS2 Growth Strategy Programme Team be transferred based on TUPE to the West Midlands Combined Authority; and
- (2) The Monitoring Officer of the West Midlands Combined Authority be authorised to make all necessary arrangements to enact the recommendation of this report. (This superseded the original decision taken on 23 June 2017 by the WMCA Board where the HS2 Growth Strategy Programme Team was to move the West Midlands Combined Authority via a secondment arrangement.)

The meeting ended at 12.00 pm.