



# WEST MIDLANDS COMBINED AUTHORITY

## Investment Board

Monday 26 March 2018 at 10.00 am

### Minutes

#### Present

Councillor Izzi Seccombe (Chair)  
Councillor Robert Hulland  
Nick Abell

Paul Brown

Warwickshire County Council  
Solihull Metropolitan Borough Council  
Coventry & Warwickshire Local  
Enterprise Partnership  
Black Country Local Enterprise  
Partnership

#### In Attendance

David Cockroft  
Carl Craney  
Sean Pearce  
Phil Hewitt

Coventry City Council  
West Midlands Combined Authority  
West Midlands Combined Authority  
Transport for West Midlands

#### Item Title No.

#### 82. Apologies for Absence (if any)

Apologies for absence had been received from councillors Jim O'Boyle and George Duggins (Coventry City Council), Councillor Majid Mahmood (Birmingham City Council), Councillors Peter Richards and Tony Jefferson (Non-Constituent Authorities), Gary Taylor (Greater Birmingham & Solihull Local Enterprise Partnership) and Sue Summers (Finance Birmingham).  
Apologies for absence had also been received from Sarah Middleton (black Country Local Enterprise Partnership) and Gerald Gannaway and Nick Oakley (Finance Birmingham).

#### 83. Notification of Substitutes (if any)

Councillor Jim O'Boyle had nominated Councillor George Duggins as his substitute but Councillor George Duggins had submitted an apology for absence.

Councillor Peter Richards had nominated Councillor Tony Jefferson as his substitute but Councillor Tony Jefferson had submitted an apology for absence.

**84. Declarations of Interests (if any)**

Nick Abell declared an interest in Agenda Item No. 8 (Coventry Friargate Business District Phase 1 – File Note re: Assurance) inasmuch as he was a member of the Coventry and Warwickshire Local Enterprise Partnership which was a partner in the scheme and also that he had received hospitality from Friargate, a partner in the scheme. In response to a query from Nick Abell, Carl Craney clarified the position with regard to declarations of interests and voting.

**85. Minutes of last meeting**

Sean Pearce reported that there had been an error in the report in respect of Agenda Item No. 8 (Change request for Solihull Metropolitan Borough Council's Strategic Outline Case 1 (SMBC SOC1) for the UK Central Infrastructure Package) inasmuch as the figure at paragraph 3.8 c) referring to the annual revenue cost to service the borrowing for this scheme had been inadvertently stated to be £2.4 million, when in fact, it was £0.6 million. He invited the Board to note this matter.

Resolved:

That the minutes of the meeting held on 13 March 2018 be confirmed as a correct record and signed by the Chair and that the error in the report referred to above be noted.

**86. Matters Arising**

There were no matters arising from the minutes of the meeting held on 13 March 2018.

**87. Investment Board Programme Update**

Sean Pearce presented a report which advised the Board that the Investment Programme had been agreed as a result of the region's first Devolution Deal agreed with HM Government in 2015. He reminded the Board that the entirety of the Investment Programme was to ensure that the Board was able to consider the decisions before it as well as the delegated decisions to the West Midlands Combined Authority Leadership Team in light of funding that had been secured to date and funding that was forecast over the medium term.

The report also set out the current position in terms of approvals provided to date as well as the work being delivered currently by the West Midlands Combined Authority Leadership Team to support the work of the Task and Finish Group. This Task and Finish Group had been commissioned through the Budget process. It set out a summary of the internal work commissioned to ensure the benefits across the programme were captured and understood.

The report also set out the work within the West Midlands Combined Authority across the Investment Programme since October 2016. It presented a potential way in which, going forward, the Investment Board could receive information to help provide a regular update across the Investment Programme for confirmation and challenge ahead of Investment Decisions. He advised that similar reports would be submitted on a regular basis to future meetings of the Board.

He highlighted various sections of the report and stressed that the monies from Supplementary Business Rates provided provisional funding only at this stage as the principal; had yet to be approved by the West Midlands Combined Authority Board.

With regard to Section 7 of the report (Investment Programme Ranking & Scheduling), he reported that the monies available could be committed fully by April 2019 and that there was a need to consider the prioritisation of schemes and to consider also the Forward Plan for Investment Decisions. Work on this would commence in May 2018 with a view to it being completed by July 2018.

The Chair commended the report and referred to the element of risk with assumptions on future funding. Councillor Robert Hulland referred to paragraphs 5.6 and 5.7 of the report and asked as to the position if HM Government attempted to reclaim the windfall, whether this possibility had been taken into account and if any contingency arrangements had been considered. Sean Pearce advised that a meeting was to be held with the Ministry of Housing, Communities and Local Government on 27 March 2018 at which the West Midlands Combined Authority would be represented. He reported that it was understood that HM Government would not attempt to reclaim the windfall in the 2018/19 financial year and that, going forward, the position was broadly neutral for the West Midlands Combined Authority. He undertook to submit a report on the outcome of the discussions to a future meeting. The Board requested an update at the earliest opportunity.

Nick Abell commented that it was not for this Board to undertake a scrutiny role but to consider the investment requests put in front of it. The Chair suggested that the report be used as a reference point in making decisions on investments. Paul Brown enquired as to the impact of the second Devolution Deal. Sean Pearce advised the Board that the second Devolution deal had been positive inasmuch as £250 million had been granted through the Transforming Cities Fund which would enable such funds to be used rather than internal resources. He referred to other elements of the second Devolution Deal which were not investment related. In response to a question from Nick Abell, Sean Pearce informed the Board of the allocation of £143.5 million from the Housing Investment Fund towards the costs of the construction of the Athletes Village at Perry Barr.

Resolved:

1. That the progress against the Investment Programme agreed as part of the region's first Devolution Deal be noted;
2. That the summary update on the overall programme as detailed in the report be presented to future meetings of the Board on a regular basis;
3. That the Chair of the Investment Board be nominated as the representative of this Board on the Task and Finish Group as set out in the report and be required to provide updates back to the Board through April to July 2018;
4. That an update be provided as soon as possible to the Board on the outcome of discussions with the Ministry of Housing, Communities and Local Government on the position with the reclaiming of the windfall referred to in the report.

**88. Wednesbury - Brierley Hill Metro Extension - Change Request**

Phil Hewitt presented a report which sought approval of base funding for the next stages of development of Wednesbury to Brierley Hill project to Midland Metro Alliance stage gate B. He updated the Board on the current position with regard to the acquisition of the rail corridor from Network Rail following the intervention of the WMCA Mayor and the Secretary of State for Transport. He advised that he intended to submit a further report on the project to the next meeting of the Board in relation to the acceleration of the project to enable the Wednesbury to Dudley Town Centre section of the route to be open in advance of the Commonwealth Games in 2022.

Resolved:

1. That the Outline Business Case for the project, considered by the Panel on 12 April 2017 and finalised subsequently and updated by the Department for Transport scrutiny had secured the Government funding sought therefore the next consideration of the project at Technical Appraisal panel would be for Final Business Case stage be noted;
2. That, in a separate approvals process, authority would be sought for a further allocation of up to £40 million for acceleration works aimed at bringing forward the completion and opening for passenger services of the Wednesbury to Dudley Town Centre section ahead of the Commonwealth Games in summer 2022 be noted;
3. That, in line with the Outline Business Case planned expenditure profile, the maximum allocation of £12 million from the Department for Transport transforming Cities Fund (project total of £19.6 million cumulative, of which £19.2 million would now be allocated / recovered from Department for Transport funding) to cover on-going design, development and contingency cost to the end of the current stage of development as set out in Sections 3 – 6 of the report and authorise the Metro Programme Director to place the necessary contracts / orders under the Programme Alliance Agreement be approved.

- 89. Coventry Friargate Business District Phase 1 - File Note re: Assurance**  
With reference to Minute Nos. 62 and 77 Sean Pearce presented a File Note which had been produced following a meeting held with the Chair, Gary Taylor (GB&SLEP) and relevant Officers regarding the above scheme. He advised that the contents of the File Note had been confirmed by the Chair and Gary Taylor.

Resolved:

That the File Note be approved as part of the assurance process.

- 90. Exclusion of the Public and Press**

Resolved:

That in accordance with Section 100A4 of the Local Government Act 1972, the press and 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).

- 91. WMCA CIF Dashboard**

Sean Pearce presented the WMCA CIF Dashboard as at 1 March 2018 and advised the Board on the current position with the YMCA, Lichfield Street, Wolverhampton scheme.

Resolved:

That the Dashboard be received and noted.

- 92. WMCA BLPDF Dashboard**

Sean Pearce presented the WMCA BLPDF Dashboard as at 1 March 2018.

Resolved:

That the Dashboard be received and noted.

The meeting ended at 10.43 am.