



West Midlands Combined Authority

WMCA Board

Friday 9 February 2024 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	Dudley Metropolitan Borough Council
Councillor Kerrie Carmichael	Sandwell 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 Stephen Simkins	City of Wolverhampton Council
Councillor Bob Sleight	Solihull Metropolitan Borough Council
Councillor David Welsh	Coventry City Council

Non-Constituent Members

Councillor Matthew Dormer	Redditch Borough Council
Councillor Izzi Seccombe	Warwickshire County Council
Councillor Kristofer Wilson	Nuneaton & Bedworth Borough Council

Co-opted Member

Rob Johnson	Midlands Trades Union Congress
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Observer Members

Councillor Greg Brackenridge	West Midlands Fire Authority
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

103. Apologies for Absence

Apologies for absence were received from Lee Barron (Midlands TUC), Councillor Shaun Davies (Telford & Wrekin), Councillor Tony Johnson (Cannock Chase), Councillor Susan Juned (Stratford-on-Avon), Councillor Abdul Khan (Coventry) and Councillor Derek Poole (Rugby).

104. Chair's Remarks

(a) Wayne Brown, Chief Fire Officer, West Midlands Fire Service

On behalf of the board, the Chair expressed his sadness at the recent death of Wayne Brown, Chief Fire Officer of West Midlands Fire Service. Councillor Greg Brackenridge paid tribute to the career and public service of Mr Brown and his leadership of the fire service across the region. Members of the board paid their own tributes and offered condolences to his family and colleagues. The board observed a minute's silence in Wayne Brown's memory.

(b) Potential Transfer of Police & Crime Commissioner Functions to the WMCA

The Chair reported that he had received a letter from the Home Secretary on 6 February informing him of the outcome of the recent public consultation and indicating that he was now satisfied to transfer the powers of the Police & Crime Commissioner to the WMCA. The Chair had responded to the letter, giving his consent to the transfer as required by the Levelling Up & Regeneration Act 2023. Simon Foster reiterated his objection to the transfer of powers and noted that there had been a small majority of the responses received to the public consultation in favour of retaining the existing governance arrangements.

105. Minutes - 12 January 2024

The minutes of the meeting held on 12 January 2024 were agreed as a correct record.

106. Forward Plan

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

107. Regional Activity & Delivery Update

The board received a presentation from the Chief Executive setting out the regional activity in recent months.

Since the last meeting of the board, £24m had been provided to help West Midlands businesses reduce energy use and bills, £16m to help homeowners pay for energy efficiency improvements, and £12.2m for a new mixed use regeneration scheme in Coventry. The WMCA had also invested £24m to create 500 new jobs at a new Coventry business park.

Resolved:

The update be noted.

108. Race Equality Week - Update from Race Equalities Taskforce

The board received a presentation from Sharonjit Clare, Chair of the Race Equalities Taskforce on its recent work and activity, particularly in respect of leadership diversity.

Sharonjit Clare highlighted that 45% of the population of the West Midlands did not identify as white, and challenged regional leaders as to whether this diversity was reflected in senior leadership roles. She considered that providing 'shadowing' opportunities for people aspiring to become leaders provided a good opportunity to demonstrate that the region wished to see further progress made in this regard.

Councillor Kerrie Carmichael thanked Sharonjit Clare for her thought provoking comments, and commended her leadership of the Race Equalities Taskforce.

Resolved:

The update be noted and Sharonjit Clare be thanked for her leadership of the Race Equalities Taskforce.

109. State of the Region

The board considered a report of the Executive Director of Strategy, Economy & Net Zero providing a high-level, annual review of the condition of the West Midlands and providing context to help understand the region's performance.

The West Midlands State of the Region was a high-level report that brought to attention the most important trends in the West Midlands. It was an annual review that considered data relevant for comparison at yearly or longer-term basis. It was intended to provide context by setting out a baseline for comparison and understanding, using replicable and repeatable metrics. The report set out its key messages and recommendations around the eight West Midlands Inclusive Growth fundamentals, which focused all types of investment - public, private, capital, revenue, time, attention - on the same set of missions. These missions also connected to one another, ensuring that the real people, places, and businesses across the region were not lost in thematic silos.

Councillor Ian Courts welcomed the report, noting that it set out clearly the challenges facing the region.

Resolved:

- (1) The issues and recommendations arising from the Overview & Scrutiny Committee's consideration of the report be noted.
- (2) The key messages and recommendations set out within the report be noted.
- (3) It be noted that the report would form part of the evidence base for the region's economic development work as part of the regular review of the economic conditions in the West Midlands and forthcoming West Midlands Futures work programme.
- (4) Constituent member authorities be provided with a further individual opportunity to review the State of the Region report before it was published in final form.

110. WMCA Budget 2024/25

The board considered a report from the Executive Director of Finance & Business Hub presenting the WMCA's proposed budget for 2024/25 for approval.

Councillor Bob Sleigh noted that the report proposed a 3% increase in the transport levy which he considered necessary to help address the challenges in transport funding across the region. Councillor George Duggins indicated that he could not support this increase, proposing that using additional funding from the Network Stabilisation Grant would enable a 'flat' transport levy to be adopted, which provided help towards the financial pressures being experienced within all constituent authorities. The Executive Director of Finance & Business Hub drew the board's attention to the cumulative impact that this would have in subsequent years, and indicated that a further report would need to be considered later in the year as to the impact such a decision would have on the Medium Term Financial Plan.

Councillor Mike Bird indicated his support for a 3% increase in the transport levy. Councillor Ian Courts recognised the financial pressures local authorities were experiencing, but stressed that the West Midlands was falling behind the funding it was allocating to public transport compared to other metropolitan areas across the country. The Chair noted that discussions with Government for increased funding would likely be more difficult if the WMCA itself was seen to be not willing to increase the funding it was prepared to give to public transport services.

Following a brief adjournment, an amendment was moved to propose a 0% increase in the transport levy for 2024/25 and for an additional £3.5m from the Network Stabilisation Grant to be used towards transport budget requirements. In accordance with standing order 18.12, Councillor Mike Bird requested that it be recorded that he voted against this amendment, prior to it becoming adopted as the substantive motion.

Resolved:

- (1) A cash flat transport levy for 2024/25 of £119.4m be approved.
- (2) The budget requirement for transport delivery 2024/25, totalling £198.3m and comprising three elements be approved:
 - (i) £119.4m to be funded from the existing transport levy mechanism;
 - (ii) use of £73.9m of grant income, including £28.4m of Network Stabilisation Grant;
 - (iii) use of windfall gains from treasury management of £5.0m.
- (3) The budget requirement for portfolio delivery in 2024/25 of £262.0m comprising of six elements be approved:
 - (i) £142.0m adult education (including Free Courses for Jobs) spending to be funded from adult education budget funding devolved by the Department for Education;
 - (ii) £104.4m to be funded from other grants;
 - (iii) £2.3m to be funded from other income, notably investments;

- (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.
- (4) The Mayoral Office budget for 2024/25 of £7.0m, of which £0.9m was to be funded from additional Mayoral Capacity Funding and a further £6.1m was to be funded from reserves, be approved.
 - (5) It be noted that there would be no mayoral precept during 2024/25.
 - (6) The first year (2024/25) of the indicative WMCA capital programme, totalling £706.8m, noting the indicative onward programme thereafter, be approved.
 - (7) The planned spend on the Investment Programme over the period be noted.
 - (8) The advice of the Executive Director of Finance & Business Hub in relation to the robustness of the budget and the adequacy of reserves be noted.
 - (9) The WMCA's ongoing commitment to work with the Mayor and Leaders during 2024 to discuss a sustainable funding solution for transport which would meet the scale of ambition for the network be noted.
 - (10) Authority be delegated to the Executive Director of Finance & Business Hub, in consultation with the Portfolio Lead for Finance, to make any final changes that might result from the final Local Government Finance Settlement.
 - (11) Authority be delegated to Executive Directors to progress expenditure within the budget that was in furtherance of WMCA Board-approved local policy.
 - (12) The following policies and strategies, which contained items as required by statute, be approved:
 - (i) Treasury Management Policy Statement;
 - (ii) Treasury Management Strategy, including the 2024/25 Investment Strategy and criteria for specified and non-specified investments;
 - (iii) Capital Strategy and Minimum Revenue Provision Statement; and
 - (iv) Pay Policy Statement.

[In accordance with the requirements of the Combined Authorities (Finance) Order 2017, the Mayor and constituent authority members voted on these resolutions as follows:

FOR (12): Andy Street, 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 Stephen Simkins, Councillor Bob Sleight and Councillor David Welsh.

AGAINST (0): none.]

111. Employment & Skills Strategy for Deeper Devolution

The board considered a report from the Interim Director of Employment, Skills, Health & Communities on a reviewed and refreshed Adult Education Budget strategy to create a wider Employment & Skills Strategy that set out the WMCA's priorities for the next three years.

The Employment & Skills Strategy built on the WMCA's current Adult Education Budget strategy, with a stronger focus on supporting inclusive economic growth, higher level skills, the work of universities, employment support, and business support and innovation. Through this strategy, it had have sought to deepen both the WMCA's economic policy and social policy focus over and above its funding stream implementation and objectives.

Resolved:

The Employment & Skills Strategy 2024-27 be approved, and the approach being adopted through the strategy to ensure the integration of employment and skills across the region be endorsed.

112. 2024/25 Skills Bootcamps Change Request

The board considered a report from the Interim Director for Employment, Skills, Health & Communities seeking to secure approval of the grant from the Department of Education to extend skills bootcamps into a fifth year.

The WMCA had been delivering skills bootcamps since the initial pilot in 2018, securing over £34m from the Department for Education during this period. Skills bootcamps were accelerated adult training in technical occupations found in sectors such as digital, construction and new emerging occupations eg. retrofit. They provided an alternative to qualifications and apprenticeships where either the job roles were new, where qualifications were not available or where accelerated models of delivery could address labour market gaps.

The Interim Director for Employment, Skills, Health & Communities indicated that she was happy to provide a separate briefing to Councillor Ian Courts to explain in more detail the expected outcomes from the budget allocated for the monitoring and evaluation of the scheme.

Resolved:

- (1) The receipt of £26,794,280.20 from the Department for Education to enable the extension of the skills bootcamps programme to cover the period 1 April 2024 to 31 March 2025 be approved.

- (2) Authority be delegated to the Interim Director for Employment, Skills, Health & Communities, in consultation with the Monitoring Officer and the Section 151 Officer, to enter into the appropriate form of agreements and any necessary procurement activity relating to the skills bootcamp programme.

113. Homes for the Future Strategy

The board considered a report of Interim Executive Director of Housing, Property & Regeneration summarise the work that has been undertaken under the leadership of the Housing & Land Delivery Board on Homes for the Future, including the work to date on the Homes for the Future Implementation Plan and communications strategy, including the launch event.

In April 2022, the Housing & Land Delivery Board agreed a programme of work to develop a 'Homes for the Future Strategy' in order to produce a coherent strategy to accelerate the development of the Future Homes Cluster in the Plan for Growth, secure delivery and investment in Advanced Manufacturing in Construction, zero carbon homes, get the region ready for the roll-out of changes to Building Regulations (Part L) set out in the Government's emerging Future Homes Standard, and consequential reduced occupier costs in the new homes.

Homes for the Future had been developed with the oversight of the Future Homes Taskforce. The taskforce last met in October 2023, where its members expressed strong support for the programme of work and stressed the importance of showcasing industry support and early wins through landing a successful communications strategy and continuing work post-publication in the form of a wide-reaching Implementation plan.

Resolved:

- (1) Progress with the work to date to develop the Homes for the Future programme for the West Midlands, and the wide-ranging input from the Future Homes Taskforce and local authority partners across the region, among other relevant stakeholders, be noted.
- (2) The final draft of the Homes for the Future strategy and technical standard be noted.
- (3) The feedback provided from the Homes for the Future event and consultation responses be noted.
- (4) The official release of WMCA's Homes for the Future proposals be endorsed.
- (5) In light of responses to WMCA's Homes for the Future consultation, an option to vary the Pre-Manufactured Value requirement, allowing alternative build method statements to accompany bids for WMCA grant where the primary operational and upfront embodied carbon standards were being met, be introduced.
- (6) The release of the Government's Future Homes Standard consultation be noted.

- (7) The WMCA's response to the Government's '*The Future Homes and Buildings Standards: 2023 Consultation; Approved Document L - Conservation of Fuel and Power and Minimisation of Greenhouse Gas Emissions Volume 2: Buildings other than Dwellings*', which considered the standard in relation to non-domestic dwellings, be noted.
- (8) The letter from the House of Lords Built Environment Committee that summarised findings from the Government's modern methods of construction inquiry be noted.
- (9) The progress on the work to date on the Homes for the Future communications strategy and implementation plan be noted.

114. Faith Covenant Partnership Board - Faith Covenant

The board considered a report of the Executive Director of Strategy, Economy & Net Zero on an update on the activity of the independent Faith Strategic Partnership Group through 2023 and its developing priorities for 2024.

The Faith Strategic Partnership Group was established in 2021 to ensure people of faith across the West Midlands worked together in areas of shared concern such as homelessness, education, employment, poverty, community relations and leadership where faith community groups could help work together for a better West Midlands. The group created space to allow faith leaders to influence policies and programmes and ensure faith communities' voices were reflected in the work of the WMCA. It had established three working groups – homelessness, mental health and emerging leaders - each of which had developed a clear vision and action plan.

The board received a presentation from Amrick Singh Ubhi and Steve Botham, co-chairs of the Faith Strategic Partnership Group, on the community value in bringing the public, private and faith sectors together to tackle the challenges of the region. They highlighted that the West Midlands was the first region, and Birmingham the first city, to sign the Faith Covenant and looked forward to working more closely with local authorities in a strategic way in order to improve the lives of cities. Councillor Ian Courts welcomed the role the wider third sector could place in tackling deep rooted issues that all councils were challenged with.

Resolved:

- (1) The newsletter from the independent Faith Strategic Partnership Group be noted.
- (2) The implications and opportunities for the WMCA and its constituent authorities of working with faith communities, particularly relating to the Faith Covenant, be noted.

115. Investment Board - 15 January 2024

The board considered the minutes of the Investment Board held on 15 January 2024.

Resolved:

The minutes of the meeting held on 15 January 2024 be noted.

116. Housing & Land Delivery Board - 17 January 2024

The board considered the minutes of the Housing & Land Delivery Board held on 17 January 2024.

Resolved:

The minutes of the meeting held on 17 January 2024 be noted.

117. Transport Delivery Overview & Scrutiny Committee - 22 January 2024

The board considered the minutes of the Transport Delivery Overview & Scrutiny Committee held on 22 January 2024.

Resolved:

The minutes of the meeting held on 22 January 2024 be noted.

118. Economic Growth Board - 25 January 2024

The board considered the minutes of the Economic Growth Board held on 25 January 2024.

Resolved:

The minutes of the meeting held on 25 January 2024 be noted.

119. Overview & Scrutiny Committee - 29 January 2024

The board considered the minutes of the Overview & Scrutiny Committee held on 29 January 2024.

Resolved:

The minutes of the meeting held on 29 January 2024 be noted.

120. Audit, Risk & Assurance Committee - 29 January 2024

The board considered the minutes of the Audit, Risk & Assurance Committee held on 29 January 2024.

Resolved:

The minutes of the meeting held on 29 January 2024 be noted.

121. Date of Next Meeting

Friday 15 March 2024 at 11.00am.

The meeting ended at 1.05pm.