



Investment Board

Monday 19 August 2024 at 10.00 am

Minutes

Present In Person

| | |
|---------------------------------|---------------------------------------|
| Councillor Peter Hughes (Chair) | Sandwell Metropolitan Borough Council |
| Councillor Christopher Burden | City of Wolverhampton Council |
| Councillor Steve Clark | Dudley Metropolitan Borough Council |
| Councillor Jim O'Boyle | Coventry City Council |
| Councillor Mark Statham | Walsall Metropolitan Borough Council |

In Attendance

| | |
|--------------------------|--------------------------------------|
| Rachel-Ann Atterbury | West Midlands Combined Authority |
| Peter Beer | West Midlands Combined Authority |
| Ed Bradburn | West Midlands Development Capital |
| Ben Colman | West Midlands Combined Authority |
| Teanay Cope | West Midlands Combined Authority |
| Oliver Dyke | West Midlands Combined Authority |
| Brenda Graham | Amion Consulting |
| Alison Guerra | Walsall Metropolitan Borough Council |
| Oliver Kwiecien | West Midlands Combined Authority |
| Rob Lamond | West Midlands Combined Authority |
| Ian Martin | West Midlands Combined Authority |
| Nick Oakley | West Midlands Development Capital |
| Roger Owen | West Midlands Combined Authority |
| Kieren Turner-Owen | West Midlands Development Capital |
| Carl Pearson | West Midlands Combined Authority |
| Wendy Slater (Secretary) | West Midlands Combined Authority |
| Jo Snell | West Midlands Combined Authority |

**Item Title
No.**

34. Apologies for Absence

Apologies for absence were received from Councillor Sleigh (Solihull) and Sue Summers (West Midlands Development Capital).

35. Minutes -22 July 2024

The minutes of the meeting held on 22 July 2024 were agreed as a correct record.

36. Matters Arising

Minute No.20 Investment Programme Update

In relation to the action identified by the Director of Finance and Business Hub to be undertaken in conjunction with the Director of Commercial and Investment, to look at how the status of projects are communicated and to report back on mitigation measures and an action plan for those projects in Coventry and Solihull with a red status, the Chair asked that a progress report be submitted by the Sponsors no later than 3 months' time.

37. Investment Programme Update

The board considered a report of the Director of Commercial and Investment that provided a monthly update on the status of the Investment Programme to help set the context for any investment decisions being made at the meeting.

Resolved that:

1. The approval under delegated authority by WMCA Officers of the business case submissions disclosed at section 4 of the report 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 this report and appendices (including the project-level summary within the WMCA Investment Programme dashboard at Appendix 2) be noted.

38. Commercial Investment Fund Dashboard

The board considered a report detailing the Commercial Investment Fund dashboard (public iteration) as at 1 August 2024.

Resolved that: The report be noted.

39. Brownfield Land & Property Development Fund

The board considered a report detailing the Brownfield Land & Property Development Fund dashboard (public iteration) as at 1 August 2024.

Resolved that: The report be noted.

40. Residential Investment Fund Dashboard

The board considered a report detailing the Residential Investment Fund dashboard (public iteration) as at 1 August 2024.

Resolved that: The report be noted.

41. 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 items of business as they are likely to involve the disclosure of exempt information as specified in the paragraphs of the Act.

42. Abbotts Lane Extension

The board considered a report of the Executive Director of Finance and Business Hub that sought approval to extend an existing loan for a further 2 years that expires on 30 September 2024.

Ed Bradburn, West Midlands Development Capital outlined the reasons for the extension and reported that the loan facility if extended, would be on the same terms as the existing loan facility and the existing security would stay in place.

Resolved that:

1. The comments made by Investment Panel when this proposal was presented be noted;
2. The extension of the loan for the sum specified in the report, which includes initial period of accrued interest for a term of 2 years under the Commercial Fund/Residential Investment Fund as outlined in the report be approved and
3. The negotiation and approval of the final terms of the loan be delegated to the Director of Commercial and Investment be agreed.

43. Parkes Homes Extension

The board considered a report of the Executive Director of Finance and Business Hub that sought approval for a 12-month extension to a loan that expires on 27 September 2024.

Kieren Turner-Owen, West Midlands Development Capital outlined the main reasons for the loan extension and reported that the terms for the loan remain the same.

Resolved that:

1. The comments made by Investment Panel when the proposal was presented be noted;
2. The 12-month extension to support the continued investment of a £1m loan to the 'Company' under the Commercial Investment Fund/Residential Fund as outlined in the report be approved and
3. The negotiation and approval of the final terms of the loan be delegated to the Director of Commercial and Investment be approved.

44. Collaborative Partnership Agreement - Affordable Housing Pilot

The board considered a report of the Chief Executive that sought endorsement to enter into a Collaborative Partnering Agreement ("CPA") with the Homes for the West Midlands Limited Liability Partnership ("the LLP") for the purpose of furthering and increasing the development of new affordable housing on brownfield sites, whilst also contributing to key WMCA policy objectives including net zero and advanced methods of construction.

The Head of Strategy and Analysis, Rob Lamond, outlined the key aspects of the report including the background to the Agreement and the five participating registered providers (“RPs”) that would work closely with the WMCA to drive affordable housing.

Councillor O’Boyle (Coventry) expressed concerns that one of the five participating RPs in the CPA and pilot had previously pulled out of its housing commitment for the Coventry City Centre South scheme. The replacement purchaser of the affordable housing units was also struggling to obtain a funding allocation from Homes England. He considered the WMCA should be wary of reliance on the said RP.

The Head of Strategy and Analysis, Rob Lamond advised that the Agreement would not commit the RP to deploying any funds but would seek to combine the best efforts of all those involved to deliver more affordable housing in the region. He reported that the WMCA could have discussions with Coventry Officers concerning the Coventry City Centre South scheme and funding from Homes England.

Councillor O’Boyle commented further that whilst he understood the principles of the CPA, and supported Abberley Street as the pilot site, he did not think it was the right time for the Agreement to be taken forward when immediately deliverable projects such as Coventry City Centre South scheme were in jeopardy, and this should be a priority for WMCA officers.

Councillor Burden (Wolverhampton) indicated that he would want to see costs, KPIs, and outcomes/outputs included in the report to the board to make an informed decision.

The Head of Strategy and Analysis reported that work was being undertaken with the RPs to establish what they would deliver each year, along with targets that would form part of a future business plan.

Following further discussion, the board agreed to defer the Agreement but to continue to progress Abberley Street as the pilot site.

The Director of Commercial and Investment, Ian Martin, undertook to contact officers at Coventry regarding funding issues relating to Coventry City Centre South and follow-up the matter with Homes England as appropriate.

Resolved that:

1. The Collaborative Partnering Agreement (‘CPA’) attached as appendix 1 to the report be deferred at this stage, but the proposed disposal of the Abberley Street site (‘the pilot site’) and the next steps with regards to Abberley Street be agreed and
2. The Collaborative Partnership Agreement be re-submitted to Investment Board for endorsement, and that the revised report set out the costs and the benefits of the Partnership with the likely outputs and outcomes that would be achieved.

45. Commercial Investment Fund Dashboard

The board considered a report detailing the Commercial Investment Fund as at 1 August 2024.

Nick Oakley (West Midlands Development Capital) provided an update on the status of the schemes in the fund since the last meeting and reported that there were no concerns across the portfolio.

Resolved that: The report be noted.

46. Brownfield Land & Property Development Fund Dashboard

The board considered a report detailing the Brownfield Land and Property Development Fund dashboard as at 1 August 2024.

Resolved that: The report be noted.

47. Residential Investment Fund Dashboard

The board considered a report detailing the Residential Investment Fund dashboard as at 1 August 2024.

Nick Oakley (West Midlands Development Capital) provided an update on the status of schemes in the fund.

Resolved that: The report be noted.

48. Black Country Land & Property Investment Fund Dashboard

The board considered the Black Country Land and Investment Fund dashboard as at 8 August 2024.

The Accountable Body, Governance, Finance and Performance Manager, Alison Guerra, presented the report and provided updates on projects since the last meeting.

Resolved that: The report be noted.

49. Housing & Land Funds Dashboard

The board considered a report detailing the housing and land funds dashboards.

The Head of Development and Delivery, Ben Colman, provided a high-level update on the funds. He also undertook to look at how the material could be better presented so that it was easier to read.

The Chair noted that following the removal of the Housing and Land Delivery Board from the WMCA's governance structure, there was no oversight of the sub £5m housing spends/ housing decisions taken which was a concern. The Chair undertook to speak to the Mayor on how the matter could be addressed.

Resolved that: The report be noted.

50. 16 September 2024

The meeting ended at 11.24 am.