



West Midlands Combined Authority

WMCA Board

Friday 20 July 2018 at 11.00 am

Minutes

Constituent Members

Andy Street (Chair)

Councillor Mike Bird
Councillor Ian Courts
Councillor George Duggins
Councillor Patrick Harley
Councillor Robert Hulland
Councillor Brigid Jones
Councillor Abdul Khan
Councillor Roger Lawrence
Councillor Marco Longhi
Councillor Ian Ward

Mayor of the West Midlands Combined
Authority
Walsall Metropolitan Borough Council
Solihull Metropolitan Borough Council
Coventry City Council
Dudley Metropolitan Borough Council
Solihull Metropolitan Borough Council
Birmingham City Council
Coventry City Council
City of Wolverhampton Council
Walsall Metropolitan Borough Council
Birmingham City Council

Non-Constituent Members

Councillor George Adamson
Councillor Matthew Dormer
Sean Farnell

Councillor David Humphreys
Councillor Julie Jackson
Ninder Johal

Councillor Alex Phillips
Councillor Izzi Seccombe
Councillor Michael Stokes
Councillor Stephen Thirlwell

Cannock Chase District Council
Redditch Borough Council
Coventry & Warwickshire Local
Enterprise Partnership
North Warwickshire Borough Council
Nuneaton & Bedworth Borough Council
Black Country Local Enterprise
Partnership
Shropshire Council
Warwickshire County Council
Rugby Borough Council
Stratford-on-Avon District Council

Co-Opted Member

Lee Barron

Midlands Trades Union Congress

Observer Members

Councillor John Edwards
Lynnette Kelly

West Midlands Fire & Rescue Authority
Assistant Police & Crime Commissioner

In Attendance

Councillor Kath Hartley
Councillor Peter Hughes
David Lane
Grant Patterson

Transport Delivery Committee
Overview & Scrutiny Committee
Audit, Risk & Assurance Committee
Grant Thornton

Item No.

Title

14. Apologies for Absence

Apologies for absence were received from Jonathan Browning (Coventry & Warwickshire LEP), Councillor Shaun Davies (Telford & Wrekin), Councillor Tony Jefferson (Stratford-on-Avon), Councillor Peter Nutting (Shropshire), Tim Pile (Greater Birmingham & Solihull LEP) and Councillor Bob Sleigh (Solihull).

15. Chair's Remarks

The Chair welcomed the recent announcement of a Skills Deal with the Government that would result in over £100m of investment to support skills within the region, including apprenticeships for SMEs, digital skills and more experience and careers skills support for young people. He also congratulated Tim Johnson on his recent appointment as the new Managing Director of the City of Wolverhampton Council.

16. Minutes - 22 June 2018

The minutes of the meeting were agreed as a correct record.

17. Forward Plan

The forward plan of items to be considered at future meetings was noted.

18. Appointment of Transport Delivery Committee Chair

Councillor Roger Lawrence reported on the need to appoint the chair and vice-chairs for the Transport Delivery Committee for 2018/19.

Resolved:

(1) Councillor Kath Hartley be appointed as chair of Transport Delivery Committee for 2018/19.

(2) Councillor Roger Horton and Councillor Tim Huxtable be appointed as vice-chairs of Transport Delivery Committee for 2018/19.

19. Process and Indicative Timetable for Incorporation of West Midlands Police & Crime Commissioner Functions into the Mayoralty

The board considered a report from Henry Kippin, Director of Public Service Reform, that outlined the proposed route to achieve the transfer of the West Midlands Police & Crime Commissioner role to the Mayor.

The second Devolution Deal confirmed that, in addition to continuing the integration of the West Midlands Fire & Rescue Authority within the WMCA, the Government, WMCA and the Police & Crime Commissioner would work together to agree a detailed governance model and legislative timetable for incorporating the role and powers of the Police & Crime Commissioner into the mayoralty, with a view to electing the first Mayor with these powers in 2020. The Order to enable this would be made by the Home Secretary with the consent of constituent authorities, the WMCA and the Mayor, and it was expected that the Home Office would work closely with them, and the Office of the Police & Crime Commissioner, in developing the secondary legislation required.

Councillor George Duggins expressed concern that a single public consultation exercise was proposed that would seek views on both the principle of transferring the Police & Crime Commissioner's role into that of the Mayor as well as the specifics of how that would be achieved and the new structures that would then exist within the West Midlands. He considered that a two-stage consultation process, similar to that undertaken in respect of governance changes with the West Midlands Fire & Rescue Authority, was more appropriate. Councillor Ian Ward was also concerned that the consultation exercise was proposed to run between 19 November - 14 January, and suggested that this would limit responses from members of the public otherwise distracted during the Christmas period.

Kayleigh Chapman confirmed that the Home Office had been in discussions with both the WMCA and the Office of the Police & Crime Commissioner, and that it would need the agreed governance review and scheme to be submitted to it by mid-March 2019 to allow for sufficient time to prepare the order and gain Parliamentary approval in time for elections in May 2020. Councillor Mike Bird stressed that any self-imposed delay in the proposed timetable would therefore result in elections for the combined role not being held until 2024, which would be unacceptable given that constituent authorities and the WMCA had agreed to this as part of the second Devolution Deal.

Lynette Kelly, Assistant Police & Crime Commissioner, indicated that the Police & Crime Commissioner was concerned with aspects of the report, particularly in regard to the intention for a single consultation exercise and the lack of detail as to why these governance changes would result in an improved public service. She also suggested that meetings to develop these proposals had been held to which the Police & Crime Commissioner had not been invited to.

The Mayor indicated that discussions with the Police & Crime Commissioner's office had been on-going since December, and considered that the report reflected the outcome of these discussions. The recommendations contained within this report would only authorise further developmental work on the merger proposals, and that a further report would be considered by this board on 14 September.

Resolved:

- (1) The development of a governance review and scheme to enable the proposed amalgamation of the functions of the West Midlands Police & Crime Commissioner into the Mayoralty for the elections to be held in 2020 be agreed.
- (2) A further report on the governance review and scheme be submitted to the WMCA Board on 14 September 2018.

20. West Midlands State of the Region 2018

The board considered a report from Julia Goldsworthy, Head of Strategy, on the key findings from the 'West Midlands State of the Region 2018' report. The State of the Region report was an annual publication that reviewed economic performance across the West Midlands in order to celebrate evidence of sustained economic success and to cast a spotlight on where the region's performance fell short of fulfilling its potential as a driver for in the UK economy.

The report provided data findings across five key areas: economic growth, business competitiveness and productivity, skills, people and place.

Lee Barron welcomed the report, stressing the key role that economic prosperity played in improving people's quality of life. Councillor Alex Phillips suggested that the WMCA should consider what it could do to further help five year business survival rates across the region. Councillor Izzi Seccombe indicated that she wanted the Wellbeing Board that she chaired to take a keen interest in the data relating to 'people' during the course of the next year.

Julia Goldsworthy expressed her thanks to the Black Country Consortium for the work it had undertaken in compiling the State of the Region 2018 report.

Resolved:

- (1) The key findings from the 'West Midlands State of the Region 2018' report be noted.
- (2) The ongoing development of the key indicators be approved, so that they not only provided consistent reference to the Strategic Economic Plan, but also incorporated existing and evolving work, including evidence from the Productivity & Skills Commission, Inclusive Growth Unit, Local Industrial Strategy activity and Office of Data Analytics.
- (3) Delegated authority be given to the WMCA Programme Board to maintain a regular review of portfolio dashboards and responsibility to escalate to the WMCA Board where there were proposed actions for decision/matters of concern arising from them.

21. Environment Portfolio Priorities - Progress Update

The board considered a report from Patrick White, Director of Industrial Strategy, on proposals to strengthen the WMCA's Environment Board. In September 2017, the board agreed environmental priorities with the ambition of becoming the 'best in class' combined authority in its approach to sustainability over the next two years. It subsequently developed seven workstreams, progress against which would be assessed by the Environment Board.

In order to provide leadership across the region, it was proposed that the Environment Board be chaired by the Portfolio Lead for the Environment, and comprise appropriate cabinet members for the seven constituent authorities, along with three representatives from non-constituent authorities. The first meeting of the newly constituted board would be held on 10 September.

Whilst welcoming the report, Councillor Ian Ward stressed the need to ensure that the work of the Environment Board did not duplicate that already being done by local authorities in the region. Patrick White confirmed that the environment portfolio would focus on adding value to the existing work being done.

Resolved:

- (1) The revised membership and remit of the WMCA Environment Board be agreed.
- (2) Progress over the last nine months and emerging priorities be noted.

22. Financial Monitoring Report 2018/19

The board considered a report from Sean Pearce, Director of Finance, on the financial position of the WMCA as at the end of May. This was the first financial monitoring report of 2018/19. The consolidated revenue position showed a £365,000 favourable variance from budget due to variances within the transport and operational budgets due to the timing of activity and the recruitment to vacant posts. The report also provided details of the Mayor's office spend, which was £33,000 underspent to date, largely due to vacant posts yet to be recruited to.

Resolved:

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

23. Investment Board - 4 June 2018

The board received the minutes of the Investment Board held on 4 June 2018.

Resolved:

- (1) The minutes of the meeting held on 4 June 2018 be noted.
- (2) The reduction of £8.3m in relation to Investment Programme commitments made by West Midlands Combined Authority be noted.
- (3) The out-turn against the Investment Programme for 2017/18 be noted.
- (4) The previous decision to exclude Sandwell Metropolitan Borough Council from the Collective Investment Fund be revoked following the West Midlands Combined Authority acquiring the necessary borrowing powers.

- (5) The value of the Collective Investment Fund be increased from £60m to £70m following the West Midlands Combined Authority acquiring the necessary borrowing powers.
- (6) The principle of applying the Investment Programme Assurance Framework to Investment Programme schemes only be agreed.
- (7) The Investment Programme-related revenue expenditure for 2017/18 be noted.

24. Transport Delivery Committee - 11 June 2018

The board received the minutes of the Transport Delivery Committee held on 11 June 2018

Resolved:

The minutes of the meeting held on 11 June 2018 be noted.

25. Audit, Risk & Assurance Committee - 21 June 2018

The board received the minutes of the Audit, Risk & Assurance Committee held on 21 June 2018.

David Lane reported that the committee had conducted a thorough review of the accounts for the WMCA and the West Midlands Integrated Transport Authority Pension Fund for 2017/18 and was happy to recommend their approval to this board.

Resolved:

- (1) The minutes of the meeting held on 21 June 2018 be noted.
- (2) The Director of Finance be authorised sign the letter of representation for the West Midlands Combined Authority and the West Midlands Integrated Transport Authority Pension Fund.
- (3) The annual accounts of the West Midlands Combined Authority and the West Midlands Integrated Transport Authority Pension Fund be approved.
- (4) The Audit Findings report presented by Grant Thornton be noted.
- (5) It be noted that Grant Thornton proposed to issue an unqualified audit opinion on the accounts.
- (6) Subject to there being no further issues raised by Grant Thornton, the Mayor and the Director of Finance be authorised to sign the accounts on behalf of the West Midlands Combined Authority.

26. Strategic Economic Plan Board - 4 July 2018

The board received the minutes of the Strategic Economic Plan Board held on 4 July 2018.

Resolved:

The minutes of the meeting held on 4 July 2018 be noted.

27. 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 paragraph 3 of the Act.

28. Update on Housing Infrastructure Fund Bids

The board considered a report from Gareth Bradford, Director of Housing & Regeneration, on progress in taking forward work to secure Housing Infrastructure Fund investment agreed in principle from the Government in March 2018.

Resolved:

- (1) Authority be delegated to the Director of Housing & Regeneration in consultation with the Portfolio Lead for Housing & Land, the Director of Finance and the Monitoring Officer, to submit the final Housing Infrastructure Fund Business Case to Government in August 2018, securing the investment agreed 'in principle'.
- (2) The accelerated timetable the West Midlands Combined Authority was working to for submission of the full Housing Infrastructure Fund Business Case relative to other areas, so that it received a positive investment decision in September 2018 in support of the Commonwealth Games, be noted.

29. Midland Metro Construction - Business Support Package

The board considered a report from Phil Hewitt, Director of West Midlands Metro, on a package of support schemes for businesses directly affected by the Metro construction works undertaken by the WMCA under Transport & Works Act Order powers.

Councillor Patrick Harley queried the number of business likely to be eligible for support in Dudley and considered that it could be more than was suggested. Councillor Bird considered that a company's turnover, rather than its profit, was a better measure against which to judge the impact of metro works on a business. The Chair suggested that Overview & Scrutiny Committee be asked to look at these issues in more detail to provide reassurance that they had been considered in the development of the support packages.

Resolved:

- (1) It be agreed that a package of support be developed and implemented, including a financial support scheme that followed the NET Phase 2 principles which provided support to businesses directly affected by the construction of the extension to the Metro network.
- (2) The business support package (including financial support) approved by the WMCA Board be limited to the impact of works undertaken by the WMCA pursuant to its powers to construct Metro works under the Transport and Works Act.
- (3) Authority be delegated in principle to the Managing Director, Transport for West Midlands and the Director of West Midlands Metro to draw up and publish detailed scheme rules and defined boundaries within which the scheme would be operated.
- (4) It be noted that the overall cost of providing the business support and financial assistance was estimated to be £3.7m, which equated to approximately 0.25% of the programme cost.
- (5) Overview & Scrutiny Committee be requested to consider the report further, particularly in respect of the number of businesses likely to be covered by the scheme, the determination of the capping level, the calculations used for determining support, and the scheme's funding arrangements.

The meeting ended at 12.30 pm.