



**Investment Board**

**Monday 17 February 2020 at 10.00 am**

**Minutes**

**Present**

Councillor Bob Sleight (Chair)  
Nick Abell

Councillor Mike Bird  
Paul Brown

Councillor Tristan Chatfield  
Councillor Steve Clark  
Councillor Karen Grinsell  
Councillor Tony Jefferson  
Councillor Jim O'Boyle

Portfolio Lead for Finance & Investments  
Coventry & Warwickshire Local  
Enterprise Partnership  
Walsall Metropolitan Borough Council  
Black Country Local Enterprise  
Partnership  
Birmingham City Council  
Dudley Metropolitan Borough Council  
Solihull Metropolitan Borough Council  
Non-Constituent Authorities  
Coventry City Council

**In Attendance**

Adam Hunt  
Martin Yardley  
Phil Cole  
Carl Craney  
Serena Dhanoa  
Linda Horne  
Ian Martin  
Ian Monks  
David Warburton  
Nick Oakley  
Gerald Gannaway  
Karen Donoghue  
Malcolm Holmes

Coventry City Council  
Coventry City Council  
West Midlands Combined Authority  
West Midlands Development Capital  
West Midlands Development Capital  
West Midlands Growth Company  
West Midlands Rail / Transport for West  
Midlands  
West Midlands Rail Executive / Transport  
for West Midlands

**Item Title**

**No.**

**108. Apologies for Absence (if any)**

Apologies for absence had been received from Councillor Harman Banger (City of Wolverhampton Council), Sue Summer (West Midlands Development Capital) and Gary Taylor (Greater Birmingham and Solihull Local Enterprise Partnership).

Apologies for absence had also been received from Sarah Middleton (Black Country Local Enterprise Partnership), Katie Trout (Coventry and Warwickshire Local Enterprise Partnership), Richard Moon and Andy Williams (Coventry City Council), Gareth Bradford and Julia Goldsworthy (West Midlands Combined Authority) and Ed Bradburn and Kieren Turner-Owen (West Midlands Development Capital).

**109. Notification of Substitutes (if any)**

No substitutes had been nominated by those Members of the Board who had submitted apologies for absence.

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

No declarations of interest were made in relation to items under consideration at the meeting.

**111. Minutes of last meeting**

The Chair referred to Minute No. 102 (Very Light Rail – Transforming Connectivity in the West Midlands) and advised that the presentation requested at the last meeting would be made to the meeting of the Board scheduled for 23 March 2020. Ian Martin reported that discussions with Coventry City Council regarding ‘Intellectual Property Rights’ associated with this scheme were the subject of on-going discussions between the WMCA and Coventry City Council and on an offer which had been made.

Resolved:

1. That the minutes of the meeting held on 20 January 2020 be confirmed as a correct record and signed by the Chair;
2. That a presentation be provided to the meeting of the Board scheduled for 23 March 2020 on the principles of Very Light Rail and the advantages of this mode of transport;
3. That discussions in respect of Intellectual Property Rights continue between the WMCA and Coventry City Council.

**112. Investment Programme and Dashboard**

Ian Martin presented a report on the status of the Investment Programme to assist the Board in determining investment decisions.

Councillor Mike Bird observed that a number of schemes had been delayed for the reasons provided in the Dashboard but suggested that the opportunity be taken to re-profile the Investment Programme whilst not removing schemes from receiving financial support. He suggested that this exercise should be undertaken on a quarterly or half yearly basis. The Chair advised that under the existing procedures the only opportunity to undertake such an exercise would be through the ‘Change Control’ process.

Councillor Jim O'Boyle queried the 'red' rating of the Coventry City Centre South when work on the scheme had commenced. Nick Abell questioned the anticipated commencement dates and whether the documentation between the WMCA and recipients of financial assistance referred to such dates. Ian Martin explained that the provisional commencement dates were set out in the respective Business Cases but would not be included within the funding agreements unless requested specifically by this Board. To assist the Board in interpreting the Dashboard, Ian Martin reported on the present position with each of the 'red' rated schemes.

Linda Horne referred to paragraph 3.5 of the report and reported that SQW would be commencing shortly the last of the five yearly gateway reviews, which had formed part of the Devolution Deal Agreement in 2016. A presentation would be made to the Finance Directors Group on Thursday 20 February 2020 on the process which, inter alia, would examine progress against milestones. She advised that the final report on the review would be presented to the November 2020 of the Board but that progress reports would be submitted in the interim period.

Resolved:

1. That the status of the of the Investment Fund, as detailed in the report, be noted;
2. That the progress on the Devolution Deal five-year gateway review be noted with a final report being scheduled for consideration at the November 2020 meeting but with progress reports being provided in the interim;
3. That an update on the HS2 Hybrid Act Change (HS2 Parallel Designs) scheme be submitted to the next meeting of this Board;
4. That the rating of the Coventry City Centre First scheme be amended to 'green' and Forecast / Actual Completion Date be revised to 30 June 2021 to reflect that some funding would be held back as retention monies;
5. That the Anticipated Start Date of the Coventry Friargate Business District Phase 1 scheme be revised to 30 September 2020;
6. That the Officers be requested to bring forward proposals for re-profiling of delayed schemes to an early meeting in the 2020/21 Municipal Year.

**113. WMCA Collective Investment Fund (CIF) - Dashboard**

The Board considered the WMCA Collective Investment Fund (CIF) Dashboard (public iteration) as at 1 February 2020.

Resolved:

That the Dashboard be received and noted.

**114. WMCA Brownfield Land and Property Development Fund (BLPDF) – Dashboard**

The Board considered the WMCA Brownfield Land and Property Development Fund (BLPDF) Dashboard (public iteration) as at as at 1 February 2020.

Resolved:

That the Dashboard be received and noted.

**115. WMCA Revolving Fund (RIF) - Dashboard**

The Board considered the WMCA Revolving Investment Fund (RIF) Dashboard (public iteration) as at as at 1 February 2020.

Resolved:

That the Dashboard be received and noted.

**116. Land and Property Investment Fund (LPIF) - Dashboard**

The Board considered the Black Country Land and Property Dashboard (BCLIP) Dashboard as at 1 February 2020.

Resolved:

That the Dashboard be received and noted.

**117. 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).

**118. University Station: Full Business Case (FBC)**

Malcolm Holmes presented a report which provided the details of the Full Business Case (FBC) for University Station, Birmingham. He referred to a reduction in the contribution being made towards the project by the Greater Birmingham and Solihull Local Enterprise Partnership and the steps being taken and/or proposed to address the funding gap. He assured the Board that in the event that the re-prioritisation of WMCA resources required approval, a further report would be submitted to the WMCA Board. For the avoidance of doubt, he re-iterated that the main 'Design and Build' contract would be entered into until such time as the scheme was funded fully.

Councillor Mike Bird suggested that the University of Birmingham and University Hospital, Birmingham (UHB) be approached for further financial contributions as major beneficiaries of the project. Malcolm Holmes confirmed that consideration would be given to all options for identifying additional funding schemes, including both funders. It was unlikely, however, that UHB would be able to contribute further. Councillor Tristan Chatfield queried whether a 16% contingency allowance was in accordance with the Green Book and on the responsible authority for payment of any overspends on the approved sum. James Callingham reported that a 16% contingency allowance was standard for rail projects and that TfWM / WMCA as the scheme sponsor would be responsible for funding any overspends on the project. Malcolm Holmes assured the Board that the costings had been examined thoroughly and it was not anticipated that the budget requested would be exceeded but that it was dependent on the values of the tender returns.

Linda Horne outlined the three-pronged monitoring process via the Transport Delivery Committee, the WMCA Board and this Board. Councillor Karen Grinsell enquired whether, if necessary, more regular meetings of the various bodies would be held, if necessary. The Chair advised that the Officers would make such arrangements as necessary.

Resolved:

1. That the Full business Case (FBC) for the University rail Station be endorsed for onwards consideration by the WMCA Board in March 2020;
2. That the full budget (based on estimates post outline design) as detailed in the report be noted and subject to the WMCA agreeing funding with the relevant parties referred to in the report with delegated authority to be granted to the Director of Rail to authorise such funding agreements on the advice of the Head of Governance and Director of Finance;
3. That the Director of Rail be authorised to authorise the award of the 'Design and Build' contract on the advice of the Head of Governance and Director of Finance, this being subject to the entire funding package being secured and funding agreements being in place with the funding partners;
4. That the Head of Governance be authorised to approve the negotiation of the overall suite of agreements detailed in the report and between (variously) the WMCA, University of Birmingham, Network Rail and the Canal and River Trust including working with such stakeholders to facilitate the agreements between them to which the WMCA was not a party;

5. That the Head of Governance be authorised to approve the agreements where the WMCA was a party including an Overarching Agreement, a Development Agreement with the University of Birmingham, an Asset Protection Agreement with Network Rail, a works agreement with the Canal and River Trust, Station Change documentation and various access licences (with those and other parties) for investigations and works;
6. That work to determine the operating costs falling to the WMCA as a result of this investment which were being developed but not yet quantified fully be noted;
7. That the implications of the Greater Birmingham and Solihull Local Enterprise Partnership reducing its conditional offer to accommodate other wider financial pressures within its programmes be noted.

**119. Manor Way, Halesowen - Collective Investment Fund (CIF)**

The report on this matter was withdrawn.

**120. Coventry City Centre South - Update - Presentation**

The Board received a PowerPoint presentation from Martin Yardley and Adam Hunt on the history of and the present position with the Coventry City Centre South scheme.

Resolved:

1. That the presentation be received and noted;
2. That Coventry City Council be requested to make regular presentations to this Board on the progress with the scheme.

**121. WMCA Collective Investment Fund (CIF) -Dashboard**

The Board considered the WMCA Collective Investment Fund (CIF) Dashboard (private iteration) as at 1 February 2020.

Resolved:

That the Dashboard be received and noted.

**122. WMCA Brownfield Land and Property Development Fund (BLPDF) - Dashboard**

The Board considered the Brownfield Land and Property Development Fund (BLPDF) Dashboard (private iteration) as at 1 February 2020.

Gerald Gannaway presented a report on the latest position on the provisional allocation made in November 2017 from this Fund to Telford and Wrekin Council. The Board considered the various courses of action open to it.

Resolved:

1. That the Dashboard be received and noted;
2. That the Director of Finance together with the Director of Housing and Land and the Head of Governance consider further the options available in respect of the provisional allocation to Telford and Wrekin Council and submit a report to the next meeting of the Board on this matter.

**123. WMCA Revolving Fund (RIF) - Dashboard**

The Board considered the WMCA Revolving Investment Fund (RIF) Dashboard (private iteration) as at as at 1 February 2020.

Resolved:

That the Dashboard be received and noted.

**124. Investment Prospectus**

The Board received a PowerPoint presentation from Karen Donoghue on the present iteration of the Investment Prospectus and responded to questions on the contents from the Board.

Resolved:

1. That the presentation be received and noted;
2. That the final iteration be circulated to the Board and to the respective Leaders of Councils.

The meeting ended at 11.26 am.