



**West Midlands
Combined Authority**

WMCA Board

Date	15 January 2021
Report title	WMCA Draft Budget 2021/22
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Report has been considered by	Strategic Leadership Team - 16 December 2020 West Midlands Finance Directors - 17 December 2020 Programme Board - 4 January 2021

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

1. Note the consolidated revenue budget monitoring position as at 30 November 2020
2. Approve for consultation the draft West Midlands Combined Authority consolidated revenue budget summarised in Section 4. This includes:
 - a) the budget requirement for transport delivery 2021/22 comprising three elements:
 - i. £114.7 million a year to be funded from the existing transport levy mechanism;
 - ii. £3.9 million to be funded from grant awarded by the Commonwealth Games Organising Committee; and

- iii. a transfer from earmarked reserves of £3.9 million.
- b) the West Midlands Combined Authority Delivery budget requirement for 2021/22 of £141.9 million comprising of five elements:
 - i. £129.7 million Adult Education spending to be funded from Adult Education Budget funding devolved by the Department for Education¹
 - ii. £5.1 million to be funded from other devolution deal grants
 - iii. £4.6 million to be funded from Constituent Authority fees (fees to remain at the same level as 2020/21)
 - iv. £0.4 million to be funded from Non-Constituent Authority and observer fees (fees to remain at the same level as 2020/21)
 - v. £2.1 million to be funded from other income, including a £1.2m use of reserves created from WMCA's share of 2020/21 Business Rates
3. Note the inherent risks included within 2021/22 Budget assumptions.
4. Approve for consultation and scrutiny the Mayoral Office budget for 2021/22 of £0.8 million to be funded from additional Mayoral capacity funding of £0.8 million.
5. Note that there will be no mayoral precept during 2021/22.
6. Note the West Midlands Combined Authority indicative 5 year Medium Term Financial Plan.
7. Note that a full Strategic Plan will be completed following the 2021 Mayoral Election, to inform the annual Medium Term Financial Planning exercise to be completed in 2021/22.
8. Approve the draft Capital Programme.
9. Note the planned spend on the Investment Programme over the year period.
10. Note the matters identified by Overview and Scrutiny Committee that arose out of the Mayoral Q&A on 11 December 2020.

¹ The 2021/22 Adult Education Budget to be devolved from Department for Education will be confirmed in early 2021.

1.0 Purpose

- 1.1 This report is intended to present a draft budget for consideration by the West Midlands Combined Authority Board at its meeting on 15 January 2021, to allow for feedback to inform the final 2021/22 Budget report to be approved in February 2021.
- 1.2 The West Midlands Combined Authority Overview and Scrutiny Committee has undertaken the scrutiny work and feedback following the Mayoral Q&A session on the budget which took place on 11 December 2020 is attached to this report at Appendix 6.

2.0 Background

- 2.1 This report represents the first part of the formal process to determine the West Midlands Combined Authority's budget, levy and precept levels for 2021/22. If approved, this report will form the basis for budget proposals to the West Midlands Combined Authority Board on 12 February 2021.
- 2.2 The overall vision of West Midlands Combined Authority is to drive inclusive economic growth in the West Midlands region and enable a healthier, happier, better connected and more prosperous population, as well as add value to the work of existing West Midlands' public sector bodies.
- 2.3 Since the turn of the year, the impact of Covid-19 has been severe, with economic models consistently showing the West Midlands as being hardest hit by the crisis. The 2021/22 Budget has been set using the best information available at the time of writing, however no assessment has been made of the impact of any further restrictions on the region.
- 2.4 At the time of writing, the terms the UK will be trading with the EU from 1 January 2021 are being assessed however no assessment can be made on the potential impact of Brexit within this Budget.
- 2.5 As part of the 2020 Spending Review, the Chancellor of the Exchequer announced a £4bn "Levelling Up" fund, which will be jointly held by DfT, MHCLG and BEIS, and will invest in local infrastructure. Guidance on this fund will be announced in the new year, and so WMCA will continue to review for any opportunity this presents.
- 2.6 The draft West Midlands Combined Authority Delivery revenue budget for 2021/22 is funded by £5.0 million of locally generated funds, £5.1 million of monies secured through the region's devolution deals and £2.1m to be funded from other income.
- 2.7 This report presents a strategic estimate for both 2021/22 and a Medium Term Financial Plan across all revenue and capital budgets.
- 2.8 The development of the West Midlands Combined Authority has ensured that all the region benefits from both better outcomes as well as new investment with the intention of all areas benefitting from the delivery of Inclusive Growth. The key headlines for the draft budget are as follows:
 - All existing policies and services continue to be delivered at no extra cost to constituent authorities

- No increase in constituent fees or levy for 2021/22
- Productivity and efficiencies to enable a cash flat position to be delivered
- No Mayoral precept for 2021/22
- Increased additional funding into the region to assist in the delivery our priorities
- A draft capital delivery plan for the West Midlands Combined Authority that provides £605.2 million of direct capital investment for the West Midlands region in 2021/22.

2.9 It should be noted that funding for the May 2021 Mayoral election is yet to be secured. West Midlands Combined Authority is continuing to lobby government alongside other Mayoral Combined Authorities, for sustainable funding for Mayoral Combined Authorities to be included in the government's spending plans, including funding for both the 2021 Mayoral Election and future Mayoral Elections. Appropriate provision from local funds will be set aside in contingency.

2.10 The Chancellor of the Exchequer will deliver the next HM Treasury Budget on 3 March 2021. West Midlands Combined Authority will continue to seek to progress the relevant asks already set out in our Spending Review Submission ask and will continue to lobby for additional capacity and ongoing funding for the impact of Covid. Any updates will be included within the Final Budget report presented to the Board in February 2021.

2.11 This report provides recommendations that would enable the West Midlands Combined Authority to continue towards the delivery its ambitious plans for driving inclusive economic growth in the West Midlands region and building a healthier, happier, better connected and more prosperous West Midlands.

2.12 Inclusive growth comes from organisations working together to transform peoples' lives by developing new ways of positive change in communities. West Midlands Combined Authority is committed to promoting inclusive growth across the West Midlands that all our residents and communities can benefit from. West Midlands Combined Authority will ensure the voice of local people is at the heart of its vision for inclusive growth and will shape spending and investment decisions to generate inclusive growth. A commitment to ensure inclusive growth is also at the heart of the Local Industrial Strategy.

3.0 2020/21 Medium Term Financial Plan Update

3.1 The Medium Term Financial Plan was updated throughout Summer 2020. The plan included reviewed and updated assumptions based on the best available information as the impact of Covid-19 was felt across the region.

3.2 A funding gap of £18.9m was identified for 2021/22, growing to £32.2m in 2025/26:

Table 1 - MTFP as presented September 2020

£m	Budget	MTFP				
	20/21	21/22	22/23	23/24	24/25	25/26
Transport Levy	114.7	114.7	114.7	114.7	114.7	114.7
Commonwealth Games	2.2	3.8	20.7	-	-	-
Devolution Deal Grants	12.2	3.3	1.4	0.1	0.3	1.0
Adult Education Funding	128.5	128.8	128.8	128.8	128.8	128.8
Share of Business Rates	7.5	9.0	10.5	12.0	13.5	15.0
Constituent Membership	4.6	4.6	4.6	4.6	4.6	4.6
Non Constituent Members	0.4	0.4	0.4	0.4	0.4	0.4
Investment Programme	36.5	36.5	36.5	36.5	36.5	36.5
Investment Income	1.9	0.9	0.9	0.9	0.9	0.9
3rd Party / Other Grant Income	0.9	-	-	-	-	-
Use of Reserves	4.4	-	-	-	-	-
Precept	-	-	7.3	7.4	7.5	7.6
Total Funding	313.9	302.2	326.0	305.5	307.4	309.7
Transport for West Midlands	118.4	119.9	121.7	124.1	127.2	131.0
Commonwealth Games	2.2	3.8	20.7	-	-	-
Delivery Budget	148.8	141.6	140.2	139.8	139.9	140.1
Investment Programme	44.2	45.7	53.6	55.2	56.8	58.3
Mayoral Office	0.8	0.8	0.9	0.9	0.9	0.9
Mayoral Election	-	3.6	1.0	1.0	1.0	1.0
Shared Services	(0.4)	(0.5)	0.3	2.5	4.2	5.1
Total Expenditure	313.9	314.9	338.4	323.5	330.1	336.4
Net Expenditure (pre Covid-19)	-	(12.7)	(12.4)	(18.0)	(22.7)	(26.7)
COVID-19 Impact						
Transport for West Midlands	-	5.4	5.9	3.4	3.9	4.5
Economy & Innovation	-	0.6	0.7	0.7	0.7	0.7
Culture and Digital	-	0.1	0.1	0.1	0.1	0.1
Shared Services	-	0.2	0.2	0.2	0.2	0.2
Total Expenditure	-	6.2	6.8	4.3	4.9	5.4
Net Expenditure (post Covid-19)	-	(18.9)	(19.2)	(22.3)	(27.6)	(32.2)
Transport	-	(10.5)	(12.8)	(12.8)	(16.4)	(20.7)
Delivery	-	(4.2)	(4.9)	(5.8)	(5.7)	(5.2)
Investment Programme	-	-	-	-	-	-
Mayoral Office	-	(4.4)	(1.0)	(1.0)	(1.0)	(1.0)
Shared Services	-	0.3	(0.5)	(2.7)	(4.5)	(5.3)
Total Surplus / (Deficit)	-	(18.9)	(19.2)	(22.3)	(27.6)	(32.2)

- 3.3 The MTFP assumes a cash flat funding requirement from Constituent Authorities in respect of Transport Levy and contribution to the Delivery Budget. Non-Constituent Authority contributions are also assumed to be cash flat for the period 2020/21 – 2025/26 inclusive. This assumption is for illustrative purposes and creates increasing financial pressure on WMCA's Budget, notably in TfWM where £20.7m of the £32.2m gap in 2025/26 relates to Transport.
- 3.4 The MTFP includes prudent assumptions regarding pay and prices rises, inflation and patronage. Should any of these baseline assumptions fall short, the variation will have to be met within existing resources. It is however acknowledged that Constituent and Non-Constituent Authorities are also facing challenging financial circumstances. It is therefore clear that an alternative long-term funding solution for combined authorities needs to be found in order to ensure delivery of complete portfolios.
- 3.5 Whilst WMCA will always continue to review existing established expenditure budgets to drive efficiency savings in the medium term, it is continuing to lobby government alongside other Mayoral Combined Authorities, for sustainable funding for Mayoral Combined Authorities to be included in the government's spending plans, including funding for the 2021 Mayoral Election and future Mayoral Elections.
- 3.6 In order to close the £18.9m funding gap identified by the MTFP for 2021/22, WMCA has extensively consulted with Constituent Authorities to identify options to close this gap in a manner which allows for delivery of existing portfolio commitments, without increasing Constituent and Non-Constituent Authority contributions. The agreed mitigating actions are detailed in Sections 5-8.
- 3.7 Whilst the agreed mitigating actions have achieved a proposed balanced 2021/22 Budget, there are emerging pressures and priorities given external factors such as the ongoing regional response from the Covid-19 pandemic and the emerging impacts of the agreed EU Exit Trade Deal. Once the 2021 WMCA Mayoral Election has been completed, a full review of strategic priorities will be completed, recognising pressures from the Regional Recovery work and those emerging from Culture, Digital, Energy and Environment portfolios. **It is clear that whilst the proposed budget can protect existing policy and services it cannot deliver the significant aspirations for the region from the work in these areas. This Strategic Priority Review will inform the annual Strategic and financial Planning exercise to be completed in 2021/22.**

4.0 Revenue budget monitoring 2020/21

- 4.1 West Midlands Combined Authority's 2020/21 year to date position as at 30 November 2020 is £0.912m favourable compared to 2020/21 Budget and is subject to a separate detailed regular report to this Board. This variance comprises £1.165m favourable variance on Transport portfolios, partially offset by £0.253m adverse variance on Delivery portfolios. Net spending by the Mayor's office is currently in line with Budget.
- 4.2 West Midlands Combined Authority's 2020/21 forecast outturn is £0.953m favourable compared to 2020/21 Budget. This variance comprises £1.980m favourable variance on Transport portfolios, partially offset by £1.027m adverse variance on Delivery portfolios. Net spending by the Mayor's office is expected to be in line with Budget.

Table 3 - West Midlands Combined Authority Revenue Budget Monitoring 2020/21

£m's	Year to Date			Full Year		
	Actual	Budget	Variance	Forecast	Budget	Variance
Transport Levy	76.5	76.5	0.0	114.7	114.7	0.0
Commonwealth Games	0.7	1.3	(0.6)	1.5	2.2	(0.7)
Devolution Deal Grants	7.9	8.2	(0.4)	14.6	12.0	2.6
Adult Education Funding	90.7	95.3	(4.6)	131.9	128.5	3.3
Share of Business Rates	5.5	3.7	1.8	7.5	7.5	0.0
Constituent Membership	3.1	3.1	0.0	4.6	4.6	0.0
Non Constituent Members	0.3	0.3	0.0	0.4	0.4	0.0
Investment Programme	0.2	2.1	(1.9)	36.5	36.5	0.0
Investment Income	0.8	1.3	(0.5)	1.1	1.9	(0.8)
3rd Party Income/Other	1.6	0.6	1.0	2.6	0.9	1.8
Use of Reserves	0.0	0.0	0.0	4.1	4.1	0.0
Total Funding	187.1	192.5	(5.4)	319.6	313.3	6.3
Transport for West Midlands	75.4	76.5	1.2	116.4	118.4	2.0
Commonwealth Games	0.7	1.3	0.6	1.5	2.2	0.7
Economy & Innovation	0.9	0.5	(0.4)	3.1	0.8	(2.3)
Environment, Energy & HS2	0.6	0.2	(0.3)	0.7	0.3	(0.4)
Housing and Land	1.1	1.7	0.6	1.5	2.5	1.1
Wellbeing	0.7	0.6	(0.1)	1.1	0.9	(0.2)
PSR & Social Economy	0.7	0.5	(0.2)	1.0	0.7	(0.3)
Culture and Digital	0.2	0.1	(0.0)	0.5	0.2	(0.3)
Productivity & Skills	96.8	101.7	4.8	143.1	137.7	(5.4)
Inclusive Communities	0.0	0.1	0.0	0.1	0.1	0.0
Business Support	2.7	2.5	(0.2)	4.0	3.8	(0.2)
Operational Budget	103.6	107.9	4.2	155.1	147.1	(8.0)
Investment Programme	6.2	6.5	0.2	44.9	44.9	(0.0)
Mayoral Office	0.5	0.5	0.0	0.8	0.8	0.0
Total Expenditure	186.4	192.7	6.3	318.7	313.3	(5.4)
Net Expenditure	0.7	(0.2)	0.9	1.0	0.0	1.0

- 4.3 The 2020/21 Budget reflected year four of a seven-year plan to incorporate an amendment to WMCA's Capital Financing Policy, leading to annual savings of £4.8m during this period. Capital Financing charges will be incurred from 2024/25 onwards which will be required to be offset by increased transport levy.
- 4.4 A total of £3.0m was set aside in reserves from the 2017/18 Capital Financing savings, which has subsequently been released as £1.0m support for the Transport delivery revenue budget in each of the years 2017/18 to 2020/21. The 2020/21 Revenue Budget is also supported by the inclusion of target efficiency savings, Table 2 includes achieved savings within year to date actuals, and a forecast assumption that the remaining budgeted savings will be achieved by the end of the financial year.
- 4.5 The 2020/21 outturn position shown significant variance from the 2020/21 Budget. The financial impact of Covid-19 has been pervasive throughout WMCA's Transport and Delivery budgets. A surplus position has been generated within Transport, driven by savings on Concessions as well as emergency funding received from DfT and MHCLG. A deficit position on Delivery is driven by Investment Income falling significantly below Budget with returns on new investments impacted by overall market conditions.
- 4.6 The net surplus 2020/21 outturn position has already been earmarked in order to support the 2021/22 Budget, and so the 2020/21 forecast general reserve position remains in line with Budget.

Table 4 - WMCA General Reserve

General Reserve	£m
Balance bought forward 1 April 2020	2.3
Contribution in year 2020/21	-
Balance carried forward 31 March 2021	2.3

5.0 Draft 2021/22 Consolidated Revenue Budget

5.1 The draft 2021/22 Consolidated Revenue Budget has been developed in consultation with Constituent Authorities, with regular updates provided on the potential options available in order to close the 2021/22 gap as identified in the most recent MTFP cycle.

5.2 The draft 2021/22 Consolidated Revenue Budget is included in the table below:

Table 5 - Consolidated Draft Revenue Budget 2021/22

	Total	Transport	Delivery Portfolios	Investment Programme	Mayors Office
	£m	£m	£m	£m	£m
Transport Levy	114.7	114.7	-	-	-
Devolution Deal Grant (IP)	36.5	-	-	36.5	-
Devolution Deal Grants - Other	5.9	-	5.1	-	0.8
Adult Education Funding	129.7	-	129.7	-	-
Share of Business Rates	9.0	-	-	9.0	-
Grants from Constituent Members	4.6	-	4.6	-	-
Grants from Non Constituent Members	0.4	-	0.4	-	-
Investment Income	0.9	-	0.8	0.1	-
Third Party Income	0.1	-	0.1	-	-
Commonwealth Games	3.9	3.9	-	-	-
Use of Reserves	5.1	3.9	1.2	-	-
Unsecured Mayoral Election Funding	3.6	-	-	-	3.6
Total Income	314.5	122.6	141.9	45.6	4.4
Transport Delivery	118.6	118.6	-	-	-
Commonwealth Games	3.9	3.9	-	-	-
Delivery Programmes	141.9	-	141.9	-	-
Investment Programme	45.6	-	-	45.6	-
Mayoral Office	0.8	-	-	-	0.8
Mayoral Election	3.6	-	-	-	3.6
Total Expenditure	314.5	122.6	141.9	45.6	4.4
Net Expenditure	-	-	-	-	-

- 5.3 With respect to the £9m Business Rates Growth income assumption within the Budget (and presented within Table 4), this value is consistent with the principles agreed to date in line with the Investment Programme model requirements. As in previous years, the actual realisation of this income is subject to supplementary discussions with the WMCA Finance Director group with regards to affordability. Given the detrimental impact the pandemic has had on Business Rates across the region, WMCA's ability to realise this income is at risk but discussions with the WM Finance Director group in 2021/22 will help establish the precise impact. Under a worst case scenario, if WMCA are not able to realise any of the £9m, the WMCA revenue budget will not be impacted as this funding exists solely to support the extent to which WMCA can make commitments to fund projects forming part of the Investment Programme, beyond the £801m affordable limit.
- 5.4 In line with the 2020/21 Budget, Transport Levy is proposed to be £114.7m, allocated to Constituent Members based on statutory populations. Constituent Member contributions are proposed to be £4.6m, £2.9m of which is split equally between members, the remaining £1.7m is split based on statutory populations.

Table 6 - West Midlands Combined Authority Levy & Constituent Members Contributions

Allocations	2020/21 £m	2021/22 £m	Net Gain
Birmingham	46.0	45.8	0.2
Coventry	15.1	15.2	(0.1)
Dudley	13.2	13.2	0.0
Sandwell	13.5	13.5	0.0
Solihull	9.0	9.0	(0.0)
Walsall	11.7	11.8	(0.1)
Wolverhampton	10.9	10.9	(0.0)
Total	119.4	119.4	(0.0)

- 5.5 Non-constituent Member and Observer Fees are proposed to remain constant at £25,000 each per annum for 2021/22, although this remains subject to review over the medium term.

Table 7 - Non-Constituent Member and Observer Fees

Non-Constituent Member Allocations	2021/22 £
<i>Non-Constituent</i>	
Cannock Chase District Council	25,000
North Warwickshire Borough Council	25,000
Nuneaton and Bedworth Borough Council	25,000
Redditch Borough Council	25,000
Rugby Borough Council	25,000
Shropshire Council	25,000
Stratford-on-Avon District Council	25,000
Tamworth Borough Council	25,000
Telford and Wrekin Council	25,000
Warwickshire County Council	25,000
Black Country LEP	25,000
Greater Birmingham and Solihull	25,000
Coventry & Warwickshire LEP	25,000
<i>Observers</i>	
The Marches LEP	25,000
Fire partner contribution	25,000
Police partner contribution	25,000
Warwick District Council	25,000
Total	425,000

- 5.6 The contributions from the Non-Constituent authorities reflect their ability to access regeneration funds as well as wider benefits delivered by WMCA:
- Delivering Productivity and Skills initiatives including specialised higher technical training and directing Adult Education Budget in line with regional priorities
 - Enabling cross-organisation and cross partner working to build economic resilience in the West Midlands
 - Lead on Digital platforms such as deployment of c.£100m to support 5G mobile network within the region
 - Coordinated Housing and Land investments such as brownfield land development and town centre regeneration programmes
 - Ongoing work on Environmental strategy, notably WM2041
- 5.7 Non- constituent authorities are currently able to able to access the Collective Investment Fund (loans up to £140m), Residential Investment Fund (loans up to £70m) and Brownfield Land and Property Development Fund (BLPDF) (grants up to £50m). This allows for significant opportunity for economic growth and jobs, alongside increased business rates and investment into awarded areas.

6.0 Draft 2021/22 Transport for West Midlands Revenue Budget

6.1 The 2020/21 TfWM Budget has been prepared by using the MTFP as developed during Summer 2020 as the baseline and including the mitigating actions as agreed with Leaders during Autumn 2020. The nature of the expenditure has remained under constant review to meet the changing needs of the West Midlands as the Covid-19 pandemic continues to impact the region. Detailed analysis of the TfWM Budget is included within Appendix 1, a summary position is included below:

Table 8 - Summary Transport Revenue Budget 2021/22 to 2025/26

Transport 5 Year Position	2020/2021		2021/2022		2022/2023		2023/2024		2024/2025		2025/2026	
	£m	%										
English National Concessions Travel Scheme	51.0	42.3%	50.6	41.3%	51.9	35.0%	53.2	41.7%	55.1	42.0%	57.7	42.6%
Capital Financing	10.2	8.5%	10.2	8.3%	10.2	6.9%	10.2	8.0%	10.2	7.8%	10.2	7.5%
TfWM Policies	50.1	41.6%	50.5	41.2%	58.2	39.2%	56.4	44.2%	58.0	44.2%	59.7	44.1%
Strategic Development	3.1	2.6%	3.4	2.8%	3.4	2.3%	3.8	3.0%	3.9	3.0%	4.0	3.0%
Business Support & Elected Members	3.9	3.2%	3.9	3.2%	3.9	2.6%	3.9	3.1%	3.9	3.0%	3.8	2.8%
Commonwealth Games	2.2	1.8%	3.9	3.2%	20.7	14.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total Expenditure	120.5	100.0%	122.6	100.0%	148.2	100.0%	127.5	100.0%	131.1	100.0%	135.4	100.0%
Use of Reserves	3.6		3.9		0.0		0.0		0.0		0.0	
Commonwealth Games	2.2		3.9		20.7		0.0		0.0		0.0	
Proposed Levy	114.7		114.7		114.7		114.7		114.7		114.7	
Total Funding	120.5		122.6		135.4		114.7		114.7		114.7	

- 6.2 No changes to transport delivery policies are proposed, any such proposal would be subject to full public consultation. It is noted that whilst the Transport Levy has remained cash-flat since 2018/19, there has been no change in any delivery policy during this time and all services continue to be delivered in line with previously agreed service levels.
- 6.3 The 2020/21 Budget was supported using the final £1.0m tranche of £3.0m worth of one-off Capital Financing cost savings which were utilised in the period 2017/18 – 2020/21. The 2020/21 Budget was further supported by utilising £2.6m of one-off efficiency savings identified during 2019/20.
- 6.4 During 2020/21, WMCA was able to access emergency funding in relation to support delivery of transport services, including Lost Sales, Fees and Charges grant from MHCLG, a Light Rail grant from DfT and Covid Bus Services Support Grants, also from DfT.
- 6.5 Partly due to this funding, £1.2m of Covid-19 Transport reserves created at 2019/20 year end can now be used along with a surplus of £1.98m forecast to be generated within Transport during 2020/21 towards funding the 2021/22 budget
- 6.6 Hence these, combined with the re-prioritisation of other reserves, the 2021/22 Transport Budget will be supported by the utilisation of £3.9m of reserves.
- 6.7 The TfWM Budget will be further supported by rephasing of Metro Lifecycle costs, delivering only Health and Safety essential maintenance throughout the year from existing resources. This action supports the Budget to the value of £2.3m.

- 6.8 Two further assumptions have also been made as part of the TfWM Budget – firstly that additional bus services to enable social distancing will only continue as long as the Covid Bus Services Support Grant is made available by DfT. This supports the TfWM Budget by £1.0m. The second assumption is that Metro patronage rates will either recover to pre-Covid-19 levels, or Light Rail grants provided by DfT will continue to leave WMCA in a position no worse than originally budgeted. This assumption improves the TfWM Budget by £3.3m, and so presents a significant risk to the delivery of the overall 2021/22 Budget.
- 6.9 In addition to the underlying TfWM Budget detailed above, £3.8m of funding will be utilised in the year as part of delivering the 2022 Commonwealth Games. During 2020/21 work commenced on schemes to improve Coventry, University and Perry Barr rail stations, as well as extending the West Midlands Metro to Edgbaston and installing three Sprint rapid bus routes.
- 6.10 The 2020 Spending Review announced a £4.2bn five-year consolidated intra-city transport settlement, subject to appropriate governance being in place. A further £50m of resource funding will be provided in 2021/22 to support relevant Mayoral Combined Authorities to prepare for these settlements. WMCA will provide updates through 2021/22 as and when this funding is confirmed.

7.0 Draft 2021/22 Delivery Revenue Budget

- 7.1 The 2021/22 Delivery Revenue has also been prepared using the MTFP as developed during Summer 2020 as the baseline and including the mitigating actions as agreed with Leaders during Autumn 2020. Detailed analysis of the Delivery Budget is included within Appendix 2.

Table 9 - Summary WMCA Delivery Budget 2020/21 to 2025/26

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
	£m	£m	£m	£m	£m	£m
Constituent Members	4.6	4.6	4.6	4.6	4.6	4.6
Non-Constituent Members	0.4	0.4	0.4	0.4	0.4	0.4
Investment Income	1.8	0.8	0.8	0.8	0.8	0.8
Adult Education Budget	128.5	129.7	128.8	128.8	128.8	128.8
Devolution Funding	11.4	5.1	1.4	0.1	0.3	1.0
3rd Party Income	0.9	0.1	0.0	0.0	0.0	0.0
Use of Reserves	0.4	1.2	0.0	0.0	0.0	0.0
Total Funding	148.1	141.9	136.0	134.7	135.0	135.7
Productivity and Skills	137.7	132.6	130.0	129.6	129.6	129.7
Housing & Land	2.5	1.5	1.3	1.3	1.3	1.3
Economy & Innovation	2.3	2.6	2.6	2.5	2.5	2.6
Culture & Digital	0.2	0.2	0.2	0.2	0.2	0.2
Wellbeing	0.9	1.0	0.9	0.9	0.9	1.0
PSR & Social Economy	0.7	0.7	1.3	1.4	1.4	1.4
Environment, Energy & HS2	0.3	0.5	0.9	0.9	1.0	1.0
Inclusive Communities	0.1	0.1	0.1	0.1	0.1	0.1
Leadership & Business Support	3.2	2.8	3.6	3.6	3.6	3.6
Total Expenditure	148.1	141.9	140.9	140.6	140.7	140.8
Net Expenditure	0.0	0.0	-4.9	-5.8	-5.7	-5.2

- 7.2 The Delivery Budget is funded through Constituent / Non-Constituent Member Fees, Observer Fees, and Devolution Deals. In line with TfWM Budget, the Delivery Budget has also been supported by mitigating actions, which have been extensively discussed with Constituent Members.

- 7.3 Of the £2.9m of Constituent Member contributions used to support the Delivery Budget, Leaders have previously committed £0.7m to the West Midlands Growth Company. This leaves £2.2m of Constituent Member contributions to support all remaining Delivery portfolios outside of transport. As a result, without an increase in funding delivery of all ambitions regarding emerging strategies on Culture, Digital, Energy and Environment is not deemed possible and will require alternative funding solutions to be found.
- 7.4 Growth asks totalling £1.8m were included with the original MTFP are deemed currently unaffordable as part of the 2021/22 Budget without cuts to existing policy or front line service delivery to the community. Efforts will be made throughout the remainder of 2020/21 and 2021/22 to set aside any additional income or savings from business transformation to support the onward key expectations in the development of strategies in support of Energy and Environment, Culture and Digital and the Regional Recovery How this will be applied will be managed by the WMCA Chief Executive and S151 officer, in consultation with portfolio lead for Finance and Investment. However, it is clear from the financial forecasts that whilst we may be able to keep the development work in train, the overall portfolio ambitions and emerging action plans are not deliverable within the current funding envelope.
- 7.5 The 2020/21 Delivery Budget was supported by the one-off utilisation of reserves. In 2021/22, this support will be replaced by £1.0m of efficiencies as found through both a Business Transformation workstream and the newly created Productivity and Efficiencies Board. The Productivity and Efficiencies Board will continue to meet throughout 2021/22 in order to continue to identify any further opportunities.
- 7.6 The final mitigation within the 2021/22 Delivery Budget is to utilise £1.2m of WMCA's 2020/21 approved share of Business Rates to replace loss of return on investments. WMCA continues to review all opportunities to replace this money.
- 7.7 From 2019/20, WMCA has had responsibility for the region's Adult Education Budget and its delivery. The total funding for 2021/22 Adult Education will not be announced until early 2021, however it is expected to be c.£129m. An update will be provided in due course to WMCA Board.

8.0 Mayor's Budget and Precept

- 8.1 As part of the 2020/21 Budget report, the Mayor committed to no precept during the remainder of his existing term. As that term was due to end in May 2020, a precept was expected to be considered as part of the 2021/22 Budget. However due to the 2020 election being rescheduled for May 2021, any precept will now not be considered as part of the 2021/22 Budget.
- 8.2 This commitment was factored into the MTFP completed through Summer 2020, and so mitigating actions have been agreed with Leaders through Autumn 2020. It is proposed that the 2021/22 Mayor's Office £0.8m Budget is funded from a one-year extension to the Mayoral Capacity Funding which has now been confirmed by MHCLG.

- 8.3 The Mayor's Budget for 2020/21 is £0.8 million and includes the staffing costs of the Mayor, the senior team, support staff, policy advisors as well as resources to deliver communications, customer response and events.
- 8.4 As previously noted, the Mayoral Election in May 2021 has not yet secured funding from central Government. WMCA will continue to press in order to secure alternative funding for this election, however it is proposed that £3.6m of WMCA's approved share of 2020/21 Business Rate income be held as provision should alternative funding not be secured.
- 8.5 The Mayor must notify the West Midlands Combined Authority of his draft budget before 1 February 2021 and this report represents that notification. The Combined Authority must review the Mayor's Budget and may make a report on it to the Mayor setting out whether they would approve it in its current form and may include recommendations. This must take place before 8 February 2021 otherwise the Mayor's Budget will be deemed approved. If the Combined Authority makes a report, then the Mayor must have at least 5 working days to respond and can either make the required changes or not.
- 8.6 The West Midlands Combined Authority must then decide whether to accept the original (or revised) budget or veto it and approve the budget with their amendments. Decisions of the West Midlands Combined Authority are by a 2/3rds majority for setting of the Mayoral budget.
- 8.7 The Localism Act gives local communities the power to approve or veto excessive rises in Council Tax. Central government guidance on excessive increases in council tax will clearly not apply to West Midlands Combined Authority in 2021/22, given that no precept is proposed.

9.0 West Midlands Combined Authority Medium Term Capital Programme

- 9.1 The West Midlands Combined Authority Capital Programme is summarised in the table below and set out in further detail within Appendices 3 to 5. The table below summarises the planned capital investment between 2021/22 and 2025/26.

Table 9: Summary West Midlands Combined Authority Capital Programme

WMCA CAPITAL PROGRAMME (€M)		Appendix	2021 / 2022	2022 / 2023	2023 / 2024	2024 / 2025	2025 / 2026	TOTAL
Expenditure	TfWM Expenditure	3	363.4	402.6	225.2	105.9	50.4	1,147.5
	Housing and Regeneration Expenditure	4	116.5	70.5	13.6	20.5	60.0	281.1
	Other Programmes		4.5	-	-	-	-	4.5
	Investment Programme Grants to Local Authorities	5	120.8	290.2	142.2	182.5	127.6	863.3
TOTAL EXPENDITURE			605.2	763.3	381.0	308.9	238.0	2,296.4
Funding	Investment Programme Debt		187.3	194.4	13.2	0.4	17.4	412.7
	TfWM Debt		12.7	18.4	146.0	34.9	2.0	210.0
	Grants		379.0	184.4	3.1	1.5	14.3	582.3
	Other *		26.2	366.1	218.7	272.1	208.3	1,091.4
TOTAL FUNDING			605.2	763.3	381.0	308.9	238.0	2,296.4

* Provisional expenditure estimates for Investment Programme and other projects which are subject to WMCA raising additional income or yet to have the funding package fully secured.

- 9.2 Approximately 50% of the Combined Authority's planned capital investment to 2025/26 consists of expenditure incurred by Transport for West Midlands in pursuance of the Investment Programme, Transforming Cities Programme and the Minor Works Programme. Of the remainder, broadly 40% is concerned with the reimbursement of Local Authorities as part of the West Midlands Investment Programme and 10% will be spent in delivering the Housing and Regeneration objectives using funds secured by WMCA from Central Government.
- 9.3 Those larger Transport for West Midlands Programmes contain significant investment in expanding the Metro networks in addition to investment in developing and delivering new local Rail stations in Birmingham and the Black Country. The Transport programme continues to reflect the Transforming Cities Programme including the WMCA approved interventions such as Dudley Interchange, the regional Cycling Programme and the Victoria Square Public Realm. The programme also makes allowance to keep existing assets such as bus stations and station car parks in a safe, operational state.
- 9.4 The Housing Capital Programme includes the land remediation programmes launched by the WMCA in 2016 and delivery against the Land Fund arrangements which now total £184m.
- 9.5 The Investment Programme Grants to Local Authorities Programme includes grants payable under the original Investment Programme in 2016. This includes significant investment in Coventry (Station Masterplan, City Centre Regeneration), Solihull for the UK Central Programme and Birmingham (Commonwealth Games).
- 9.6 In addition to the traditional Capital investment detailed above, WMCA will continue to operate the commercial and residential investment funds where loans to developers are made with the objective of unlocking stalled development sites which traditional lenders are unwilling to finance. The loans are held on the WMCA balance sheet under standard accounting regulations and as at December 2020, the cumulative value of loan commitments approved by WMCA totals £133.7m (including £37m of loans which have since been repaid). The value of loans drawn and earning interest as at December 2020 is £24.8m.

- 9.7 The funding for the capital programme is supported mostly by project specific grants or borrowing, where the revenues to support the costs of the debt and interest are underpinned by Investment Programme income or passenger revenues obtained from the Metro network.
- 9.8 The full extent of the Investment Programme and 2016 Devolution Deal schemes remain as provisional commitments within the overall programme, even though the funding to underpin elements of the investment currently remains unsecure. Work with the Mayor, Metropolitan Leaders and the WMCA Finance Directors will continue into 2021 to enable the gaps to be closed and no expenditure will be committed without first having a clearly available funding source.
- 9.9 Whilst the Capital Programme is contained within this report, the actual budget for 2021/22 will be influenced by the value of spend projects achieve during 2020/21 and the final capital budget taking into account previous year spend will be reported each month to the WMCA Board in line with previous years.

10.0 Investment Programme

- 10.1 The WMCA Investment Programme was a product of the first devolution deal in 2016 and was designed to devolve more accountability, funding and powers out to the regions. From an expenditure perspective, the Investment Programme is an £8bn (gross) package of measures for the region containing projects centred around key economic prosperity drivers such as HS2, city centre regeneration and the remediation of brownfield site.
- 10.2 From a funding perspective, £2bn of the overall £8bn was to be funded by WMCA generating locally sourced income to support borrowing which in turn could be used to accelerate the development.
- 10.3 In addition to the locally sourced income, Government agreed to provide a gainshare grant of £36.5m per year for 30 years, subject to a five yearly gateway review. The first gateway review occurred during 2020/21 and WMCA worked closely with consultants appointed by MHCLG to undertake the review. Initial feedback appears to reflect well on the region's governance arrangements and progress to date and WMCA should receive a final decision by MHCLG in early 2021.
- 10.4 The locally sourced income referred to above was expected to come from a share of Business Rates Growth, Business Rates Supplement and a Mayoral Precept. At present, those additional income streams have not been realised as originally intended in 2016 and the WMCA Finance Directors are working to ensure the impact of this can be negated by identifying and realising additional sources of income.
- 10.5 As a result of the above, the financial ceiling that Investment Programme operates within is less than originally intended in 2016 and in November 2019, WMCA Board agreed to hold the Investment Programme approvals within an affordable limit of £801m.

11.0 Budget Calculation

- 11.1 Section 25 of the Local Government Act 2003 requires the Chief Financial Officer, in this case, the Finance Director, as Section 151 Officer, to report to the West Midlands Combined Authority when it is setting the budget and the precept. The report must deal with the robustness of the estimates included in the budget and the adequacy of reserves.
- 11.2 The budget currently provides for the financial implications of the West Midlands Combined Authority's policies to the extent that these are known or can reasonably be assessed. However, there are a number of risks which are beyond the West Midlands Combined Authority's control and for which it is not possible to be precise:
- The West Midlands Combined Authority's demand-led services
 - Economic and community recovery from ongoing Covid-19 pandemic
 - Economic impact of Brexit
 - Inflation and interest rate volatility
 - West Midlands Pension Fund Investment Performance
 - Unforeseen emergencies.
- 11.3 As detailed within this report, the 2021/22 Budget has required significant mitigating actions to close the gap identified as part of the MTFP. Inherent risks however remain within the 2021/22 Budget. The 2021/22 Budget contains an assumption that Metro patronage will recover to pre-Covid-19 levels, or that DfT will continue to reimburse any losses. DfT have not confirmed that any Light Rail Grant will be available throughout 2021/22.
- 11.4 Further risks remain within the Commercial Bus network, which is facing unprecedented shock following the Covid-19 pandemic. As a result, companies previously providing critical services are and could continue to fail.
- 11.5 WMCA remain obliged under policy to provide additional subsidy in order to maintain access standards for socially necessary services. There is an inherent risk that costs will escalate when current subsidised service contracts expire. Without any additional funding, it appears highly probable that difficult choices would need to be made regarding access standards. In order to maintain services in line with policy, there would need to be an emergency re-budget or funds would need to be diverted from the Investment Programme in order to support Transport delivery.
- 11.6 It is therefore clear that a long term funding solution for the delivery of Transport services, and 2021/22 presents an opportunity to move the agenda forward and develop a new approach to addressing an affordable public transport system.
- 11.7 The existing General Reserve Balance as set out in Table 3 is £2.3 million. This balance represents only 1.9% of the aggregate proposed 2021/22 Constituent Authority contributions.

- 11.8 Although clearly the appropriate level of general fund reserves is a matter for judgement by the Finance Director (Section 151 Officer) the generally accepted practice is for general fund reserves to be between 3% and 5% of expenditure. The proposed balance is below this recommended level and consideration should be given over the medium term to increase the level of General Balances to ensure risk can be managed within the West Midlands Combined Authority without creating volatility on the Transport for West Midlands levy.
- 11.9 Members will also be aware of our obligations as a Best Value authority to make arrangements to secure continuous improvement in the way in which our functions are exercised, having regard to a combination of economy, efficiency and effectiveness, including consultation with tax payers and users as appropriate.
- 11.10 These obligations are addressed in the medium term financial planning and brought together as part of the annual budget process in this report and the February 2021 budget report. This is supplemented by additional reports throughout the year with regard to the approval of significant investments and reforms.
- 11.11 Despite the above risks, there are also a number of opportunities to consider ensuring optimum financial stability and security that include:
- Capital Financing, making best use of capital financing, including optimum use of access to the Public Works Loans Board; and
 - Treasury Management activity, maximising the current market opportunities for the West Midlands Combined Authority and reviewing the borrowing strategy.
- 11.12 The Finance Director states that to the best of her knowledge and belief these budget calculations are robust and have full regard to:
- The West Midlands Combined Authority's Strategic Economic Plan and the Mayor's Renewal Plan
 - The need to protect the West Midlands Combined Authority's financial standing and risk
 - The estimated financial position as at the end of 2020/21
 - The financial policies of the government as they impact upon the West Midlands Combined Authority
 - The Transport Capital Programme set out in Appendix 3
 - The Housing Capital Programme set out in Appendix 4
 - The Investment Programme set out in Appendix 5
 - The strength of the West Midlands Combined Authority's financial control procedures including audit considerations; and
 - The extent of the West Midlands Combined Authority's general balances and earmarked reserves.

12.0 Scrutiny of the budget proposals

- 12.1 A Mayoral Q&A session was held in public on 11 December 2020. Members of the committee, along with Michael-Akolade Ayodeji from the Young Combined Authority, questioned the Mayor on financial matters relating to the WMCA and its developing budget for 2021/22. The Portfolio Lead for Finance, Councillor Bob Sleight, was also questioned on matters relating to protecting activities such as transport and investment.
- 12.2 The matters identified that arose out of the Mayoral Q&A on 11 December 2020 are set out in Appendix 6 along with the recommendation that these matters be considered further by the WMCA Board.

13.0 Legal Implications

- 13.1 Under powers granted by the Combined Authorities (Finance) Order 2017, Elected Mayors may raise a precept on Constituent Authorities Council Tax bills under section 107G of the Local Democracy Economic Development and Construction Act 2009. A Mayoral Precept may only be issued in relation to the costs of the Mayor or of discharging Mayoral Functions. The Mayoral functions are set out in Article 22 of the West Midlands Combined Authority (functions and amendments) Order 2017. There are powers for the Mayor to engage in highway management activity, works permit schemes, road safety measures and road traffic reduction activity amongst others. The Order also gives the Mayor a functional power of competence to do anything that is associated, incidental or connected with those powers in order to undertake those activities.
- 13.2 As the Mayor has indicated that he will not be setting a precept during his remaining term of office, the funding of budget proposals in respect of Mayoral functions will be met from alternative funding sources until 2022/23 at the earliest.
- 13.3 As a public authority which has the power to levy for transport functions and to raise a precept, the West Midlands Combined Authority must set a budget every year which is agreed through its formal decision-making processes. This report outlines the legal and governance processes that need to be completed including consideration by Overview and Scrutiny Committee and the West Midlands Combined Authority Board.

14.0 Equalities Implications

- 14.1 West Midlands Combined Authority will continue to have due regard to proactively addressing the three elements of the Public Sector Equality Duty in all relevant areas – in particular the planning and delivery of our services. The West Midlands Combined Authority will continue to assess the equality impact of all relevant transformational change programmes and will ensure that the West Midlands Combined Authority Board has sufficient equalities assessment information to enable it to have due regard to the three elements of the Equality Duty when considering the budget for 2021/22.
- 14.2 West Midlands Combined Authority will continue to ensure best practice is followed with regard to these requirements and will summarise its position in the February Report to the West Midlands Combined Authority Board following the finalisation of the budget proposals.

15.0 Inclusive Growth Implications

15.1 West Midlands Combined Authority will continue to have due regard to proactively delivering inclusive growth in the West Midlands region. The budget proposals contained in this report reflect that commitment.

16.0 Geographical Area of Report's Implications

16.1 The Budget proposals encompass the West Midlands region.

17.0 Appendices

Appendix 1 – Transport Delivery Revenue Budget

Appendix 2 – WMCA Delivery Budget

Appendix 3 – Transport Capital Programme

Appendix 4 – Housing & Other Capital Programme

Appendix 5 – Investment Programme Capital Grants to Local Authorities

Appendix 6 – Mayoral Q&A - Budget 2021/22

Proposed Transport Revenue Budget

TRANSPORT FOR WEST MIDLANDS	2020/21 BUDGET £000	2021/22 BUDGET £000	2022/23 BUDGET £000	2023/24 BUDGET £000	2024/25 BUDGET £000	2025/26 BUDGET £000
INCOME						
Transport Levy	114,720	114,720	114,720	114,720	114,720	114,720
Commonwealth Games Grant	2,157	3,933	20,725			
Use of Reserves	3,633	3,900				
TOTAL INCOME	120,510	122,553	135,445	114,720	114,720	114,720
EXPENDITURE						
Concessions						
National Bus Concession	51,006	50,587	51,874	53,187	55,116	57,678
Metro / Rail	4,575	4,573	4,581	4,587	4,591	4,594
Child Concession	7,837	7,031	7,374	7,731	8,097	8,482
	63,417	62,191	63,829	65,505	67,804	70,754
Bus Services						
Bus Stations / Infrastructure	4,542	4,895	5,383	5,440	5,624	5,814
Subsidised Network	10,409	11,478	13,315	13,859	14,400	14,941
Accessible Transport	6,617	6,627	6,627	6,627	6,627	6,627
	21,567	23,000	25,325	25,927	26,651	27,382
Rail and Metro Services						
Metro Services	2,642	2,534	7,086	3,751	3,786	3,822
Rail Services	2,805	2,909	2,862	2,801	2,861	2,924
	5,447	5,444	9,948	6,553	6,648	6,746
Integration						
Safety and Security	1,274	1,305	1,344	1,406	1,457	1,509
Passenger Information	5,729	5,585	5,936	6,238	6,436	6,643
Sustainable Travel	567	595	582	603	613	624
	7,570	7,485	7,861	8,247	8,507	8,777
Network Resilience	3,100	3,003	3,074	3,327	3,473	3,552
Commonwealth Games	2,157	3,933	20,725			
Business Support and Democratic Services	3,764	3,768	3,772	3,776	3,780	3,784
Strategic Development	3,141	3,383	3,358	3,814	3,894	4,044
Transport Governance	132	131	132	132	132	132
Capital Finance Charges	10,214	10,215	10,217	10,219	10,220	10,222
TOTAL EXPENDITURE	120,510	122,553	148,242	127,499	131,109	135,393
NET	0	(0)	(12,796)	(12,779)	(16,389)	(20,672)

ENCTS (National Bus Concession) £50.6m

- Free Travel for all entitled to national pass from 9.30am to 11pm
- Reimbursement regulated by Secretary of State with guidance provided by DfT
- Current discretionary scheme extension 11pm to last bus

Child Concessions £7.0m

- Half fare travel
- Children 5-15 Years
- Young adults in education 16-18 Years
- Apprentices and Trainees 16-18 Years Weekdays before 9.30 am & between 15.00 & 18.00 Hrs

Rail and Metro Concessions £4.6m

- Extensions of national bus scheme to rail and metro
- After 9.30pm to midnight weekdays, all day weekends and bank holidays
- Rail estimated 4.6m trips per annum (pre-covid)
- Metro approx. 1.0m trips per annum (pre-covid)

Subsidised services £11.5m

- Policy criteria -Minimum 8 passengers per journey
- The current VFM Thresholds are £2.16 for tendered contract and £1.80 for de minimis contracts
- Access criteria 400m (7am -7pm) 700m (all other times)

Accessible Transport £6.6m

- Ring & Ride service provided by NEAT (National Express Accessible Transport)
- Currently negotiating the terms of a revised agreement
- Negotiations encompass terms for future funding and single and multi-year settlements
- Performance is at the heart of the discussions
- This affects 14,000 registered users / 700,000 trips per annum although has been critically impacted by the coronavirus pandemic

Passenger information £5.6m

- Real time information across the network
- Customer information is a focus in all formats: at bus stops, shelters, bus stations & online
- Travel Information Centres
- We continue to provide and invest in customer service teams and telephone support

Bus Stations/Infrastructure £4.9m

- Management and Maintenance of 12 Bus stations, circa 12,000 stops and shelters
- Infrastructure Costs –cleaning, repairs, rates, CCTV, Electricity, routine maintenance
- Bus policy development options (taking forward the 'Vision for Bus')

Rail Services £2.9m

- Provision, management, on-going maintenance and operation of 41 Park and Ride sites, circa 9,000 spaces
- Delivery of TfWM Rail responsibilities including Rail Partnerships and industry engagement
- WMCA contribution to WMR Limited (a consortium of 16 local authorities) which has co-responsibilities with the DfT for managing the West Midlands Rail franchise

Metro Services £2.5m

- Subsidy and franchise assumptions continue to be reviewed in light of COVID-19

Safety and security £1.3m

- Safer Travel police team, CCTV at Bus & Rail Stations including interchanges, CCTV control Centre

Business & Democratic Support £3.8m

- This covers the transport related element of support and overhead costs attributable to 16 Summer Lane, ICT, Legal, Procurement, Health & Safety, Equalities, Programme Management, Finance, Human Resources, & general business infrastructure & support

Strategic Development £3.4m

- Transport Team delivering plans for devolution, strategic economic plan proposals, developing business cases and related policy and strategy development.

Capital Finance Charges £10.2m

- Loan interest on existing loan book
- Past Pension costs and deficit funding arrangements

Network Resilience £3.0m

- Resource to work on managing congestion and mitigating impact of the wider transport investment programme
- Resource to assist in embedding the Key Route Network as part of an integrated transport system to support economic performance and keep people safe and well informed
- Costs associated with operating the RTCC (Regional Transport Coordination Centre)
- To deliver both agreed and emerging policies (e.g. Congestion Management Plan, Highways Investment Plan, Regional Road Safety Strategy)

Sustainable Travel £0.6m

- This represents the costs of Sustainable travel work within TfWM including the West Midlands Cycle charter, oversight of cycling strategy and investment across the West Midlands and delivery of the West Midlands Bike Hire project.

Transport Governance £0.1m

- This represents the cost of elected members related to the responsibilities of the Transport Delivery Committee

Commonwealth Games £3.9m

- All costs are funded from grant income
- This does not include the cost of infrastructure legacy projects which are included in the capital programme

Development and Delivery	
High Level Deliverable	Activity
Delivering our Cycling Charter & making streets more walkable	West Midlands Cycle Hire WM Cycle and WM Walking - development and promotion of the; West Midlands Cycling and Walking Network West Midlands Walking and Cycling Programme (2019-2023)
Delivering a step change in our Mass Transit Network to unlock growth and tackle climate change	Sprint A45 Sprint A34
Management of the TfWM Capital Programme	Monitoring and reporting TfWM Integrated Transport Block and Transforming Cities Fund Capital Programme deliverables
Increasing the efficiency and performance of transport delivery in the West Midlands	Development of a comprehensive Capital Projects Register for TfWM portfolio to provide a single view of project status and delivery confidence. Ensure application of consistent approach and best practice through the Programme Development Manual.
Commonwealth Games Active Travel Legacy	Cycling for Everyone

Integrated Network Services	
High Level Deliverable	Activity
<p>Delivering our bus vision to support growth, inclusion and reduced car dependency</p>	<p>Work with National Express Accessible Transport to monitor and assist in the delivery of the West Midlands Ring & Ride Service within budget and in-line with contractual requirements. To work with NEAT on the transformation of the R&R service with an aim to implementing the objectives of the mid-term review.</p> <p>Deliver, monitor and manage performance of the subsidised bus network within budget, in-line with agreed access standards and contractual requirements.</p> <p>Develop and deliver the objectives of the West Midlands Bus Alliance, within the core objectives of having the greenest, best value, simplest ticketing, most reliable and safest network possible.</p> <p>Develop and Deliver a program for the implementation of a UK leading low emission bus fleet including the introduction of zero emission corridors and areas in line with the West Midlands Vision for Bus.</p> <p>Investigate and deliver opportunities for DRT in the West Midlands as part of delivering our Vision for Bus and Future Mobility Zones.</p> <p>Undertake the OBC for Bus Policy Options within the 2017 Bus Services Act by May 2021</p> <p>Ensure that operational assets are available, safe & maintained and opportunities for commercial revenues are explored</p>

Integrated Network Services	
High Level Deliverable	Activity
<p>Making our transport assets more affordable by increasing commercial revenues</p>	<p>Management and operation of bus stations and travel shops to agreed standards and WMCA policies.</p> <p>Deliver a world class, multi modal interchange in Dudley</p> <p>Develop and deliver the Sutton Coldfield Gateway - bus and rail interchange</p> <p>Investigate the delivery of Bus Station style services at other key interchanges that have high footfall and departures</p> <p>Enhancement of assets at bus stations and travel shops through the 21/22 asset upgrade programme</p> <p>Continue the delivery of the new brand across the transport network</p> <p>Carry out a refurbishment at Coventry Pool Meadow ahead of the 2021 City of Culture</p>

Integrated Network Services	
High Level Deliverable	Activity
<p>Ensure strategic and operational Health and Safety aims and key deliverables are communicated and embedded throughout the WMCA</p>	<p>Develop a Health and Safety Strategy 2020-2023 and Delivery Plan 2021/22 to ensure strategic aims and key deliverables are communicated and embedded throughout the organisation</p> <p>External Accreditation of Safety Management System (SMS) including transition to ISO 45001 by March 2021</p> <p>Further develop WMCA Health and Safety Risk Profile to ensure risks associated to the organisation's undertakings are understood and sufficient mitigations implemented to ensure all statutory and regulatory requirements are met</p> <p>Deliver Health and Safety Audit and Inspection Programme associated to organisational premises, assets, programme delivery and undertakings</p> <p>Develop and deliver Health and Safety Communications Plan to promote health and safety and encourage ongoing employee engagement</p> <p>Develop and introduce a comprehensive Health and Safety training programme</p> <p>Periodic review and update of WMCA Health and Safety governance and reporting arrangements</p>

Integrated Network Services	
High Level Deliverable	Activity
<p>Developing park & ride to support better access to the Integrated Transport System</p>	<p>Improve customer experience at Park & Ride sites through high quality operations and enhanced customer facilities and services.</p> <p>Continue with the development and delivery of expansion of Park & Ride at already approved locations, seeking to deliver in the region of 2,200 additional spaces in the next five years</p> <p>Following the completion of the regional Park & Ride strategy, develop a Park & Ride delivery plan gearing up to deliver new and expanded strategic Park & Ride in the areas of most benefit to the region and customers over the next five years (in addition to those sites already approved for expansion)</p> <p>Develop a plan for improving the financial operation of Park & Ride, exploring opportunities to reduce the and significant impact that managing Park & Ride sites has on the levy budget</p> <p>Identify sites and develop a delivery plan for Park & Ride for the Commonwealth Games</p> <p>Identify sites and develop a delivery plan for Park & Ride for SPRINT</p>

Rail	
High Level Deliverable	Activity
Enhance the capacity of our rail network for a better-connected region	Rail enhancements (advance planning) Midlands Connect support HS2 released rail network capacity Commonwealth Games enhanced rail services
Using rail franchising to support and engage on rail development	West Midlands Railway Franchise Management Franchise Engagement Strategy West Midlands Stations Alliance Strategic Rail Industry Engagement and Consultation Responses
Continually improving the quality and capacity of our rail stations and interchanges	Package 1 Stations (Willenhall & Darlaston) Package 2 Stations (Moseley, Kings Heath & Hazelwell) Perry Barr Station and Bus Interchange One Station Project Aldridge Station Dudley Port Interchange Cannock Station Upgrade Kings Norton Station & capacity upgrade Birmingham International Interchange Hub Solihull Station upgrade Snow Hill Platform 4
Develop a single rail network vision & devolution case to support a growing West Midlands	Further rail devolution WMRE single network vision and West Midlands Grand Rail Collaboration

Metro	
High Level Deliverable	Activity
Improving our financial performance of our Metro to support growth of the network	West Midlands Metro Off Vehicle Ticketing Revenue Protection Enforcement
Extending our Metro Network to better serve more people and businesses	Birmingham Eastside Extension (BEE) Programme Birmingham Westside Extension (BWE) Wolverhampton City Centre Extension (WCCE) Wednesbury to Brierley Hill (WBHE) Extension
Extending our Metro Network to better serve more people and businesses	Metro Control and Comms Systems Line 1 Traction Power Depot Expansion Line 1 Lifecycle Works

Network Resilience	
High Level Deliverable	Activity
Managing the West Midlands Network Through improved coordination with the regional transport coordination centre	<p>RTCC – Highways Investment Package – Equipping the network with technology enhancements including ITS Traffic Signals, CCTV, VMS, Communication networks)</p> <p>Perry Barr Mitigation Package</p> <p>Design and Layout RTCC facility Summer Lane (completed)</p> <p>Delivery of a Local Road hub in Highways England’s ROC</p> <p>Relocation of the Data room from the 6th floor to the 1st Floor Summer Lane.</p> <p>Customer information (web and digital tools)</p> <p>Operations development</p> <p>Data Engine</p> <p>ICT enhancements</p> <p>Journey assistant / website upgrades</p>

Network Resilience	
High Level Deliverable	Activity
<p>Keeping Travellers informed and finding new ways of keeping the West Midlands moving through travel demand</p>	<p>Travel Demand Management Strategy & Delivery Programme (deliver targeted operational TDM strategies around the investment programme (BAU).</p> <p>Developing new customer insights and data and intelligence of the highway network – ADEPT Live Lab</p> <p>(creation of granular personas, deployment of ANPR cameras and analytics of data received to understand the performance of the network – feeding into RTCC data Engine)</p> <p>Deliver strategic principles in Covid-19 Transport Plan in the next 3-12 months, getting businesses back up and running; and supporting travel to schools:</p> <ul style="list-style-type: none"> • Delivery of EATF Tranche 2 supporting measures scheme • Monitoring and evaluation of the schools restart and TDM surge in spring term. <p>Communications and Engagement</p> <p>Major Scheme Campaigns</p> <p>Disruption Event Campaigns</p> <p>Disruption digital customer tools</p> <p>Wider resilience comms</p> <p>RTCC – monitoring and evaluation of customer messaging alerts.</p>

Network Resilience	
High Level Deliverable	Activity
Keeping the transport network safe and secure	<p>Monitoring the delivery of the Road Safety Strategy with partners to achieve the target of 40% reduction in KSIs and fulfil statutory obligations.</p> <p>Develop the regional road safety multi-year action plan with partners</p> <ol style="list-style-type: none"> 1. Ensure a Safe and Secure public Transport Network through the Safer Travel Partnership with West Midlands Police and support the delivery of the West Midlands PCC policing Plan. 2. Work with the West Midlands Local Resilience Forum to ensure that the Network Emergency Plan remains fit for purpose and TfWM staff are adequately trained and prepared to respond to an emergency incident. 3. Manage EU exit risks and continued response with Covid 19 working within the Local Resilience Forum structures <p>CCTV operations</p>

Network Resilience	
High Level Deliverable	Activity
Mitigating the impacts of transport investment programmes on the West Midlands Network	<p>Provide oversight on the disruptive impacts of major scheme construction in the region, including development and delivery of:</p> <ol style="list-style-type: none"> 1. Creation and coordination of scheme specific mitigation governance, including Cross Partner Mitigation Group and thematic sub-groups 2. Application of West Midlands Major Scheme Modelling Framework to understand cumulative impacts of development 3. Creating of composite traffic management plans, taking account of interfacing construction projects 4. Developing operational Travel Demand Management strategies and planning and delivering TDM surges and associated communications campaigns and engagement <p>Development and application of Monitoring and Evaluation Plan to dynamically monitor and manage disruptive events on the network</p> <p>TDM programme to be developed around the HS2 main works programme along the Phase 1 Route</p>

Network Resilience	
High Level Deliverable	Activity
Developing and enhancing the performance of the Key Route Network (KRN) to tackle congestion	<p>KRN Action Plans and Road Safety</p> <p>Developing a five-year programme on the back of the action plans solutions will be a main activity next year – delivery of the overall programme will be a new ask that will likely require a pitch to DfT or HMT as part of Devo discussions.</p> <p>MRN – Highways Investment Programme Development</p> <p>KRN – On Road Disruption Service</p> <p>Future Mobility Rules of the Road</p> <p>Develop the Corridor Managers Framework for the KRN</p> <p>Developing the KRN Action Plan Programme</p> <p>Congestion Management Plan Yr. 2 Progress</p> <p>Developing the capabilities for the singleview of the network.</p> <p>Support the introduction and management of streetworks through Street Manager</p> <p>Developing a new central repository for Highways Assets across the KRN.</p>

Network Resilience	
High Level Deliverable	Activity
<p>Delivering the operational plan for the Commonwealth Games for Visitors to the region and ensuring reduced impact on everyday journeys</p>	<p>AB1 Cycling for Everyone Active Travel legacy scheme</p> <p>AB2 Games Transport Plan Prepare and consult on plan Transport policy including sustainability and accessibility Legislation Legacy planning</p> <p>AB3 Manage the Integrated Transport Programme Cross-partner Programme Management office Project Management support Over-sight of transport capital programme. Over-sight of B2022 programmes</p> <p>AB4 Manage Games-time operational deliver obligations under the OC/WMCA Funding Agreement Deliver Spectator and Workforce Transport</p> <ul style="list-style-type: none"> • Modelling and Forecasting • Mapping solutions • Transport Planning • PT Ticketing Solution • PT Strengthening – bus, rail, tram • Park and Ride • Shuttle Services • Accessible Transport • Active Travel <p>Deliver Traffic Engineering and Road Network Management</p> <ul style="list-style-type: none"> • Games Routes • Local Traffic Management • Network Management including road event planning • Traffic Orders <p>Communications & Engagement</p> <ul style="list-style-type: none"> • Develop and deliver a communications and engagement strategy • Travel Demand Management marcoms delivery <p>Transport C3, Readiness and Testing</p> <ul style="list-style-type: none"> • RTCC Games mode • Transport Coordination Centre • Test events • Readiness exercises

Policy Strategy and Innovation	
High Level Deliverable	Activity
<p>Maintain & refresh the West Midlands Statutory Transport Plan(s) and policies</p>	<p>Produce an evidence based and refreshed Movement for Growth for re-adoption in 2021/22 including associated statutory consultation, Equalities Impact assessment and SEA.</p> <p>Develop supporting policies, planning and technical guidance documents associated with the statutory transport plan</p> <p>Produce evidenced based and compelling lobbying and discussion papers (inc Green/White papers) to secure additional investment and powers for the West Midlands</p> <p>Maintain and develop the TfWM Medium Term Business Plan, including improved business practices</p>
<p>Embed transport policy & strategy in the plans and programmes of the wider WMCA & partners to support integrated development planning</p>	<p>Ensure transport plans and policies support the wider agendas of WMCA</p> <p>Development of integrated infrastructure growth corridor plans incorporating land use, transport and digital for all formal growth corridors, supporting a single infrastructure funding pot</p> <p>Ensure the timely engagement in and formal responses to major planning applications and Local Plans</p> <p>Support WM2041 Carbon plans and ensure alignment with the refreshed LTP</p> <p>Provide dedicated advice to the CA Transport Portfolio Holder, Strategic Transport Board, Transport Scrutiny Committee and Mayor concerning policy, strategy and investment plans in transport, including during Mayoral election periods</p>

Policy Strategy and Innovation	
High Level Deliverable	Activity
<p>Develop and maintain a deep understanding of the needs, attitudes and perceptions of people who use our transport system</p>	<p>Undertake bespoke market research activity on a commission basis</p> <p>Undertake on-going, representative research tracking citizen sentiment regarding transport infrastructure and services</p> <p>Input to the Statutory Transport Plan refresh by undertaking a research programme to understand public attitudes to transport in the Climate Change Agenda and scope of potential travel demand initiatives to support policies and objectives</p> <p>Maintain, update and promote the All Traveller Segmentation tool to provide a detailed understanding of all West Midlands residents.</p> <p>Maintenance and promotion of the online market research community (m.Roc)</p>
<p>Continue to develop and maintain a robust common data environment for transport</p>	<p>Host the regional Joint Data Team and continue to develop services to provide a cost effective minimum viable basic transport intelligence service</p> <p>Develop and maintain transport systems performance, delivery and operational performance monitoring data and appropriate dashboards. Develop performance into research to support policy and to evaluate impact.</p> <p>Create and maintain a high standard of reliable access to the common data environment</p> <p>Develop a series of digitized transport system products to support a step change in intelligence driven activity</p>

Policy Strategy and Innovation	
High Level Deliverable	Activity
<p>Analyse the transport system to provide deep insight, recommend actions and produce robust and funded evidenced based business cases for schemes and programmes</p>	<p>Lead on the maintenance and development of appropriate technical tools and resources to enable agile analysis of network performance and forecast future demands and needs across all modes</p> <p>Undertake robust optioneering for changes and develop detailed strategic cases for change and secure funded business case studies for recommended change proposals</p> <p>Develop full business cases for preferred options in order to secure funding for changes, projects and programmes</p> <p>Provide technical support and research to LAs/TfWM on significant transport planning issues</p> <p>Monitor and evaluate the effectiveness of changes to the transport system following the principles of TfWMs M&E framework and the requirements of scheme funders as appropriate</p>

Policy Strategy and Innovation	
High Level Deliverable	Activity
<p>Create a strategic transport innovation eco-system in the West Midlands to stimulate growth and improve the region's ability to address environmental and social objectives through mobility</p>	<p>Develop and deliver a roads of the future (digital and connected) programme that explores new transport modes and models, decarbonisation through transport, behavioural change and social inclusion, with a specific initial priority focus on freight and logistics</p> <p>Provide programme delivery and innovation support within TfWM and directly to Local Authority partners, including the embedding of innovation into BaU activity to ensure a legacy benefit</p> <p>Secure a funded and robust delivery mechanism for a coordinated roll-out of ULEV refuelling infrastructure and supporting innovation focused ULEV projects.</p> <p>Sponsor and direct the West Midlands 5G Urban Connected Communities Mobility programme</p> <p>Support and deliver high impact research and innovation showcase projects which align with policy problems and key strategic initiatives such as City of Culture and Commonwealth Games</p> <p>Coordinate and facilitate the development and delivery of the West Midlands LIS Implementation Plan - Future Mobility vertical</p> <p>Deliver the Future Transport Zone 1 UK pathfinder programme</p> <p>Develop and deliver the next generation of Integrated Future Mobility Services (Public, Private and Active Travel) for the West Midlands building on the successful Swift platform.</p> <p>Develop a programme for new commercialisation and revenue generating opportunities using innovative new technology, exploiting existing digital and infrastructure assets (including data, Swift and R&D test facility infrastructure such as Midlands Future Mobility)</p>

Policy Strategy and Innovation	
High Level Deliverable	Activity
<p>Creating a system for easy to use and affordable payments to access the transport system – customer information</p>	<p>Enhance the TfWM and Swift website with focused improvements of the ‘ticket finder’ function.</p> <p>Deliver a new and improved Journey Planner as part of the wider work to deliver a MaaS platform or at the very least an enhancement of the Swift App.</p> <p>Continue to develop the Swift App UI incorporating user feedback on a case by case basis ensuring value for money</p>
<p>Creating a system for easy to use and affordable payments to access the transport system – customer payment</p>	<p>Deliver the Fares & Payments Strategy objectives for 2021/22</p> <p>Deliver the full integration of Swift on Rail including gaining RSP accreditation and supporting West Midlands Trains with the rollout of Swift</p> <p>Operate Swift systems and Managed Service including a focus on maximisation of savings</p> <p>Continue to develop and improve the Account Based Ticketing with Best Value Capping solutions.</p> <p>Widen Swift offering to incorporate and expand payments for other modes including Car Parking and Bikeshare.</p> <p>Deliver Swift API’s including payments via Swift for third party suppliers.</p> <p>Deliver a compliant and robust ENCTS and Child Concessionary Fares Scheme including calculation and negotiation of payments to operators.</p>

Proposed West Midlands Combined Authority Delivery Budget

Annex A – Productivity and Skills Portfolio

Annex B – Housing and Land Portfolio

Annex C – Economy & Innovation Portfolio

Annex D – Culture and Digital Portfolio

Annex E – Wellbeing Portfolio

Annex F – Public Service Reform and Social Economy Portfolio

Annex G – Environment, Energy and HS2 Portfolio

Annex H – Inclusive Communities Portfolio

Annex I – Leadership & Corporate Support

Productivity and Skills Portfolio

Productivity and Skills Portfolio	2020/21 Budget £	2021/22 Budget £
Constituent / Non-Constituent Membership Fees	595,988	772,229
Adult Education (grant funded)	128,534,243	129,690,127
Employment Support	2,070,417	1,228,625
Construction Skills	1,576,400	0
Digital Skills	4,157,394	464,980
Jobs and Skills	410,120	237,092
Careers Support	61,144	64,287
Technical Education	97,845	84,292
Carry forward of efficiencies	212,843	0
Total Funding	137,716,394	132,541,632
Staff Costs (Membership fee funded only)	571,747	555,145
Project Delivery - careers, apprenticeships, youth unemployment	237,084	217,084
Adult Education Budget	128,534,243	129,690,127
Construction Skills	1,576,400	0
Employment Support	2,070,417	1,228,625
Digital Skills	4,157,394	464,980
Careers Support	61,144	64,287
Technical Education Support	97,845	84,292
Expenditure before Jobs and Skills Programme	137,306,274	132,304,540
Jobs and Skills Support	410,120	237,092
Total Expenditure	137,716,394	132,541,632
Total	-	-

Productivity and Skills	
High Level Deliverable	Activity
<p>Support more people into work through the provision of locally tailored support to help improve:</p> <ul style="list-style-type: none"> • access to the basic English, maths and digital skills that adults need for life and work • more training that leads to jobs • higher level skills needed to support individuals and underpin economic recovery 	<p>Commissioning and performance management of the Adult Education Budget</p> <p>Delivery of Employment Support Pilot</p> <p>Delivery of Digital Retraining Pilots</p> <p>Development of new higher-level skills programmes in digital, green tech and health science to be delivered through AEB</p>
<p>Develop and deliver a new Covid jobs and skills focus;</p> <ul style="list-style-type: none"> • create a new offer for unemployed people – reflecting the new challenges of the current economic landscape, with a focus on those groups most impacted • work with large-scale investments and regional employers to ensure that we train up more local people to better access jobs 	<p>Provide a regional Employment Support offer to individuals and employers – reflecting the range of partner and CA resources</p> <p>Review and develop an offer for other groups affected – BME, over-50s etc</p> <p>Establish a clear Youth Offer for young people at risk of or experiencing unemployment – to be launched via our emerging Youth Platform</p> <p>Establish the Jobs and Skills Academy for the CWG including a training and volunteering offer</p>
<p>Accelerate the take up of good quality apprenticeships across the region</p>	<p>Secure levy transfer funds from employers – employer engagement</p> <p>Clear offer to apprentices displaced</p> <p>Stimulate demand from regional SMEs to take on apprentices through levy – direct marketing and brokerage services</p>

<p>Support the development of a strong regional offer of specialist technical education and training</p>	<p>Through the Skills Advisory Board and its work, set a clear direction for the development of technical training for the region aligned to the needs of businesses</p>
<p>Secure additional employment and skills funding for the region</p>	<p>Build case including devo and CSR ask for single pot Shared Prosperity Funding to replace ESF funding</p> <p>Continue to develop our approach to better tackle needs</p>

Housing and Land Portfolio

Housing and Land Portfolio	2020/21 Budget £	2021/22 Budget £
Devolution Funding (Housing & Land)	2,431,712	1,437,907
Other funding sources	89,025	90,806
Total Funding	2,520,737	1,528,713
Staff costs	1,417,237	766,291
Housing and Land delivery support - Development, investment and master planning expertise	1,100,000	758,921
Travel & Subsistence	3,500	3,500
Total Expenditure	2,520,737	1,528,712
Net Total	-	-

Housing & Land	
High Level Deliverable	Activity
<p>Deliver our nationally leading brownfield regeneration and housing delivery programmes to achieve the prescribed KPIs and Output Requirements set by HMG and WMCA Board</p>	<p>Deploy over £400m+ of devolved housing and land funds, including new Brownfield Funds, to achieve the prescribed housing, investment and jobs targets and outputs set by Government. Demonstrated by achieving monthly and quarterly output and investment targets.</p> <p>Drive forward our pipeline of locally agreed public and private sector led housing and regeneration projects on sites in market failure - securing thousands of new jobs and new homes and unlocking £millions of new investment on brownfield land that has been derelict or stalled for years. This builds on the track record the WMCA has shown in brownfield regeneration and housing delivery since 2017</p> <p>Deploy effective disposals strategies to land recently acquired through this programme to ensure full achievement of approved project delivery and spend programmes.</p> <p>Utilise funding from HMG to leverage wider inclusive growth outcomes of WMCA such as affordable housing, advanced methods of construction, supporting sustainable transport ensuring these are set out clearly as targets in the SCF</p> <p>Deploy funding through the WMCA approved and HMG endorsed single commissioning framework and procedures, achieving the timescale milestones for end to end process, which is a requirement of Land Fund and Brownfield Fund.</p>
<p>Ensure delivery of the requirements of the 2018 Housing Deal and lead performance reporting to Government</p>	<p>Oversee, monitor and report monthly to Government on satisfactory performance in delivering the requirements of the March 2018 West Midlands Housing Deal including the ambitious targets of 215,000 new homes by 2031, Land Fund housing outputs, and timely progress on Local Plans Reported quarterly to MHCLG and HMT</p>
<p>Effectively develop, collaborate and submit compelling business cases for additional funding from HMG to deliver WMCA approved priorities</p>	<p>Work with local authorities and existing and new industry groups (eg Town Centre Taskforce, Zero Carbon Taskforce) to submit compelling business cases each quarter to secure further HMG investment into agreed priority delivery and policy areas, including Advanced Methods of Construction, Zero Carbon Housing, brownfield land, affordable housing, Public Land.</p>

Housing & Land	
High Level Deliverable	Activity
Implement the approved Housing & Land Board Covid19 Recovery Strategy and Pipeline Development	<p>Work closely with local authorities and expert taskforces to support and implement delivery of the approved Housing and Land Board Recovery Strategy (September 2020) demonstrating the region's recharge programme for post-Covid19 inclusive growth –quarterly updates to Housing and Land Board</p> <p>Complete the Housing and Land Board commission for a Covid19 project schedule for locally agreed land and development projects – draft Q1 2021, complete Q3 2021/22</p>
Establish new partnerships and joint ventures and delivery vehicles	<p>Establish new and strengthen existing strategic partnerships and joint ventures with public and private sector partners in line with requirements of the March 2018 Housing Deal and the Housing and Land Board Recovery Plan. Key goals being to unlock and deliver new land and development projects, attract new private sector investment, share risk and reward and improve development quality – including launching the Affordable Housing Delivery Vehicle in 2021 and more Joint Venture Projects on WMCA land. Goal is at least 5 new partnerships by Q2 2021.</p>
Create strong investor engagement and developer relationships, working alongside West Midlands Growth Company	<p>Implement comprehensive and systemised engagement programme with investors, developers and other private sector investors and project promoters to build support, investment and drive projects to tangible delivery.</p> <p>Relaunch the West Midlands Investment Prospectus in Q2 2021 to present compelling investible propositions to the market</p>
Develop and collaborate on identified policy development work that supports delivery of the Housing and Land Board's KPIs and the Recovery Strategy	<p>To broker dialogue between the region and HMG on identified policy issues, developments and emerging matters and to develop policy thinking on key issues commissioned by the Board.</p> <p>Establish quarterly key Policy forums programme for Housing & Land</p> <p>Examples already identified include employment land policy, public land and zero carbon homes.</p>

Housing & Land	
High Level Deliverable	Activity
Town Centre Regeneration	<p>Working closely with local authorities and the expert Town Centre Taskforce to develop compelling business cases and bids to HMG Towns Funds throughout 2021 (timetable TBC) and support negotiations with HMG.</p> <p>Deploy devolved housing and land funds through the SCF to identified town centre projects</p> <p>Work with the Regional Town Centre Taskforce, local councils and other partners to develop investment propositions in town centres in the region, create a new town centre toolkit in Q2 2021 and demonstrate regional recovery</p>
Advanced Manufacturing in Construction	<p>Working closely with local authorities and the expert AMC Taskforce to Secure new funding from HMG for AMC by Q2 2021</p> <p>Complete evidence pack of AMC in the region in Q1 2021</p> <p>Deploy a new AMC Funding Prospectus and Commissioning Framework in Q3 2021</p> <p>Publish the AMC Routemap in Q1 2021</p>
Zero Carbon Homes	<p>Working closely with local authorities and the expert ZCH Taskforce to secure new funding from HMG for ZCH in Q3/Q4 2021</p> <p>Develop a ZCH Routemap and Charter in Q2 2021</p>
Affordable Housing	<p>Establish Collaborative Delivery Vehicle with regional Housing Association partners by Q2 2021 to bring forward development on additional brownfield sites and secure more affordable homes in the region</p> <p>Review the operation of the regional affordable housing definition – Q2 2021</p> <p>Work closely with local authorities to develop revised business for affordable homes in the region – Q1 2021</p>

Housing & Land	
High Level Deliverable	Activity
Regional One Public Estate Programme	<p>Oversee the delivery of the West Midlands' programme for OPE7 projects and OPE 8 (subject to agreement of proposals Feb 2021), achieving all the prescribed Cabinet Office targets and signed off quarterly reports.</p> <p>Work with OPE members on disposal and management of their individual public land assets</p> <p>Launch the Regional Public Land Taskforce to support new OPE projects</p>
Delivery of Modern Facilities Management Services for WMCA Corporate Space and HQ (at Summer Lane)	<p>Deliver Best in Class WMCA facilities management services provision against the agreed core offer and compliant with SLAs with tenants, customers and building users (services provided in house or through WMCA management of outsourced partners) - with regular quarterly user satisfaction surveys, robust monitoring of SLAs/contracts, and performance reports to our internal Joint Assets Board.</p> <p>Develop and implement an enhanced remote management policy approved by JAB for 16 Summer Lane by Q2 2021</p> <p>Adapt Summer Lane and plan for enabling works required to support the return to the office over the short to medium term – Q2 2021</p> <p>Develop a new policy for how WMCA corporate office space [at 16 Summer Lane] should be effectively and flexibly used by Q1 2021</p>
Deliver a Covid2020 WMCA working environment at HQ that is Covid compliant and support reimagined ways of working	<p>Deliver a COVID-2020 (and beyond) secure working environment for WMCA staff and visitors ensuring alignment with HMG Guidance, clear communications and putting safety at the heart of what we do and showcasing best practice to the region and country and supporting reimagined ways of working. Ongoing programme of work with regular quarterly user satisfaction surveys, and performance reports to our internal Joint Assets Board.</p> <p>Deliver clear and concise road maps for re-occupation of 16SL Q1 2021</p>

Housing & Land	
High Level Deliverable	Activity
Business Continuity Planning and Emergency Response Programme Delivery	<p>WMCA Business Continuity Planning - Co-ordinate, lead and implement WMCA business continuity plans including a defined 16SL Business Continuity and Emergency Plan - maintaining business continuity during emergency situations and reporting directly to Health and Safety, CMT and SLT as appropriate. Q1 2021</p> <p>Refreshed Organisational Resilience Plan Q4 2021/22</p> <p>Develop a communications and engagement strategy by Q1 2021 to embed the 16SL emergency plan into the organisational resilience framework.</p> <p>Monitor and evaluate the effectiveness of the 16SL emergency plan to ensure it is fit for purpose and staff are trained to respond in an emergency – first review at end of Q1 2021</p> <p>Support the tactical response programme with review of the Operational Order for COVID-19: Quarterly reviews</p>
Continue to identify, test and develop new approaches to FM delivery driving opportunity for consistency and value across the portfolio	<p>Work closely with colleagues across the organisation to identify opportunities to leverage value for money, share space, best practice and a top quality approach to facilities management.</p> <p>Review opportunities & approach Quarterly</p>
Lead WMCA Strategic Asset Disposals and Development	<p>Develop a single, consistent disposals and development strategy for WMCA assets to be launched in beta Q1 2021 and formerly implemented Q3 2021 – include supporting protocols, KPIs and procedures for WMCA assets, approved by Joint Assets Board.</p> <p>This will be known as the ‘WMCA Asset Disposals Framework’ and will be designed to a similar format to the SCF and SAF (eg triage, EoI, application, approval). Important for new sites recently purchased by WMCA from its housing programmes as well as existing TfWM sites considered surplus to requirements</p>

Housing & Land	
High Level Deliverable	Activity
Strategic Asset Prospectus	Working with H&R Land Team prepare and launch a compelling Strategic Asset Prospectus for developers and investors for WMCA Assets identified for development and disposal. In line with best practice prospectuses used by our public sector partners. The prospectus will set out how to drive housing delivery, generate new investment and income Q4 2021/22
Lead WMCA Strategic Asset Management	<p>Deliver Best practice Commercial Property Management services across the Corporate Asset portfolio (i.e. tenant management, rates, income generation, vacant land site management).</p> <p>Key milestones:</p> <p>Deliver a new effective Estates Management module to the CAFM database Q2 2021 to maintain top quality information records on the corporate estate</p> <p>Maintaining External Accreditation of the organisation's Environmental Management System (EMS) ISO14001 Twice yearly audits (May/November)</p>
Public Land Taskforce	Launch a new Public Land taskforce, as agreed by the Housing and Land Board, in Q1 2021 to support wider public land disposals and alignment in the pursuit of new homes, jobs, investment and inclusive growth
Leading the Work on Summer Lane 2021 – the Future of Summer Lane	<p>Lead the WMCA project on the Future of Summer Lane (Summer Lane 2021) working closely with colleagues across the business to review the long-term future options for Summer Lane. Key deliverables include:</p> <p>Business case sign off by JAB Q2 2021</p> <p>Benchmark review against other public and private sector partners Q2 2021</p> <p>Deliver new 'Satellite' workspace provision for WMCA employees in line with WMCA reimaged working including other WMCA owned spaces, Local Authority and other OPE partner spaces. Q4 2021/22</p>

Economy & Innovation Portfolio

Economy & Innovation Portfolio	2020/21 Budget £	2021/22 Budget £
Constituent / Non-Constituent Membership Fees	1,312,205	1,788,454
Mayoral Capacity Funding	92,576	0
Creative Scale Up Grant Funding	650,000	216,613
Create Central Grant Funding	0	314,000
Funding for Office for Data Analytics	256,837	251,628
Use of Reserves	312,141	0
Total Funding	2,623,759	2,570,695
Staff Costs		
Economy & Innovation	484,598	503,808
Strategy & Policy	294,800	285,509
Office for Data Analytics, Research and Intelligence	153,528	156,628
Economy & Innovation - Project Support	595,024	505,000
Strategy & Policy Project Support	52,500	84,750
Office for Data Analytics, Research and Intelligence Project Support	343,309	335,000
Growth Company Annual Membership Fee	700,000	700,000
Total Expenditure	2,623,759	2,570,695
Net Total	-	-

Economy & Innovation	
High Level Deliverable	Activity
Economy and Innovation	
Refresh of the region's economic strategy to build recovery momentum and provide the platform to secure investment	A high-level refresh and make more agile the region's economic strategy by convening views from public, private and community partners. Align with Government's industrial strategy vision and communicate. Work with the LEPs and WMGC to embed sector recovery plans, economic services and place priorities in regional strategy.
Support economic resilience by monitoring and reacting to economic conditions and government projects.	Convene business, civic and trade union leaders to understand current economic issues and act on priorities. Includes Economic Impact Group, SED Board, Economic Recovery Steering Committee, Directors' network and Recovery Forum as appropriate. Convene regional partners to maximise investment from national funds.
Increase demand led business innovation in the wider economy, enabled by the Innovation Board and delivery of phase one of the West Midlands Innovation programme	Manage delivery of the £2.96m West Midlands Innovation Programme. Support the West Midlands Innovation Board in developing systems change, including high-level activity on innovation, business support and R&D policy.
Champion the West Midlands as a cluster for creative content businesses.	Support the Create Central Board to provide industry leadership to the creative content sector and deliver the growth plan. Deliver the BFI-funded project to boost the creative content sector with skills, innovation and inward investment interventions.
Specialist targeted support for creative businesses with the potential to scale up and seek options to maintain this support.	Deliver the Creative Scale Up pilot to support business growth, diversification and investment readiness, within the DCMS grant resources.
Policy and Strategy	
Support cross-organisational strategy and policy development	Develop a multi-year organisational strategy, building on mayoral delivery plans Coordinate policy development through Policy Working Group

Economy & Innovation	
High Level Deliverable	Activity
Develop regional submissions into Government on key fiscal and legislative events	<p>Develop 2021 Budget Submission</p> <p>Support Devolution Strategy Group</p> <p>Coordinate regional response to Devolution White Paper</p>
Engage with government, think tanks, and universities to ensure we have a national presence in policy debates	<p>Engage with Whitehall on Places for Growth/Beyond Whitehall Programme</p> <p>Support policy development through Midlands Engine, M9, and other partnerships</p>
Office for Data Analytics, Research and Intelligence	
Provide integrated intelligence to support regional decision-making on economic and social issues and stimulate better use of data analytics	<p>Deliver an integrated economic reporting programme including State of the Region report, ongoing economic Monitor reports, outcome monitoring of policies and research projects as resources allow, such as use of a forecasting model</p> <p>Purchase data, licenses and software to support WMCA and regional delivery priorities, and provide the expertise to use and implement them, including dashboards and data products</p> <p>Develop the WMREDI partnership model and seek to further leverage funding from initial investment</p> <p>Offer support and training for business cases and evaluation to improve programme development and assist the decision-making, validation and assurance of data and cases</p> <p>Produce clear, robust evidence of the impact of public service reform pilots and economic interventions on economic and social outcomes in the region</p> <p>Pursue the further use of data analytics and research, including information sharing, training on analytical skills gaps and deploying common analytical tools and methods.</p>

Culture and Digital Portfolio

Culture & Digital Portfolio	2020/21 Budget £	2021/22 Budget £
Constituent / Non-Constituent Membership Fees	210,000	173,505
Total Funding	210,000	173,505
Staff Costs	0	59,505
Digital	100,000	100,000
Culture & Tourism	110,000	14,000
Total Expenditure	210,000	173,505
Net Total	-	-

Culture & Digital	
High Level Deliverable	Activity
Support the Cultural Leadership Board (sectoral) and Culture Officers Group (LA and LEP) to coordinate regional cultural activity	<p>Support the governance of both forums, including any additional recruitment</p> <p>Link cultural activity to other CA areas, ensuring culture remains a core focus and that cultural projects can access regional and national funds (e.g. LUF, UKSPF)</p> <p>Coordinate cultural input to refresh of industrial strategy</p> <p>Coordinate links with Cultural Compacts in the region</p> <p>Coordinate work with WMGC Tourism Board to provide joined-up support to visitor attractions and cultural organisations</p>
Coordinate the implementation of the regional digital strategy	<p>Work with internal and external partners to coordinate implementation of digital strategy</p> <p>Co-design and match fund specific initiatives where there are gaps in current activity</p> <p>Engage with Govt to identify further investment</p>
Improve digital inclusion in the region through partnerships with Local Authorities and Civil Society Organisations	<p>Bring together partners in a coalition to support digital inclusion</p> <p>Engage with Govt with a single, amplified voice to secure further resource</p> <p>Share and disseminate best practice</p> <p>Provide data and evidence to inform approach</p>

Wellbeing Portfolio

Wellbeing Portfolio	2020/21 Budget £	2021/22 Budget £
Constituent / Non-Constituent Membership Fees	607,836	752,481
Thrive into Work Grant	105,117	157,689
Other funding sources	114,445	117,870
Carry forward of efficiencies	113,863	0
Total Funding	941,261	1,028,040
Staff Costs	618,144	684,673
Staff Costs (Thrive into Work Programme)	105,117	157,689
Mental Health Project / Consultancy Support	131,000	98,678
Health & Wellbing Project / Consultancy Support	87,000	87,000
Total Expenditure	941,261	1,028,040
Total	-	-

Wellbeing	
High Level Deliverable	Activity
Extension of Thrive-into-work programme	<ul style="list-style-type: none"> • Extension of programme across region • Complete 468 referrals for into work or retention in work support • Generate 124 positive Job creation or retention outcomes • Establish future operating model for 2022/23
Delivery of Thrive-at-work programme	<ul style="list-style-type: none"> • Recruit 150 businesses to foundation level • Transition 30 businesses to the Bronze accreditation scheme • Identification of future funding and operating model for 2022/23
Reconvene Mental Health Commission to identify new issues and approaches to mental health awareness and support in the region	<ul style="list-style-type: none"> • Reconvene Mental Health Commission • Work with partners to develop new programme of mental health awareness work in light of Covid-19 • Establish MH and Construction awareness Programme for the three capital programme sites for Birmingham 2022 c.700 individuals
Develop and sustain a physical activity programme regional partners	<ul style="list-style-type: none"> • Develop the physical activity and wellbeing element of the Commonwealth Games Legacy Plan • Work with Active Environment and Walking and Cycling Task and Finish Groups to determine priority projects and secure funding • Explore the adoption of Making Every Contact Count approach for physical activity and other lifestyle factors
Expand active environments project with a focus on inclusivity and accessibility	<ul style="list-style-type: none"> • Expand the West Midlands Disabled Citizens Physical Activity Network Panel participation and online presence • Work with the Include Me programme to get over 400 more disabled people active • Work with the Include Me programme to train over 900 people on inclusivity

Wellbeing	
High Level Deliverable	Activity
Develop health intelligence and data programme	<ul style="list-style-type: none"> • Work with partners to enhance analytical and epidemiological data and evidence at a regional scale • Produce annual Health of the Region report • Work with partners on health data sharing arrangements and digital use-cases • Engage with government and other partners to secure long-term approach to regional health intelligence
Develop collaborative programmes to tackle system-level health inequalities issues and embed HIAP approach in WMCA	<ul style="list-style-type: none"> • Work with Applied Inclusive Growth Unit to embed HIAP approach within IG programme and approach • Explore becoming a 'Marmot Region' and implement necessary plans • Work with Midlands STaR Board Health Inequalities Working Group to identify at least one collaborative programme to tackle system-level challenges • Work with local partners to develop at least one exemplar 'people-powered health' initiative to roll-out learning across region
Secure and implement the Radical Health Prevention Fund	<ul style="list-style-type: none"> • Engage with government to secure investment in RHPF programme • Roll-out first phase of programme

Public Service Reform & Social Economy Portfolio

PSR & Social Economy Portfolio	2020/21 Budget £	2021/22 Budget £
Constituent / Non-Constituent Membership Fees	510,350	676,032
Mayoral Capacity Funding	100,000	0
Veteran support funding	79,358	68,628
Total Funding	689,708	744,660
Staff Costs	589,708	694,660
PSR Project / Consultancy Support	100,000	50,000
Total Expenditure	689,708	744,660
Net Total	-	-

Public Sector Reform	
High Level Deliverable	Activity
Facilitation of the Homelessness Taskforce to develop, co-ordinate and embed a regional approach to designing-out homelessness	<ul style="list-style-type: none"> • Add value to the work of our LAs through regional homelessness programmes • Contribute to ongoing public service reform and inclusive growth through encouraging a systemic approach to designing out homelessness across all WMCA strategies and programmes • Support public services to develop a voluntary commitment to collaborate to prevent and relieve homelessness in all its forms
Commission and provide oversight for grant-funded homelessness programmes	<ul style="list-style-type: none"> • Provide oversight for WM Housing First Pilot • Commissioning and delivery of Rough Sleepers Initiative programme • Commission 2 research projects on Housing First and Families in Temporary Accommodation • Secure funding for future programmes
Facilitate collaborative project/programme A identified through Community Recovery process	<ul style="list-style-type: none"> • Details to be decided by LA CEX on 25 November
Facilitate collaborative project/programme B identified through Community Recovery process	<ul style="list-style-type: none"> • Details to be decided by LA CEX on 25 November
Research and analysis around early intervention and prevention in the West Midlands	<ul style="list-style-type: none"> • Research into costs of key areas of 'failure demand' on the system • Analysis of merits of life-course approach • Good practice cases studies • Report setting out findings and ideas for intervention • Action planning and/or business case development
Unlock investment in an area of public service reform through at least one social investment innovation	<ul style="list-style-type: none"> • Further exploration of mechanisms including SIB projects; WM Future Fund; VCS Community Recovery Fund; RHPF • Business case development around most likely proposition • Engage with partners and government to secure investment • Support delivery as appropriate

Public Sector Reform	
High Level Deliverable	Activity
Improve digital inclusion in the region through partnerships with Local Authorities and Civil Society Organisations	<ul style="list-style-type: none"> • Bring together partners in a coalition to support digital inclusion • Engage with Govt with a single, amplified voice to secure further resource • Share and disseminate best practice • Provide data and evidence to inform approach

Inclusive Growth & Social Economy	
High Level Deliverable	Activity
Embedding inclusive growth within the WMCA and its partners	<ul style="list-style-type: none"> • Development and roll-out of IG Business Partners programme • Development of guidance to support Single Assurance Framework procees • Development of IG 'user journey 'microsite' • Exemplar case studies for key investment cases
Develop and support Inclusive Growth Taskforce and IG monitoring and evaluation	<ul style="list-style-type: none"> • Establish IG Taskforce and develop initial forward plan • Carry out initial Taskforce 'inquiry' • Produce two half-yearly inclusive growth monitor reports
Support local authorities and their partners with 3 local Inclusive-Growth-In-Action initiatives	<ul style="list-style-type: none"> • Work to develop East Birmingham Rapid Response Unit building on EBB strategy • Further work with SMBC around Kingshurst regeneration • Explore further opportunities – Chelmsley Wood, Black Country
Unlock investment and co-ordinate delivery to drive forward the Social Economy Business Plan	<ul style="list-style-type: none"> • Publish the Social Economy Business Plan • Support relevant actions and partners • Seek investment in key elements

Environment, Energy and HS2 Portfolio

Environment, Energy & HS2 Portfolio	2020/21 Budget £	2021/22 Budget £
Constituent / Non-Constituent Membership Fees	250,961	265,326
Energy Capital Grant	0	239,814
Carry forward of efficiencies	93,577	0
Total Funding	344,538	505,140
Staff Costs (Fee Funded)	177,013	197,801
Energy Capital	0	239,814
Environment Project / Consultancy Support	167,525	67,525
Total Expenditure	344,538	505,140
Total	-	-

Environment, Energy & HS2	
High Level Deliverable	Activity
Implementation of the first #WM2041 Five Year Plan	<ul style="list-style-type: none"> • Develop delivery plan • Mobilise key delivery partners • On-going monitoring and review • Exploration of appropriate green finance mechanisms
Facilitate priority projects / programmes arising from #WM2041 Five Year Plan not listed below	<ul style="list-style-type: none"> • Identify and decide on priority projects / programmes • Business case development • Engage with government and other partners to secure investment
Facilitate programme of business-led activity to support #WM2041	<ul style="list-style-type: none"> • Develop WM2041 Business Network to identify on-going projects and activities • Work with Circular Economy Taskforce to develop and implement 'roadmap' • Roll-out WM2041 Business Pledge • Develop and roll-out Clean Innovation Challenge with WM5G
Develop and implement WM Natural Capital programme	<ul style="list-style-type: none"> • Carry out further research to develop natural capital programme and approach • Engage with government to explore Local Nature Recovery Plan and funding opportunities • Work with WM National Park to prioritise key projects and unlock funding • Develop and support WM Virtual Forest initiative • Seek investment and develop Community Green Grants programme to widen access to green space

Inclusive Communities Portfolio

Inclusive Communities Portfolio	2020/21 Budget £	2021/22 Budget £
Constituent / Non-Constituent Membership Fees	117,530	67,500
Total Funding	117,530	67,500
Staff Costs	42,530	0
Youth Combined Authority, Consultancy and Project Activity	75,000	67,500
Total Expenditure	117,530	67,500
Total	-	-

Inclusive Communities	
High Level Deliverable	Activity
<p>A Young Combined Authority (Board and Community) that challenges, informs and influences WMCA policy development and decision-making</p>	<p>Support to meetings of the YCA Board that focus on key priorities and plans</p> <p>Development activities for YCA Board members</p> <p>Recruitment campaign to refresh YCA membership for 22/23</p> <p>Increase the membership of the YCA Community ensuring diversity and representation</p> <p>A forward plan of engagement with the YCA Community including 6- 8 x engagement exercises</p>
<p>Leadership Commission activity focussed on</p> <ul style="list-style-type: none"> • improving diversity at senior levels • publishes practical examples of good practice • identify systematic opportunities for change 	<p>Boardroom diversity: support and trial the RACE Code – a governance framework for improving diversity at board and senior levels</p> <p>Diversity in the workplace: action led research project involving businesses trialing interventions to make workplaces more inclusive</p> <p>Development and publication of case studies to be disseminated through the Diversity Network (set up by the FA and WM Lieutenancy and supported by WMCA)</p> <p>Support to established networks and forums: e.g. Diversity Network, Faith Communities, West Midlands Women’s Voice, Fawcett Society</p>
<p>Ensuring the citizen voice (including a particular focus on under-represented groups) is an integral part of WMCA policy and programme development</p>	<p>Identifying and mapping WMCA access to lived experience</p> <p>Managing a corporate programme/portfolio of citizen engagement / lived experience</p> <p>Developing new mechanisms and forums to access lived experience and citizen engagement where it is needed</p> <p>Developing a ‘citizen voice toolkit’ to complement the Inclusive Growth toolkit</p>

Inclusive Communities	
High Level Deliverable	Activity
Further embedding Equalities, Diversity and Inclusion in how the WMCA plans, decides and delivers	Portfolio Equality Impact Assessments Race Pay Gap analysis and action plan Positive action in recruitment and employee training, development and engagement activity

Leadership & Corporate Support

Leadership & Business Support	2020/21 Budget £	2021/22 Budget £
Constituent / Non-Constituent Membership Fees	1,463,948	573,291
Mayoral Capacity Funding	0	168,724
Use of Reserves	0	1,200,000
Investment Income	1,766,040	793,500
Total Funding	3,229,988	2,735,515
Leadership	537,105	512,502
Business Support Recharges	2,692,883	2,223,013
Total Expenditure	3,229,988	2,735,515
Total	-	-

APPENDIX 3 - Transport Capital Programme

TRANSPORT CAPITAL PROGRAMME (£M)		2021 / 2022	2022 / 2023	2023 / 2024	2024 / 2025	2025 / 2026	TOTAL
Investment Programme - Metro	Metro Wednesbury to Brierley Hill Extension	95.53	144.91	116.39	11.63	-	368.47
	Metro Birmingham Eastside Extension	68.24	47.17	29.56	23.30	12.19	180.46
	Metro Network Enhancements – Comms & Control	5.33	-	-	-	-	5.33
	Metro Edgbaston Extension	4.01	-	-	-	-	4.01
	Wolverhampton Metro Extension	3.74	2.06	-	-	-	5.80
	Metro Enabling and Other Works	6.41	0.72	0.12	-	0.10	7.35
Investment Programme - Rail	Rail - Camp Hill Line Enhancements (Package 2)	8.45	29.08	7.61	-	-	45.13
	Rail - Walsall to Wolverhampton (Package 1)	12.57	27.45	1.14	-	-	41.17
	Rail - Sutton Coldfield Gateway	2.74	18.52	-0.06	-	-	21.19
	Rail - Snow Hill Lines	-	4.20	16.30	-	-	20.50
	Coventry South Package - Tile Hill Station	-	7.71	-	-	-	7.71
Investment Programme - Sprint	Sprint - Hagley Road Phase 2	0.24	12.84	10.72	27.57	28.47	79.83
	Sprint - Longbridge to Birmingham	0.20	17.17	11.00	13.41	0.72	42.51
	Sprint - Sutton Coldfield to Birmingham	-	25.83	-	-	-	25.83
	Sprint - Hall Green to Interchange via Solihull	0.21	4.18	3.11	5.70	8.90	22.09
	Sprint - Hagley Road Phase One	1.95	-	-	-	-	1.95
INVESTMENT PROGRAMME TOTAL		209.63	341.83	195.88	81.62	50.38	879.34
CWG Programme	Sprint - A45 Birmingham to Airport and Solihull	31.90	1.13	11.80	11.70	-	56.54
	Sprint - A34 Walsall to Birmingham	17.35	1.68	15.20	11.60	-	45.83
	University Station Improvement Project	29.90	10.91	-	-	-	40.81
	Perry Barr Rail Station	15.73	0.50	-	-	-	16.23
	Regional Ttraffic Control Centre	7.21	2.39	-	-	-	9.60
CWG PROGRAMME TOTAL		102.09	16.61	27.00	23.30	-	169.01
Other Major Programmes	Dudley Interchange	8.96	10.13	-	-	-	19.09
	Cross City Bus - City Centre & Druids Heath	17.62	-	-	-	-	17.62
	Future Mobility Zone	6.98	3.20	-	-	-	10.19
	A435 Alcester Rd Bus Priority Revitalisation	2.53	-	-	-	-	2.53
	West Midlands Cycle Hire Scheme	0.75	-	-	-	-	0.75
	Key Route Network Safety	0.13	-	-	-	-	0.13
OTHER MAJOR SCHEMES PROGRAMME TOTAL		36.97	13.34	-	-	-	50.31
Minor Work Programme	Asset Management Programme	1.20	1.20	1.20	-	-	3.60
	Real Time Information Upgrades	0.85	-	-	-	-	0.85
	Better Streets Community Fund	0.83	-	-	-	-	0.83
	DfT Tackling Nitrogen Dioxide	0.18	0.17	-	-	-	0.35
	Strategic Transport Officer Group Top Slice	0.09	0.07	0.07	-	-	0.23
	ADEPT Live Lab / Autoplex / Mattise	0.16	0.02	0.02	0.02	0.02	0.24
MINOR WORKS PROGRAMME TOTAL		3.31	1.46	1.29	0.02	0.02	6.09
Grants to Local Authorities	Cycling Programme	2.60	12.87	-	-	-	15.46
	Major Road Network- Programme	-	10.00	-	-	-	10.00
	Birchley Island (Sandwell MBC)	-	5.43	1.00	1.00	-	7.43
	B4106 Spon End (Coventry CC)	3.70	1.10	-	-	-	4.80
	New St/High St/Victoria Sq Public Realm	3.96	-	-	-	-	3.96
	Major Road Network	1.10	-	-	-	-	1.10
GRANTS TO LOCAL AUTHORITIES PROGRAMME TOTAL		11.36	29.40	1.00	1.00	-	42.76
TRANSPORT TOTAL		363.36	402.64	225.17	105.94	50.40	1,147.52

APPENDIX 4 – Housing and Land/Other Capital Programme

HOUSING AND LAND CAPITAL PROGRAMME (£M)		2021 / 2022	2022 / 2023	2023 / 2024	2024 / 2025	2025 / 2026	TOTAL
IP Land Remediation	Brownfield Land & Property Development Fund (BLPDF)	17.56	0.07	0.07	0.07	-	17.78
	LPIF (Black Country Consortium)	4.95	13.21	13.08	20.00	60.00	111.25
Land Fund	Land Fund - Friar Park Sewage Disposal Works	5.41	0.58	-	-	-	5.99
	Land Fund - Caparo	0.88	0.44	0.44	0.44	-	2.20
	Land Fund - Icknield Port Loop Phase 2a & 2b	1.63	0.21	-	-	-	1.84
	Land Fund - Former Cookley Works, Brierley Hill	1.02	-	-	-	-	1.02
	Land Fund - Lioncourt Homes (Dev1) Ltd	0.72	-	-	-	-	0.72
	Land Fund - Dobbs Street, Wolverhampton	0.56	-	-	-	-	0.56
	Land Fund Acquisition - Abberley Street	0.46	-	-	-	-	0.46
	Land Fund - Nuneaton and Bedworth	0.42	-	-	-	-	0.42
	Land Fund - Steelhouse Lane, Wolverhampton	0.39	-	-	-	-	0.39
	Land Fund Acquisition - Cranford Way	0.03	0.10	-	-	-	0.13
	Land Fund - Pipeline	40.47	13.87	-	-	-	54.34
Brownfield Land - Pipeline	42.00	42.00	-	-	-	84.00	
HOUSING AND REGENERATION PROGRAMME TOTAL		116.50	70.49	13.60	20.51	60.00	281.10
OTHER CAPITAL PROGRAMME (£M)		2021 / 2022	2022 / 2023	2023 / 2024	2024 / 2025	2025 / 2026	TOTAL
5G		4.51	-	-	-	-	4.51
OTHER TOTAL		4.51	-	-	-	-	4.51

APPENDIX 5 – Investment Programme Grants to Local Authorities

INVESTMENT PROGRAMME GRANTS TO LOCAL AUTHORITIES CAPITAL PROGRAMME (£M)	2021 / 2022	2022 / 2023	2023 / 2024	2024 / 2025	2025 / 2026	TOTAL
Coventry City Centre South Regeneration - Coventry City Centre South	11.07	53.66	0.08	0.02	17.37	82.20
Coventry City Centre South Regeneration - Coventry Friargate	35.82	0.00	-	-	-	35.82
Coventry UKC Plus - Coventry Station Masterplan (CSMP)	11.17	-	-	-	-	11.17
Coventry UKC Plus - UK City of Culture 2021 Regeneration	3.70	-	-	-	-	3.70
Coventry UKC Plus - Coventry South Package	6.60	9.66	24.55	35.87	13.00	89.67
Coventry UKC Plus - Coventry North Package - Sub-programme Total	-	2.00	2.00	11.25	6.15	21.40
Coventry UKC Plus - Very Light Rail: 'Transforming Connectivity'	0.94	17.80	15.00	10.00	-	43.74
UK Central Infrastructure Package - Programme Total	11.97	65.50	58.07	58.31	39.26	233.10
Commonwealth Games	25.00	-	-	-	-	25.00
UK Central HS2 Interchange - Programme Total	14.49	141.55	42.50	67.08	51.83	317.45
IP GRANTS TO LOCAL AUTHORITIES	120.77	290.17	142.20	182.53	127.61	863.26

APPENDIX 6 – MAYORAL Q&A – 11 DECEMBER 2020

The Mayor provided an opening statement to members of the committee. He offered his thanks to both the Portfolio Lead for Finance and the WMCA Finance team for their work on achieving a balanced budget. The Mayor acknowledged the challenges of funding within the capital programme but did not expect any immediate changes to it to be made. The Mayor informed the committee of a positive outcome from an external review of investment funding arrangements.

Councillor Robert Grinsell sought further information on how the balanced budget had been achieved, along with how the WMCA would be protecting activities such as transport, investment, skills and training. The Portfolio Lead for Finance confirmed that the WMCA had received a level of support from the Government similarly to other local authorities during the COVID-19 pandemic. He also indicated that the WMCA was undertaking a transformation programme to better position it for a post-COVID-19 environment, and this could result in further savings being found. The Mayor indicated that significant work had been undertaken to ensure that all frontline services continued to be fully funded.

Councillor Dean Carroll sought further information on the regeneration budget. The Mayor reported that the Housing & Land Delivery Board oversaw £625m of funds which had already supported 17 projects, created 2,502 jobs and created 820 new homes within the region. He also stressed that those housing regeneration opportunities would not have been delivered by relying entirely on the private sector. The Chair was keen to understand how the fund for brownfield land remediation had addressed market failures. The Mayor indicated that majority of the developed land had been vacant for significant periods and the WMCA had therefore been able to address this market failure. It was also noted that work had been undertaken by the Housing & Regeneration team to address affordable housing and produce a more realistic and relevant regional definition.

Councillor Cathy Bayton noted that the 2021/22 budget could not be sustained in future years through a reliance on the use of reserves. The Director of Finance confirmed that the use of reserves would be used to achieve a balanced budget next year, but acknowledged the level of risk involved in this approach. The Mayor also confirmed that fees for both constituent and non-constituent authorities would remain unchanged. It was recognised that constituent authorities were the WMCA's largest single contributor, and the Chair enquired as to how an individual Council Tax payer might recognise the value of the WMCA. The Mayor highlighted various ways in which the budget was used to benefit individuals within the region, including the use of the concessionary fares scheme to help disadvantage communities.

Councillor Kate Wild was keen to understand the Mayor's response to the recent Government announcement on the Comprehensive Spending Review and the potential it had to improve the West Midlands. The Mayor indicated that the Comprehensive Spending Review provided a number of new funding streams, including a fully devolved transport package to which new funds would be available from April 2021.

The Chair expressed some concern over the delivery of investment programme projects and the costs associated with delivery delays. The Mayor confirmed that a workshop had been undertaken with Constituent Leaders to confirm that where funds had been received for certain investment programme projects, these would not be spent on other projects. Work also continued to be undertaken on seeking funding for those identified to have a funding short fall.

Councillor Penny Holbrook sought information on the funds being made available for upskilling and education within the region to ensure individuals had access to good quality training that could lead to higher paid jobs. The Mayor highlighted that there had been an increase in benefit

claimants and work had been undertaken to ensure funds from the Adult Education Budget was used to reskill and ensure that there was greater partnership with colleges and universities to support the new economic circumstances. It was also noted that a new Skills & Jobs Delivery Board, to be chaired by the Portfolio Lead for Economy & Skills, had been established to address this issue. It was noted that following the UK's withdrawal from the European Union and the loss of European Social Fund monies, there had been no confirmation from the Government on the proposed Shared Prosperity Fund, but a commitment had been given by the Chancellor of the Exchequer for a similar scheme to ESF funding.

Kashmire Hawker noted that there continued to be a rise in youth unemployment and enquired as to what was being done to tackle this issue. The Mayor highlighted the launch of the Kickstart programme as being of benefit to younger people finding themselves without employment.

The Chair expressed concern over the confirmation of funding for the upcoming Mayoral elections. The Director of Finance suggested that work was currently being undertaken amongst all combined authorities to secure Government funding for the elections. The Mayor confirmed that contingency plans had been discussed with Constituent Leaders and there would be no circumstances in which the elections would not be funded.

Councillor Cathy Bayton highlighted the pressures on the transport budget and questioned as to when within the next 12 months would the WMCA be looking to address the longer term funding challenges within transport. The Mayor confirmed that he understood the difficulties referred to and he expected discussions would be held with Constituent Leaders in early summer on these matters. This timeframe would also hopefully give a better indication of likely post-pandemic patronage and how Transport for West Midlands might wish to tailor services accordingly.

Councillor Ahmad Bostan expressed his concern that accessible transport for individuals with disabilities could be reduced due to budgetary pressures and sought assurance that those services would be retained. The Mayor understood the criticality of continuing the funding for accessible transport and committed to doing everything he could to protect these services. He also confirmed that National Express West Midlands was continuing to follow its policy of not purchasing any further diesel buses within the region and to upgrade those existing buses to environmentally cleaner versions.

Further to the Chair's question relating to free transport for 16-18 year olds, the Mayor indicated that unfortunately there were no active proposals being brought forward, however Transport for West Midlands would continue with its current offers to young people and would actively look at future feasible options.

Councillor Chris Cade enquired as to what work was being considered for training opportunities for mechanics to service new and upcoming electric vehicles. The Mayor indicated that this was being considered by the Skills team and assured that a fuller update would be provided to committee.

Following Councillor Philip Bateman's question relating to the possibility of support for coach companies serving the leisure and tourism industry, night time economy and schools, the Mayor agreed that some coach operators were providing crucial services within the region, although he was unaware of any additional funding support that could be made available to coach operators.

Resolved:

The following observations be shared with the Mayor for consideration and reflection:

- (1) The need to use reserves to achieve a balanced budget for 2021/22 was noted, but concern was expressed as to the risks associated with this and the limitations it had as a longer term approach to budget planning.
- (2) The WMCA should continue to seek to achieve longer term financial stability that would better enable it to plan for and respond to the needs of the region.
- (3) The Medium Term Financial Plan currently included a number of risky assumptions that could have a significant negative impact on the WMCA's financial base. It was important that difficult decisions were considered early on in the financial planning process to help to better mitigate potential consequences.
- (4) All future financial planning and modelling should ensure that it reflected and addressed the priorities and needs of the region and its diverse communities.
- (5) The WMCA should lobby for greater flexibility over the use of its direct funding, with which it has previously achieved better outcomes when it has been able to use it in an innovatively way.
- (6) The desire to seek to protect accessible and supported transport services from potential reductions in funding be welcomed.
- (7) Concern be expressed over the possible longer term viability of the transport budget given the likely changes in travel patterns linked to evolving ways of working that could see a permanent reduction in the number of employees commuting into town and city centre locations.