



Investment Board

Monday 22 March 2021 at 10.00 am

Minutes

Present

Councillor Bob Sleigh (Chair)
Paul Brown

Councillor Tristan Chatfield
Councillor Steve Clark
Councillor Karen Grinsell
Councillor Matt Jennings
Councillor Stephen Simkins
Sue Summers
Gary Taylor

Portfolio Lead for Finance & Investments
Black Country Local Enterprise
Partnership
Birmingham City Council
Dudley Metropolitan Borough Council
Solihull Metropolitan Borough Council
Non-Constituent Authorities
City of Wolverhampton Council
West Midlands Development Capital
Greater Birmingham & Solihull Local
Enterprise Partnership

In Attendance

Sarah Middleton

Liam Davies
Aanisah Begg
Gareth Bradford
Carl Craney
Dan Essex
Linda Horne
Ian Martin
Carl Pearson
Chris Scott
Gerald Gannaway

Black Country Local Enterprise
Partnership
City of Wolverhampton Council
West Midlands Combined Authority
West Midlands Combined Authority
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West Midlands Development Capital

**Item Title
No.**

166. Chair's Opening Remarks

The Chair welcomed Members and Officers to the meeting.

167. Apologies for Absence (if any)

Apologies for absence had been received from Nick Abell (Coventry and Warwickshire Local Enterprise Partnership, Councillor Wasim Ali (Sandwell Metropolitan Borough Council), Councillor Mike Bird (Walsall Metropolitan Borough Council), Councillor Tony Jefferson (Non-Constituent Authorities) and Councillor Jim O'Boyle (Coventry City Council).

Apologies for absence had also been received from Richard Moon and Andy

Williams (Coventry City Council), Paula Deas (Coventry and Warwickshire Local Enterprise Partnership), Richard Lawrence (City of Wolverhampton Council), Nick Oakley (West Midlands Development Capital) and Roger Mendonca (West Midlands Growth Company).

168. Notification of Substitutes (if any)

Councillor Matt Jennings had been nominated as a Substitute Member for Councillor Tony Jefferson.

169. Declarations of Interests (if any)

Councillor Stephen Simkins declared non-pecuniary interests in matters relating to Pipe Hall, Bilston and the City Learning Quarter in Wolverhampton which were referred to in the Brownfield Land and Property development Fund Dashboard and during the discussion on the Investment Programme update and Dashboard respectively as the Local Ward Member and Cabinet Member for City Economy as appropriate.

170. Minutes of last meeting

Resolved:

That the minutes of the meeting held on 15 February 2021 be confirmed as a correct record and signed by the Chair.

171. Investment Programme Update and Dashboard

Ian Martin presented a report on the status of the Investment Programme to assist the Board in setting out the context for any investment decisions to be made by the Board.

He reported that approved funding from the WMCA Investment Programme for programmes totalled £795.3 million (as at 28 February 2021), compared to £795.3 million as at 31 January 2021) with funding drawn down / incurred against these projects as at 31 January 2021 totalling £265.3 million.

He reported that at the meeting of the WMCA Board held on 19 March 2021 it had been agreed that the headroom be increased by £70 million subject to the Overview and Scrutiny Committee not raising any objections. Thus, the potential for commitments in the Investment Programme now totalled £871 million rather than the £801 million set in November 2019.

He advised that a response from The Treasury was awaited on the outcome of the Devolution Deal Gateway Review.

With reference to the additional headroom, the Chair explained that the affordability was influenced by the timing of expenditure and interest. Since 2019, both of these metrics had moved in the favour of the Investment Programme affordability, with drawdowns being re-profiled into later years and the global economic conditions reducing borrowing levels to historically low levels. It would, however, be necessary to ringfence some of the additional money for revenue risk in relation to the funding of transport due to the pandemic including losses in Light Rail revenue and associated instability within the bus market. Whilst the unmitigated assessment was circa £30m - £50m, a risk assessed value of £10m was considered prudent to provide

appropriate financial resilience in the short-term while the on-going uncertainty continued and risks continued to emerge. It was hoped that the Government would continue to support fare revenues and, if this was the case, the sum would be returned to this Board to use for investment purposes.

He advised that the WMCA Board had also agreed to ringfence a further £5m of the £70m for risks associated with the Capital Programme and had set aside £9.5m to deliver Perry Barr Station and Interchange and £20m to deliver the five new Rail stations, with this funding to be returned to the Investment Programme for reallocation if the WMCA were able to lobby successfully the Government to fund these schemes via the Intra City Transport Settlement.

A provisional allocation of £5.1m had also been made at WMCA Board to allow for a package of #2041 initiatives including the development of the Net Zero Neighbourhood Smart Hub, Energy and Environment Package and Natural Capital Programme as part of the WM2041.

Linda Horne also referred to a sum of £5m from the Investment Programme, approved at WMCA Board, as the local contribution towards the Coventry Electric Bus Town proposal which would release £50m of Government funding plus £84m of private sector matched funding, which represented excellent value for money for the region. A remaining sum of £15.4m had been identified by WMCA Board as being for other Regional Recovery priorities.

The Chair referred to the Government's recent budget and the grant of £50m towards the Urban Growth Company Hub proposal subject to matched funding. He reminded the Board that £169m had been approved previously for associated projects. He commented that only one meeting of this Board remained in the current Municipal Year and that there was a need to ensure that investment decisions continued to be made, as appropriate. He suggested that delegated authority be granted to the Director of Finance and the Monitoring Officer in consultation with himself to approve any urgent investment decisions with all appropriate information being provided to the Board for information. The Officer meetings via Investment Panel would consider proposals during this period as would be normal process under the Single Assurance Framework.

Councillor Tristan Chatfield referred to the 'other Regional Recovery priorities' referred to in the mentioned WMCA Board paper and asked as to the process involved in identifying such priorities and whether discussions had been initiated with partner local authorities on this matter. Linda Horne explained that discussions had taken place through the Regional Recovery Forum which partner local authorities fed ideas into. She gave 'WM Co-Invest' and 'Wolverhampton City Learning Quarter' as examples of schemes that could be considered by that Forum and which could benefit from such funding subject to compliance with the Single Assurance Framework.

Ian Martin reported that nine schemes were rated as RED on the Dashboard but there were no financial implications. Action would be taken to address

the rating through the Change Request process with the revision to start and completion dates as necessary.

Resolved:

1. That the status of the Investment Programme delivery as detailed in the report be noted;
2. That the progress of the Devolution Deal five-year gateway review be noted;
3. That the Investment Programme funding status be noted;
4. That delegated authority be granted to the Director of Finance and the Monitoring Officer in consultation with the Chair to determine any urgent investment decisions with all necessary information being circulated to the Board.

172. WMCA Collective Investment Fund (CIF) - Dashboard

Gerald Gannaway presented the Collective Investment Fund (CIF) Dashboard (public iteration) as at 1 March 2021.

Resolved:

That the Dashboard be received and noted.

173. WMCA Brownfield Land and Property Investment Fund (BLPDF) - Dashboard

Gerald Gannaway presented the Brownfield Land and Property (BLPDF) Dashboard (public iteration) as at 1 March 2021.

Resolved:

That the Dashboard be received and noted.

174. WMCA Revolving Investment Fund (RIF) - Dashboard

Gerald Gannaway presented the Revolving Investment Fund (RIF) Dashboard (public iteration) as at 1 March 2021.

Resolved:

That the Dashboard be received and noted.

175. Exclusion of the Public and Press

Resolved:

That in accordance with Section 100A4 of the Local Government Act 1972, the press and public be excluded from the meeting during the consideration of the following items of business as they involve the likely disclosure of exempt information relating to the business affairs of any particular person (including the authority holding that information).

176. Parallel 113, Darlaston - Collective Investment Fund (CIF) Loan

Gerald Gannaway presented a report which sought approval to a loan from the Collective Investment Fund to regenerate 6.6 acres of brownfield land and creating 198 jobs in Darlaston.

In response to a question from Councillor Tristan Chatfield, Gerald

Gannaway confirmed that the loan agreement would contain a default interest rate clause which could be applicable if the scheme was not completed within the two-year period.

Resolved:

That approval be granted to a loan from the Collective Investment Fund subject to the key terms, security and conditions of sanction as detailed in the report.

177. WMCA Collective Investment Fund (CIF) - Dashboard

Gerald Gannaway presented the Collective Investment Fund (CIF) Dashboard (private iteration) as at 1 March 2021.

Resolved:

That the Dashboard be received and noted.

178. WMCA Brownfield Land and Property Investment Fund (BLPDF) - Dashboard

Gerald Gannaway presented the Brownfield Land and Property Development Fund (BLPDF) Dashboard (private iteration) as at 1 March 2021.

Resolved:

That the Dashboard be received and noted.

179. WMCA Revolving Investment Fund (RIF) - Dashboard

Gerald Gannaway presented the Revolving Investment Fund (RIF) Dashboard (private iteration) as at 1 March 2021.

Resolved:

That the Dashboard be received and noted.

180. Land and Property Investment Fund (LPIF)

Sarah Middleton presented the Land and Property Investment Fund (LPIF) Dashboard as at 1 March 2021. She advised that the dashboard was in a revised interactive format but contained consistent information to those presented previously.

Resolved:

That the Dashboard be received and noted.

181. Chair's Closing Remarks

The Chair referred to a recent discussion with the WMCA Mayor on the work of the Investment Board and that the WMCA Mayor had asked for his thanks to be extended to the Board for the work it had undertaken.

The meeting ended at 10.20 am.