



**West Midlands  
Combined Authority**

**Informal WMCA Board - WMCA Chief Executive's Consultation/Guidance**

**Friday 14 January 2022 at 11.00 am**

**Minutes**

**Constituent Members**

Andy Street (Chair)  
Councillor Mike Bird  
Councillor Ian Brookfield  
Councillor Ian Courts  
Councillor George Duggins  
Councillor Patrick Harley  
Councillor Brigid Jones  
Councillor Danny Millard  
Councillor Stephen Simkins  
Councillor Bob Sleigh  
Councillor Ian Ward

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

**Non-Constituent Members**

Anita Bhalla  
Councillor Matthew Dormer  
Councillor Tony Jefferson  
Councillor Olivia Lyons  
Councillor Jeremy Oates  
Councillor Izzi Seccombe  
Tom Westley  
Councillor Kristofer Wilson

Greater Birmingham & Solihull LEP  
Redditch Borough Council  
Stratford-on-Avon District Council  
Cannock Chase District Council  
Tamworth Borough Council  
Warwickshire County Council  
Black Country LEP  
Nuneaton & Bedworth Borough Council

**Observer Members awaiting Membership**

Councillor Andrew Day

Warwick District Council

**Observer Members**

Wasim Ali  
Councillor Greg Brackenridge  
Talha Ikhtlaq  
Rob Johnston  
Hamaam Shire

Assistant Police & Crime Commissioner  
West Midlands Fire Authority  
Young Combined Authority  
Midlands Trades Union Congress  
Young Combined Authority

**In Attendance**

Councillor Cathy Bayton  
Councillor Kath Hartley  
Mark Smith

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

**86. Apologies for Absence**

Apologies for absence were received from Lee Barron (Midlands TUC), Councillor Kerrie Carmichael (Sandwell), Councillor Shaun Davies (Telford & Wrekin), Simon Foster (Police & Crime Commissioner) and Councillor Seb Lowe (Rugby).

**87. Arrangements for Informal Meeting**

The Chair reported that this was not a formal meeting of the WMCA Board but was being held as a 'consultation call' by the Chief Executive, under her delegated powers in paragraph 5.3 of the Scheme of Delegations, to take urgent action in consultation with the Mayor and portfolio leads.

Following the consultation call, the Chief Executive would take delegated decisions having regard to this consultation. The agenda and reports were being made available to the public and the call was being livestreamed to ensure openness and transparency. These arrangements replaced the WMCA Board meeting scheduled for 14 January 2022, but which had been cancelled due to concerns about the current increased risk of COVID-19 infection.

**88. Chair's Remarks**

**(a) New Board Members**

The Chair welcomed Anita Bhalla (Greater Birmingham & Solihull LEP) and Councillor Kerrie Carmichael (Sandwell Metropolitan Borough Council) as new members of the board.

**(b) Jack Dromey MP**

The Chair noted with sadness the death of Jack Dromey, MP for Birmingham Erdington, on 7 January. He paid tribute to his career in public service to the city and region, and members of the board observed a minute's silence in his memory.

**89. Minutes**

The minutes of the meeting held on 19 November 2021 were agreed as a correct record.

**90. Forward Plan**

The forward plan of items to be reported to future meetings of the board was noted.

**91. WMCA Draft Budget 2022/23**

The board considered a report of the Director of Finance presenting the draft 2022/23 budget for consideration, to allow for feedback to inform the final 2022/23 budget to be approved on 11 February 2022.

Recommended that the WMCA's Chief Executive:

(1) Approves for consultation the draft 2022/23 West Midlands Combined Authority consolidated revenue budget, which included:

(a) The budget requirement for transport delivery in 2022/23 comprising four elements:

- (i) £117.0m to be funded from the existing transport levy mechanism;
  - (ii) £18.7m to be funded from grant awarded by the Commonwealth Games Organising Committee;
  - (iii) Use of £4.5m Business Rates retention income;
  - (iv) Transfer from earmarked reserves of £3.6m.
- (b) The budget requirement for non-transport delivery in 2022/23 of £161.9m comprising of five elements:
- (i) £142.7m adult education spending to be funded from Adult Education budget funding devolved by the Department for Education;
  - (ii) £6.7m to be funded from devolution deal grants;
  - (iii) £1.2m to be funded from other income, notably investments;
  - (iv) £4.6m to be funded from constituent member fees (fees to remain at the same level as 2021/22);
  - (v) £0.5m to be funded from non-constituent member and observer fees (which represented an increase of £5,000 a year per non-constituent member from 1 April 2022);
  - (vi) Use of £6.0m business rates retention income.
- (2) Approves for consultation and scrutiny the Mayoral office budget for 2022/23 of £0.8m to be funded from additional Mayoral Capacity Funding.
- (3) Approves for consultation the draft 2022/23 Capital Programme of £536m.
- (4) Notes the planned spend on the Investment Programme over the period.
- (5) Notes that there would be no Mayoral Precept during 2022/23.
- (6) Notes the WMCA's commitment to work with the Mayor and constituent member leaders to develop a long-term, sustainable budget and plan throughout 2022, building on the 2022/23 agreed Aims & Objectives and a sustainable financial plan.
- (7) Notes the matters identified by Overview & Scrutiny Committee that arose out of the Mayoral Q&A on 15 December 2021.

## **92. Financial Monitoring 2021/22**

The board considered a report of the Director of Finance providing an update on the WMCA's finances as at the end of November 2021.

Recommended that the WMCA's Chief Executive:

- (1) Notes the financial position as at 30 November 2021.
- (2) Notes the latest 2021/22 forecast.
- (3) Notes the update on Local Authority Delivery Phase 3 funding.
- (4) Approves the supplementary appointment of Louise Cowen and Kate Taylor as Deputy Section 151 Officers with effect from 14 January 2022.

**93. Equality Scheme 2022-24**

The board considered a report of the Director of Inclusive Growth & Public Service Reform providing a summary of WMCA's Equality Scheme objectives and informing it of provisional timescales for publication of the scheme.

Anita Bhalla welcomed the report and that there was to be public consultation on it. She suggested that the impact of the scheme should be monitored on an annual basis, which would enable the recommendations within it to be adjusted in light of the impact they were making. The Equalities & Diversities Manager confirmed that there would be an annual monitoring report that would be submitted to this board for its consideration.

Recommended that the WMCA's Chief Executive:

Approve the 2022/24 Equality Scheme and Action Plan.

**94. City Region Sustainable Transport Settlement Programme**

The board considered a report of the Interim Managing Director, Transport for West Midlands, seeking approval for the programme level business case of the City Region Sustainable Transport Settlement as required by Government and to the local approaches to assurance, monitoring and governance.

Councillor Ian Courts thanked officers across the region for the hard work they had undertaken to get the programme of works to this stage.

Recommended that the WMCA's Chief Executive:

- (1) Notes the progress made regarding the regional City Region Sustainable Transport Settlement bid since the original submission was approved by WMCA Board in September 2021.
- (2) Notes the approach to prioritisation and development of the final programme for submission to Government.
- (3) Approves the submission to Government of the City Region Sustainable Transport Settlement programme level business case, noting that the revised programme was within the region's indicative allocation of £1.050bn.

- (4) Delegates to the Executive Director of Transport for West Midlands and the Director of Finance, in consultation with the Mayor and the Portfolio Lead for Transport, any final adjustments which were required to the programme and associated documentation, noting that changes may be developed to this documentation as the local authority and Transport for West Midlands officer team continued to liaise with the Department for Transport and the Treasury after submission in order to confirm the programme and secure a full grant confirmation from the Government, however, WMCA Board would formally consider the final programme and any funding conditions which were applied by the Government before accepting and adopting the final programme.
- (5) Approves the use of the Single Assurance Framework to provide assurance around investment decisions, noting the additional measures set out in the programme business case to ensure the ability to meet the City Region Sustainable Transport Settlement fund requirements, including the establishment of additional capacity for the Investment Panel to provide technical expert advice to the existing Investment Board on decisions to be made under the Single Assurance Framework.
- (6) Approves the approach to the establishment and management of a 'soft contingency' element to the City Region Sustainable Transport Settlement programme.
- (7) Approves the monitoring and reporting arrangements.
- (8) Notes the approach regarding the replacement funding for Integrated Transport Block (Local Network Improvement Plan) and highway maintenance.
- (9) Notes the approach to managing a pool of reserve schemes which could be accelerated if required during the programme life.
- (10) Notes the next steps.

**95. West Midlands Future Bus Delivery Options**

The board considered a report from the Interim Managing Director, Transport for West Midlands, providing an update on future challenges and opportunities in the bus market and outlining a course of action that best enabled the WMCA to continue to support the strong role that buses played in delivering wider WMCA objectives.

Councillor George Duggins sought further information as to whether the Department for Transport was likely to support the bus sector post-March when Covid-related support funding was due to cease. The Interim Managing Director, Transport for West Midlands, explained that this was still to be determined and that all transport authorities were currently in discussions with the Department for Transport regarding this key point.

Recommended that the WMCA's Chief Executive:

- (1) Note the key risks in the future delivery of bus services in the region that Transport for West Midlands was working with Government, bus operators and other partners to mitigate.

- (2) Note the opportunities associated with Enhanced Partnership but also the level of commitment and process that it would place on all partners, particularly Transport for West Midlands, local authorities and bus operators.
- (3) Support the continued assessment of the business case for franchising in line with the Single Assurance Framework and legislation within the Bus Service Act 2017, as a possible mechanism to address the referenced challenges should Enhanced Partnerships fail to effectively deliver the WMCA's ambitions.

**96. West Midlands Local Transport Plan 5: Draft Core Strategy**

The board considered a report of the Interim Managing Director, Transport for West Midlands, on the approach for developing the new West Midlands Local Transport Plan and undertaking public engagement on the draft Core Strategy document.

Councillor Ian Ward thanked the Police & Crime Commissioner for the support he had provided to the development of strategies regarding road safety and safety across the public transport network. Councillor Stephen Simkins noted that pricing played a key role in determining the public's willingness to use public transport, and attention needed to be given to the affordability of travel.

Recommended that the WMCA's Chief Executive:

- (1) Notes the responses to the 'Reimagining Transport' LTP Green Paper engagement.
- (2) Agrees the proposed approach and timetable to developing the new West Midlands Local Transport Plan.
- (3) Approves the draft Local Transport Plan Core Strategy document for statutory consultation, noting that final design editing work supporting communications material would be completed following comments from this board.

**97. Commonwealth Games Transport Plan**

The board considered a report of the Interim Managing Director, Transport for West Midlands, on the responses to the draft Games Transport Plan consultation, and seeking to approve the Games Transport Plan for publication in January 2022.

Councillor Izzi Seccombe stressed the importance of ensuring that attendance at, and travel to, events was made as accessible as possible. Councillor Andrew Day supported these comments, and indicated that work was scheduled at Leamington Spa's railway station to make it more accessible for spectators travelling to Victoria Park in the town to watch the lawn bowls event. Councillor Ian Ward was happy to confirm that all venues would be fully accessible, and he expected the games to be the most accessible ever held.

Recommended that the WMCA's Chief Executive:

Notes the responses to the draft Games Transport Plan consultation and approves the Games Transport Plan for publication in January 2022.

**98. Transport Delivery Committee - 15 November 2021**

The board received the minutes of the Transport Delivery Committee meeting held on 15 November 2021.

Councillor Kath Hartley confirmed that the committee had been paying close attention to the passenger impact of the closure of the metro network before Christmas.

Recommended that the WMCA's Chief Executive:

Notes the minutes of the meeting held on 15 November 2021.

**99. Environment & Energy Board - 1 December 2021**

The board received the minutes of the Environment & Energy Board meeting held on 1 December 2021.

Recommended that the WMCA's Chief Executive:

Approves the minutes of the inquorate meeting held on 1 December 2021.

**100. Investment Board - 13 December 2021**

The board received the minutes of the Investment Board meeting held on 13 December 2021.

In respect of minute no. 88 ('Enhancing the Collective Investment Fund and Revolving Investment Fund'), Councillor Bob Sleigh noted that the approval of the minutes would introduce measures to increase the efficiency and effectiveness of the Collective Investment Fund and the Revolving Investment Fund, which the Investment Board had fully supported.

Recommended that the WMCA's Chief Executive:

Approves the minutes of the inquorate meeting held on 13 December 2021.

**101. Overview & Scrutiny Committee - 15 December 2021**

The board received the minutes of the Overview & Scrutiny Committee meeting held on 15 December 2021.

Recommended that the WMCA's Chief Executive:

Notes the minutes of the meeting held on 15 December 2021.

**102. Employment Committee - 17 December 2021**

The board received the minutes of the Employment Committee meeting held on 17 December 2021.

Recommended that the WMCA's Chief Executive:

Notes the minutes of the meeting held on 17 December 2021.

**103. Young Combined Authority Update and Charter**

The board considered an update on the activity of the Young Combined Authority during December - January, along with the YCA Charter that set out how it would work together as a team and what its expectations were of each other, the WMCA and the independent delivery partner, Aspire4U.

Talha Ikhtlaq reported that there had been a number of new members on the YCA and it was therefore looking again at its objectives and areas of interest to ensure it continued to champion the causes important to young people across the region. Members of the board welcomed this and undertook to engage YCA members in the work of the committees/board they chaired.

Recommended that the WMCA's Chief Executive:

Notes the recent activity of the Young Combined Authority and its Charter.

**104. Exclusion of the Public and Press**

Recommended that the WMCA's Chief Executive:

Excludes the public and press from the meeting in accordance with s100(A) of the Local Government Act 1972 for the following items of business as they were likely to involve the disclosure of exempt information as specified in the paragraphs of the Act.

**105. West Midlands Co-Investment Fund**

The board considered a report of the Investment & Commercial Activities Director on proposals for a new business friendly investment fund, aligned to the specific strategy and needs of the West Midlands region and designed to promote economic growth post COVID-19.

Councillor Ian Brookfield welcomed the report and hoped that it would target a broad geographical mix of small and medium sized enterprises across the region. Councillor Tony Jefferson noted that the fund was equity rather than debt based, which he strongly welcomed.

Recommended that the WMCA's Chief Executive:

- (1) Notes that on 23 July 2021, the WMCA Board approved the outline business case for the West Midlands Co-Investment Fund, which allocated £12.5m from the Investment Programme, that the principles had not altered, and that no further funding was being requested from the WMCA.
- (2) Notes that the West Midlands Pension Fund had indicated it would provide, as a minimum, the remaining £12.5m required to launch the West Midlands Co-Investment Fund, subject to its approvals process, and that the West Midlands Co-Investment Fund would not launch until funding was in place for the full £25m.

- (3) Notes that the risks and rewards arising from the £25m fund between the WMCA and the West Midlands Pension Fund were intended to be split equally, and that any deviation from this principle would be agreed by the Director of Finance, in consultation with the seven constituent area Finance Directors.
- (4) Notes that the delivery vehicle options appraisal concluded with a preferred option of utilising West Midlands Development Capital, sub-contracting investment management to a third-party fund manager (subject to procurement process).
- (5) Delegates approval to the Director of Finance (supported with advice and in consultation with the Finance Directors Group) to flex the fund's equity/debt investment ratio based on market evidence.
- (6) Approves the request for the potential increase to the investment size of the fund pre/post fund launch, subject to:
  - The WMCA's own investment of £12.5m not increasing (ie. no further funds were required from WMCA sources, being as a result of third-party investor interest).
  - There being no detriment to risk or rewards to the WMCA and the objectives and targets indicated in the full business case were to be achievable.
  - WMCA Statutory Officers agreeing to the amendments (supported by advice and in consultation with the seven Finance Directors Group).
  - Any new investor entering the fund would be subject to due diligence and ultimately approved at the Investment Board.
- (7) Delegates the negotiation and approval of commercial terms with the funding partner and fund manager to the Director of Finance.
- (8) Notes that the WMCA had the potential to recycle part or all of its £12.5m grant contribution (subject to fund performance).

[NB. Councillor Stephen Simkins declared a non-prejudicial interest in this item as he was a member of the West Midlands Pension Fund Board, who were proposing to contribute financially to this fund.]

- 106. City Region Sustainable Transport Settlement Submission - Scheme Schedule**  
The board considered a report of the Interim Managing Director, Transport for West Midlands, seeking approval for the schedule of schemes to be contained within the programme level business case of City Region Sustainable Transport Settlement as required by Government.

Recommended that the WMCA's Chief Executive:

- (1) Approves the City Region Sustainable Transport Settlement programme schedule which formed the basis of the region's response within its indicative £1.050bn allocation under the national City Region Sustainable Transport Settlement fund.
- (2) Notes that the City Region Sustainable Transport Settlement programme schedule contained values for schemes which were indicative, and these would will be challenged/assured through the Single Assurance Framework, with final allocations approved as part of any full business case approval for each scheme by the WMCA Board or in line with the relevant delegations, which included the Investment Board.

**107. Wednesbury - Brierley Hill Metro Extension Update**

The board considered a report of the Interim Managing Director, Transport for West Midlands, on the latest position around the Wednesbury to Brierley Hill metro extension and the mitigating actions being developed by the WMCA to allow the objectives of the project to be achieved.

Councillor Patrick Harley stressed the importance of this scheme for the Black Country. He considered a July deadline for identifying funding solutions to complete the scheme as originally intended to be critical and must not be allowed to slip. Councillor Danny Millard and Tome Westley both supported these comments.

Councillor Cathy Bayton noted that Overview & Scrutiny Committee had been seeking assurances regarding the funding model and assumptions that had been made. She offered her committee's assistance in strengthening the governance of future metro development schemes and the operation of metro services.

Recommended that the WMCA's Chief Executive:

- (1) Notes the latest position regarding the affordability of the Wednesbury to Brierley Hill metro extension.
- (2) Notes the mitigating actions being developed by the WMCA, with the objective being to maximise the outcomes in the short term, whilst solutions were identified and assessed to complete the full scheme as originally intended.
- (3) Notes that despite the issues highlighted within this paper, the WMCA remained entirely committed to delivering the full scheme and would work with constituent members to ensure a robust funding strategy could be developed.
- (4) Notes that works would continue to complete the delivery to Dudley and enabling works that are programmed in for sections beyond Dudley including utility diversions.

**108. Date of Next Meeting**  
Friday 11 February 2022 at 11.00am.

The meeting ended at 1.00pm.