



West Midlands Combined Authority

WMCA Board

Friday 22 March 2019 at 11.00 am

Minutes

Constituent Members

Andy Street (Chair)

Councillor Bob Sleight (Vice-Chair)

Councillor Mike Bird

Councillor Ian Courts

Councillor George Duggins

Councillor Brigid Jones

Councillor Abdul Khan

Councillor Roger Lawrence

Councillor Marco Longhi

Councillor Paul Moore

Councillor John Reynolds

Councillor Steve Trow

Councillor Ian Ward

Councillor Qadar Zada

Mayor of the West Midlands Combined Authority

Solihull Metropolitan Borough Council

Walsall Metropolitan Borough Council

Solihull Metropolitan Borough Council

Coventry City Council

Birmingham City Council

Coventry City Council

City of Wolverhampton Council

Walsall Metropolitan Borough Council

Sandwell Metropolitan Borough Council

City of Wolverhampton Council

Sandwell Metropolitan Borough Council

Birmingham City Council

Dudley Metropolitan Borough Council

Non-Constituent Members

Councillor Mark Cargill

Councillor Matthew Dormer

Councillor David Humphreys

Councillor Julie Jackson

Ninder Johal

Councillor Alex Phillips

Councillor Izzi Seccombe

Councillor Michael Stokes

Stratford-on-Avon District Council

Redditch Borough Council

North Warwickshire Borough Council

Nuneaton & Bedworth Borough Council

Black Country Local Enterprise

Partnership

Shropshire Council

Warwickshire County Council

Rugby Borough Council

Co-Opted Member

Lee Barron

Midlands Trades Union Congress

Observer Members

Councillor John Edwards

David Jamieson

West Midlands Fire & Rescue Authority

West Midlands Police & Crime

Commissioner

In Attendance

Councillor Michael Chalk

Councillor Kath Hartley

Councillor Peter Hughes

Overview & Scrutiny Committee

Transport Delivery Committee

Overview & Scrutiny Committee

Item Title**No.****112. Apologies for Absence**

Apologies for absence were received from Councillor George Adamson (Cannock Chase), Councillor Adrian Andrew (Walsall), Councillor Peter Bilson (Wolverhampton), Jonathan Browning (Coventry & Warwickshire LEP), Councillor Tony Jefferson (Stratford-on-Avon), Councillor Peter Nutting (Shropshire), Tim Pile (Greater Birmingham & Solihull LEP) and Stewart Towe (Black Country LEP).

113. Chair's Remarks**(a) Councillor Steve Trow, Sandwell Metropolitan Borough Council**

The Chair welcomed Councillor Steve Trow to his first meeting, following his recent appointment as Leader of Sandwell Metropolitan Borough Council. The Chair also thanked Councillor Steve Eling, who had recently stood down as a member of the WMCA Board, for all his work as a member of the board and as the Portfolio Lead for Cohesion & Integration and Public Service Reform.

(b) Jerry Hutchinson, North Warwickshire Borough Council

The Chair noted that this was the last meeting that Jerry Hutchinson would be attending before he retired as Chief Executive of North Warwickshire Borough Council. He thanked him for the support he had given to the combined authority and his advocacy on behalf of non-constituent authorities.

(c) Councillor Roger Lawrence, City of Wolverhampton Council

The Chair noted that this was the last meeting Councillor Roger Lawrence would attend before he stepped down as Leader of the City of Wolverhampton Council in May. He paid tribute to the work he had undertaken in establishing the WMCA, and subsequently as the Portfolio Lead for Transport in delivering significant infrastructure and passenger improvements across bus, rail and Metro. In recognition of this work, the Mayor announced that West Midlands Metro would rename a tram 'Roger Lawrence'.

Councillor Roger Lawrence thanked the board for their support during the last three years, indicating that he felt the time was now right for him to pursue other interests. He paid tribute to officers at Transport for West Midlands, West Midlands Combined Authority, City of Wolverhampton Council and Black Country Local Enterprise Partnership for the professional advice and guidance they had given to him throughout his time as a councillor.

114. Minutes - 8 February 2019

The minutes of the meeting held on 8 February 2019 were agreed as a correct record.

115. Forward Plan

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

116. Governance of the West Midlands Fire & Rescue Service - Approval of Statutory Order and Proposed Constitutional Detail

The board considered a report from Henry Kippin, Director of Public Service Reform, Tim Martin, Head of Governance, and Karen Gowreesunker, Clerk to the West Midlands Fire & Rescue Authority, presenting the final draft West Midlands Combined Authority (Fire and Rescue Functions) Order 2019 for approval prior to it being laid before Parliament, along with the indicative timeline and next steps.

The report set out the constitutional amendments that had recently been undertaken to the operation of a Mayor's fire function so as to provide assurances as to the functions that must be delegated to the Chief Fire Officer by a Mayor, which were not able to be provided for in the draft Order. Phil Loach, Chief Fire Officer, confirmed that the changes made to the draft Order met the constitutional requirements requested by the West Midlands Fire Service.

Councillor Steve Trow requested that the amended Order be referred back to constituent authorities for further approval, which would provide confirmation that they were happy with the changes made. The Mayor indicated that resolution (3) could be amended to reflect these concerns. Councillor Peter Hughes reiterated an expectation that Overview & Scrutiny Committee would have responsibility for the scrutiny of the fire service function. Tim Martin confirmed that this was the case, and added that there was an expectation that membership of the Mayoral Fire Committee would command an allowance payable by the WMCA.

Resolved:

- (1) The final draft West Midlands Combined Authority (Fire and Rescue Functions) Order 2019 received from the Home Office on 9 January 2019 be noted.
- (2) The WMCA's consent to the laying of the Order in Parliament be confirmed.
- (3) The WMCA's acceptance of the proposals set out in the report to provide additional constitutional provisions and to deliver a Chief Fire Officer framework of accountabilities in order to provide the necessary assurances required following receipt of the final statutory Order be confirmed, subject to the approval of constituent councils.
- (4) The Chief Executive and Monitoring Officer of the WMCA be given delegated authority to approve the draft Order received from Government, in agreement with the Chief Fire Officer and Chair of the West Midlands Fire & Rescue Authority, should there be any further non-material changes before the Order was laid.

- (5) A commitment to reviewing governance arrangements within the next Mayoral term be confirmed.

[NB. These resolutions were agreed unanimously by all those in attendance and eligible to vote.]

117. Proposal for the Transfer of West Midlands Police & Crime Commissioner Functions to the Mayor of the Combined Authority

The board considered a report from Henry Kippin, Director of Public Service Reform, that provided an update on the outcome of the two-stage public consultation on both the principle and the Scheme of the proposed transfer of powers and responsibilities of the West Midlands Police & Crime Commissioner to the Mayor.

The WMCA had been consulting across the region on the process to transfer the powers and responsibilities of the Police & Crime Commissioner to the Mayor in May 2020, and the report provided the outcome of this consultation, conducted in two stages. The board was now required to approve the submission of the governance review, Scheme and consultation analysis to the Home Secretary to enable the preparation of the formal Order for the transfer of the powers and responsibilities to commence.

David Jamieson noted that West Midlands Police was currently under significant pressure in a number of operational areas and considered that seeking to implement governance changes at this stage would be a distraction to senior officers. He expressed concerns regarding the manner in which the two-stage public consultation was undertaken, and the weight that should be given to its conclusions. Henry Kippin indicated that BECN, the independent agency appointed to design and analyse the consultation, had certified that it had been carried out satisfactorily and although the number of responses received was a small percentage of the region's population, the level of response was commensurate with previous governance consultations undertaken by the WMCA.

Councillor Sleigh expressed his disappointment that the board was currently unable to find a consensus on a way forward, noting the successes that had been able to be achieved when the region spoke with a unified voice. Councillor Roger Lawrence indicated that, whilst he accepted that it was not possible to combine the Police & Crime Commissioner and mayoral roles in time for the 2020 mayoral election, he hoped it would be achieved by 2024.

Resolved:

The recommendations contained within the report be not approved.

[In accordance with paragraph 18.11 of the Constitution, the voting on the resolution was as follows:

For the report's recommendations (5): Andy Street, Councillor Mike Bird, Councillor Ian Courts, Councillor Marco Longhi and Councillor Bob Sleigh.

Against the report's recommendations (9): Councillor George Duggins, Councillor Brigid Jones, Councillor Abdul Khan, Councillor Roger Lawrence, Councillor Paul Moore, Councillor John Reynolds, Councillor Steve Trow, Councillor Ian Ward and Councillor Qadar Zada.]

118. Financial Monitoring Report 2018/19

The board considered a report from Linda Horne, Interim Director of Finance, providing an update on the WMCA's finances as at the end of January 2019.

The overall consolidated revenue position of the WMCA to date showed a £1.099m favourable variance from budget, largely owing to revised delivery schedules for various work streams within the Productivity & Skills and Health & Wellbeing portfolios. There was also a favourable variance within the Transport delivery budget. Following the final forecast for the year, the full year position showed a favourable variance of £321,000 for the year.

Resolved:

The financial position as at the end of January 2019 be noted.

119. WMCA Commercial Fund Extension

The board considered a report from Linda Horne, Interim Director of Finance, on proposals to increase the existing investment funds that operated on a commercial basis.

In June 2016, the WMCA approved the establishment of a £70m Collective Investment Fund with the purpose of seeking out economic regeneration opportunities to bring forward schemes which required financing that was typically not considered a priority investment by mainstream lenders. As a result of the success of this fund to date, it was proposed to increase its size to £140m and focus the additional £70m on the residential sector. The need for this was evidenced by existing fund managers indicating a strong pipeline of potential residential schemes already being developed.

Resolved:

- (1) The implementation of a new £70m investment fund targeted towards the residential sector be approved.
- (2) A £70m extension of the existing £70m Commercial Investment Fund (total £140m) targeted towards the commercial sector be approved.
- (3) The characteristics of each fund be approved.
- (4) It be agreed that the funds were to be operated by West Midlands Development Capital, subject to the WMCA and West Midlands Development Capital coming to an agreement on fee levels.
- (5) Authority be delegated to the Head of Governance and the Director of Housing & Regeneration to agree the fee payable to West Midlands Development Capital for fund management services, following the extension to the commercial funds.

120. West Midlands 5G - Structure and Governance Update

The board considered a report from Henry Kippin, Director of Public Service Reform, providing an update on the early progress of the 5G project where the West Midlands had successfully bid for regional test-bed status as part of the Government's Urban Connected Communities programme.

The interim project team had been working alongside the Department for Digital, Media, Culture & Sport as part of the project's mobilisation and setup phase which sought to prepare long-term funding, contracting and project planning. It was working on the development of necessary business cases and to build the regional and commercial relationships that would be necessary for success.

The Chair expressed his thanks to officers who had progressed the project to the stage it was now at.

Resolved:

- (1) The update on early progress and delivery plans of the WM5G project be noted.
- (2) The governance structure for the WM5G project be confirmed and approved, and permission be granted for a joint venture to be established and the delivery entity to commence operations.
- (3) The principles against which the governance, assurance, financial delegations and procurement of WM5G Ltd would be developed be confirmed and approved.
- (4) It be confirmed that the WMCA representative on the joint venture would have delegated authority to act on behalf of the WMCA on any matters relating to the functions of the joint venture.
- (3) The Head of Governance be authorised to enter into all necessary agreements to give effect to the proposals set out in the report, as negotiated by the same and/or the Director of Public Service Reform as Project Senior Responsible Officer.

121. Midland Metro Wednesbury to Brierley Hill Extension

The board considered a report from Phil Hewitt, Director of West Midlands Metro, providing an update on progress in delivering the Wednesbury to Brierley Hill Metro extension, the result of the final business case assessment, and seeking the approval of funding to cover the increased outturn costs in order to achieve the opening of the extension by the end of 2023.

The Wednesbury to Brierley Hill extension would connect with Midland Metro line 1 at Wednesbury and run to Brierley Hill via Dudley town centre and Waterfront/Merry Hill. The scheme would provide up to 17 new stops and would integrate with the new Dudley Interchange for local bus services and at Dudley Port railway station.

Councillor Qadar Zada expressed his support for this project, particularly given the impact he considered it would have to the economic opportunities that residents within Dudley would be able to take advantage of with the improvements in connectivity. Councillor Steve Trow also welcomed the extension and the benefits it would bring to Sandwell.

Resolved:

- (1) The progress being made on delivering the Wednesbury to Brierley Hill Metro extension be noted.
- (2) The benefits that the scheme would deliver to the Black Country and surrounding areas be noted.
- (3) The increase in the estimated outturn cost for the project to £449.5m, which delivered a benefit:cost ratio of 2.03:1 calculated in accordance with WebTAG be noted.
- (4) Dudley and Sandwell Metropolitan Borough Councils' commitment to provide land, works and support services to the project which served to avoid costs of between £12m and £15m be noted.
- (5) The commitment of £207m of Transforming Cities funding made by the WMCA in December 2017 be noted.
- (6) The commitment of funding be approved, in particular:
 - confirming the commitment of £103m Investment Programme funding
 - confirming approval for Prudential Borrowing up to £157.1m.
- (7) Authority be delegated to the Managing Director of Transport for West Midlands, the Director of West Midlands Metro and the WMCA's s.151 officer in respect of the powers set out in section 10 of the report.

122. Park & Ride Policies and Principles - Towards a Strategy

The board considered a report from Mike Waters, Director of Policy, Strategy & Innovation of Transport for West Midlands, seeking approval for a set of Park & Ride aims, policies and principles which would guide further work on a development framework and implementation plan.

Park & Ride had generally been perceived as successful in the West Midlands where demand had been shown to outstrip capacity. Whilst a fully developed rail and rapid transit network would ultimately provide a more comprehensive coverage for the region, a more targeted Park & Ride service would consequently be required to help residents access these services as part of an integrated transport system. The report set out a number of principles against which Park & Ride facilities should be judged, including a site-by-site review of charging and space booking infrastructure, and a means for prioritising new Park & Ride locations.

Councillor Ian Courts supported the principle that introducing car parking fees at individual Park & Ride sites should be looked at on a site-by-site basis, and that in respect of those sites located within Solihull borough, he saw value in Solihull Metropolitan Borough Council's Stronger Communities & Neighbourhood Services Scrutiny Board being involved in this review process. Councillor Mike Bird noted that there was likely to be an increasing demand for Park & Ride sites to support high volume bus routes and bus rapid transit routes.

Resolved:

- (1) The aims that detailed the positive impact Park & Ride would have within the West Midlands wider Integrated Transport Strategy be agreed.
- (2) The policies to govern the future development, funding and management of Park & Ride be agreed.
- (3) The principles for taking forward a site-by-site review of potential schemes to implement charging and space booking infrastructure for Park & Ride be agreed.
- (4) The principles for the development of any currently uncommitted future Park & Ride proposals be agreed.
- (5) The progression of a development framework and funded implementation plan for future Park & Ride by Transport for West Midlands in partnership with the local authorities be approved.
- (6) It be noted that the proposed approach followed the direction of the decisions taken at the WMCA Board on 8 February 2019 in respect of developing options for potentially introducing parking charges at existing Park & Ride sites.

123. Transforming Cities Fund 2

The board considered a report from Sandeep Shingadia, Director of Development Delivery at Transport for West Midlands, setting out the approach for a programme of proposed transport investments to utilise the balance of Transforming Cities Funding round 2.

The Transforming Cities Fund was announced in 2017 and provided the WMCA with £250m of capital funding. In the 2018 Autumn Statement, the Government announced the extension of this fund to 2022/23, with an additional £71.5m for the region. This was to be invested in new local transport infrastructure to boost productivity by improving public and sustainable transport connectivity. An assessment of objectives, challenges and criteria had led to the development of a proposed balanced programme of strategic region-wide transport interventions.

Resolved:

- (1) The balanced programme and indicative allocations of Transforming Cities Fund 2 resources be approved.
- (2) The approach for developing and managing the Transforming Cities Fund 2 allocations be approved.
- (3) The interrelationship between the resolutions (1) and (2) above and the funding challenge relating to the Investment Programme and existing HS2 Connectivity Package schemes be noted.

124. Future Mobility Zone Programme

The board considered a report Mike Waters, Director of Policy, Strategy & Innovation at Transport for West Midlands, setting out the purpose and scope of the £20m Department of Transport award to the West Midlands for a Future Mobility Zone.

The Government announced in its 2018 Autumn Statement a £90m fund for 'Future Mobility Zones', of which £20m would be allocated to the West Midlands. The fund was intended to support enhanced transport services such as better travel information during and before journeys, demand responsive services, incentivised travel choices, and elements of self-driving vehicle technology. This would enable new mobility services to be deployed that worked seamlessly for travellers, creating a better connected region and enabled a positive change in the lives of people.

The Chair thanked all those who had been involved in the project for their work in progressing matters to this stage.

Resolved:

- (1) The scope of the proposed Future Mobility Zone programme, which would be confirmed in the final grant agreement to be entered into with the Department for Transport, be approved.
- (2) The delegation of authority to officers as set out in the report be approved.
- (3) The timescales and funding mechanism as a ring-fenced capital and revenue top-up to the Transforming Cities Fund be noted.
- (4) The proposed further bid for additional funding from the remaining national allocation of £70m for Future Mobility Zones, which if successful would build on foundations laid by the first round of funding, be noted.

125. Women's Concessionary Travel Scheme Pass

The board considered a report from Mike Waters, Director of Policy, Strategy & Innovation at Transport for West Midlands, on a proposed Women's Concessionary Travel Scheme pass that would provide free off-peak local bus and Metro travel for around 9,000 women born between 6 March 1954 - 5 November 1954.

The Pension Act 2011 resulted in some women being financially worse off as a consequence of having to wait longer for their pension income than was initially set in the Pensions Act 1995. This also meant that these women would have to wait longer than expected for benefits that were commensurate with reaching state pension age, such as the concessionary travel pass. The report set out a number of options for introducing a Women's Concessionary Travel Scheme that would provide a travel pass to enable access to key services and opportunities, helping to tackle social exclusion, social isolation, maintaining good health and enabling independence.

Councillor Brigid Jones welcomed the proposals contained within the report, which helped towards addressing the disadvantages being experienced by certain women due to reforms in state pension regulations. Brigid Green, Birmingham Women Against State Pension Inequality, thanked the board for considering this matter and highlighted the significant help it would provide for women who did not qualify for their state pension at the age they were expecting to. For those in lower paid employment, or without a regular income, transport costs were significant and could often prove to be a barrier to wider involvement within their communities.

Resolved:

- (1) Approval be granted (noting the required consultation with operators) to introduce a local travel concession commencing on 7 July 2019 for women in the West Midlands most affected by the Pensions Act 2011 which accelerated the increase in the state pension age from 2016.
- (2) The forecast costs for the selected scheme option, which was funded from within the overall Transport Delivery budget, be approved.
- (3) Agreement be sought on the recommended scheme option 1 from those presented in the report and it be agreed that eligibility would be based from the Pensions Act 1995 (applicable if the scheme was to be extended beyond its proposed 15 month period).

126. Strategic Economic Delivery Board - 10 December 2018

The board received the minutes of the Strategic Economic Delivery Board held on 10 December 2018.

Resolved:

The minutes of the meeting held on 10 December 2018 be noted.

127. Transport Delivery Committee - 4 February 2019

The board received the minutes of the Transport Delivery Committee held on 4 February 2019.

Resolved:

The minutes of the meeting held on 4 February 2019 be noted.

128. Environment Board - 8 February 2019

The board received the minutes of the Environment Board held on 8 February 2019.

Councillor Peter Hughes expressed his disappointment that that the meeting had not been quorate.

Resolved:

The minutes of the meeting held on 8 February 2019 be approved.

129. Investment Board - 18 February 2019

The board received the minutes of the Investment Board held on 18 February 2019.

Resolved:

The minutes of the meeting held on 18 February 2019 be noted.

130. Housing & Land Delivery Board - 21 February 2019

The board received the minutes of the Housing & Land Delivery Board held on 21 February 2019.

Resolved:

The minutes of the meeting held on 21 February 2019 be noted.

131. Overview & Scrutiny Committee - 25 February 2019

The board received the minutes of the Overview & Scrutiny Committee held on 25 February 2019.

Resolved:

The minutes of the meeting held on 25 February 2019 be approved.

132. Investment Board - 11 March 2019

The board received the minutes of the Investment Board held on 11 March 2019.

Resolved:

The minutes of the meeting held on 11 March 2019 be noted.

133. Update on Arrangements for Exiting the European Union

The Chair provided a verbal update on discussions that were being held on arrangements for the United Kingdom to leave the European Union. Work was being focused around economic matters, resilience and local authority co-ordination. A contingency planning group had been established to oversee the economic impacts and had shared its action plan with local authority chief executives, which included the pooling of some resources and a package of 'asks' to the Government if the UK was to leave the EU with no withdrawal agreement on 12 April 2019.

Councillor Brigid Jones reported that in respect of resilience planning, thematic groups covering trading standards, environmental health and workforce planning were meeting. Birmingham City Council intended to reconvene its Brexit Commission during the next week to continue this preparatory work.

Martin Reeves, Chief Executive of Coventry City Council, reported that the West Midlands Conurbation Local Resilience Forum had been meeting regularly to ensure business continuity across core functions throughout the region. Nick Page, Chief Executive of Solihull Metropolitan Borough Council, indicated that he was meeting three times a week with civil servants in London and was feeding back to chief executives colleagues the outcome of these meetings.

Resolved:

The update on the latest developments to prepare the region for the United Kingdom's upcoming withdrawal from the European Union be noted.

[NB. The Chair indicated that he was accepting this item as a matter of urgent business given the importance of ensuring the board was fully informed of the latest developments.]

134. Friday 24 May 2019 at 11.00am

The date of the next meeting was noted.

135. Exclusion of the Public & Press

Resolved:

In accordance with s100(A) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item as it was likely to involve the disclosure of exempt information as specified in paragraphs 3 and 5 of the Act.

136. Housing & Land Single Commissioning Framework: Update and Key Principles

The board considered a report from Gareth Bradford, Director of Housing & Regeneration, and Linda Horne, Interim Director of Finance, on the development of a Single Commissioning Framework for new and existing devolved housing and land funds in the West Midlands.

The Housing & Land Delivery Board had recommended the development of a Single Commissioning Framework at its meeting on 25 October 2018, which would provide a single set of criteria and governance systems that would be applied to all applications for available devolved WMCA housing and land funding, along with a consistent process and timeline for decisions. The funds that the proposed framework would apply to were:

- the remaining unallocated Brownfield Land & Property Development Fund,
- the extended Commercial Investment Fund,
- the new Residential Investment Fund,
- the new Land Fund,
- the component of the infrastructure funding made available to the WMCA in respect of the Commonwealth Games athletes village and the wider regeneration at Perry Barr,
- the remaining Housing Deal funds for infrastructure.

Councillor David Humphreys welcomed the application of the framework to schemes within both constituent and non-constituent member areas.

Resolved:

- (1) It be noted that the report had been considered, and the broad contents endorsed for submission to the WMCA Board, by the Programme Board, the Housing & Land Delivery Board and Housing & Land Delivery Steering Group.
- (2) The key operational principles proposed in the report of the Housing and Land Single Commissioning Framework, as agreed by the Programme Board and the Housing & Land Delivery Board, be approved.
- (3) Authority be delegated to the Director of Housing & Regeneration, the Director of Finance and the Head of Governance, in consultation with the Portfolio Holder for Housing & Land, for the drafting and approval of the detailed Housing and Land Single Commissioning Framework, subject to it being consistent with the key operational principles, weighting and criteria proposed within the report.

The meeting ended at 1.10 pm.