



WEST MIDLANDS COMBINED AUTHORITY

Board Meeting

Friday 17 February 2017

Minutes

Members

Birmingham City Council	Councillor Ian Ward
City of Wolverhampton Council	Councillor Roger Lawrence
Coventry City Council	Councillor George Duggins
Coventry City Council	Councillor Abdul Khan
Dudley Metropolitan Borough Council	Councillor Pete Lowe – Vice Chair
Solihull Metropolitan Borough Council	Councillor Bob Sleigh – Chair
Solihull Metropolitan Borough Council	Councillor Ian Courts
Walsall Metropolitan Borough Council	Councillor Sean Coughlan
Nuneaton and Bedworth Council	Councillor Julie Jackson
Tamworth Borough Council	Councillor Steven Claymore
North Warwickshire Borough Council	Councillor David Humphreys
Rugby Borough Council	Councillor Michael Stokes
Stratford –on- Avon District Council	Councillor Chris Saint
Shropshire Council	Councillor Malcolm Pate
Warwickshire County Council	Councillor Izzi Seccombe
Herefordshire Council	Councillor Tony Johnson

Observers

Police & Crime Commissioner	David Jamieson
West Midlands Fire & Rescue Service	Councillor John Edwards

Officers In Attendance

Birmingham City Council	Tony Smith
City of Wolverhampton Council	Keith Ireland
Coventry City Council	Martin Reeves
Dudley Metropolitan Borough Council	Sarah Norman
Sandwell Metropolitan Borough Council	Jan Britton
Solihull Metropolitan Borough Council	Nick Page
Walsall Metropolitan Borough Council	Paul Sheehan
Black Country Consortium	Sarah Middleton
Coventry and Warwickshire LEP	Paula Deas
Greater Birmingham and Solihull LEP	Katie Trout
Nuneaton and Bedworth Council	Alan Franks
Redditch Bromsgrove Council	Kevin Dicks
North Warwickshire Borough Council	Steve Maxey

Rugby Borough Council	Adam Norburn
Stratford-on-Avon District Council	Dave Webb
Warwickshire County Council	Mark Ryder
Shropshire Council	Gemma Davies
Police & Crime Commissioner Office	Jonathan Jardine
West Midlands Fire Service	Phil Loach
Transport for West Midlands	Laura Shoaf
West Midlands Combined Authority	James Aspinall
West Midlands Combined Authority	Jan Jennings
West Midlands Combined Authority	Richard Kenny
City of Wolverhampton Council	Rachel Ratcliffe
City of Wolverhampton Council	Chris Tunstall
City of Wolverhampton Council	Jaswinder Kaur
Solihull Metropolitan Borough Council	Andrew Kinsey
Sandwell Metropolitan Borough Council	Peter Yeoman
Chair of Transport Delivery Committee	Councillor Richard Worrall
Paul Marcuse	Chair, West Midlands Land Commission
Bruce Mann	Commissioner, West Midlands Land Commission
Bill Oliver	Commissioner, West Midlands Land Commission
Mike Emmerich	Metro Dynamics
Louisa Guyon	Metro Dynamics

Item Title
No.

1. **Meeting Business Items**

1.1 **Apologies for absence**

Apologies for absence were received from Councillor John Clancy (substituted by Councillor Ian Ward), Councillor Steve Eling, Councillor Lee Jeavons, Stewart Towe, Steve Hollis, Jonathan Browning, Councillor Shaun Davies, Councillor George Adamson, Councillor Dennis Harvey (substituted by Councillor Julie Jackson), Councillor Bill Hartnett and Graham Wynn.

Councillor Bob Sleigh welcomed Paul Marcuse (Chair of West Midlands Land Commission), Bruce Mann (Commissioner, West Midlands Land Commission), Bill Oliver (Commissioner, West Midlands Land Commission), Mike Emmerich (Founding Director, Metro Dynamics) and Louisa Guyon (Research Consultant, Metro Dynamics).

1.2 **Declarations of Interest (if any)**

There were no declarations of interest.

1.3 **Minutes of the WMCA Meeting held 20 January 2017**

The West Midlands Police and Crime Commissioner clarified that in relation to section 3.2 in the minutes a summit had taken place on Friday

10 February 2017 on the impact of traveller's in the region.

That the minutes of the meeting held on the 20 January 2017 be approved as an accurate record.

1.4 **Forward Plan**

Resolved:

1. That the Mayoral budget be discussed at the March 2017 meeting.
2. That the forward plan be agreed.

1.5 **Chairs Remarks**

Councillor Bob Sleight advised he had received a number of correspondences from the West Midlands universities in support of the proposals for the growth company proposals and would share the details with board members through Keith Ireland.

Councillor Bob Sleight advised he had attended a Land Infrastructure Commission, chaired by Lord Adonis.

2. **Housing and Land**

2.1 **West Midlands Land Commission**

Councillor Sean Coughlan introduced the report from the West Midlands Land Commission. The report sets out challenging targets however ones which would bring economic prosperity to the region. The report was supportive of the WMCA SEP and addresses how land targets can be met. The content of the report would need to be carefully considered and recommendations addressed separately. At this stage the report was to be received and noted.

Paul Marcuse (Chair of the West Midlands Land Commission) introduced fellow commissioners Bruce Mann and Bill Oliver and Mike Emmerich and Louisa Guyon from Metro Dynamics.

Paul Marcuse stated the recommendations within the report were based on four overarching principles. These were:

- That all parts of the WMCA should benefit, though not necessarily at the same time or in the same way, the recommendations focus on the need for prioritisation.
- The need for the WMCA to add value to the existing development and delivery activities of the individual local authorities, and not to displace those activities. The WMCA would therefore only intervene where its intervention added value beyond the actions of its individual members, and recognising that the WMCA is not a Planning authority.
- The combination of the setting-up of the WMCA and the devolution

deal mean that there has been a step change in the powers and funding available to the WMCA. The WMCA should consider how it can make full and holistic use of both the new powers (including the enhanced borrowing powers announced in the Autumn Statement 2016) and the funding provided by the devolution deal and any future agreements with central government.

- Aligning development and infrastructure – ensuring that infrastructure investment, especially in strategic transport and the provision of utilities, and the development of housing and employment sites were closely aligned.

Paul Marcuse and Bruce May presented the following six recommendations:

- The development of a single agreed spatial vision for the West Midlands, expressed in a non-statutory Spatial Framework, supported by collective processes and resources which underpin its delivery with a strong bias to collective action. The Commission believes that the proposed Spatial Framework would need to cover within a mixed land use strategy, the whole range of options for delivering sites for employment and housing uses, including brownfield remediation (see further below), densification, estate renewal, infill development, and new settlements and urban extensions.
- Key amongst these is the designation of a prioritised list of Action Zones wherein significant employment and housing space can be accommodated, underpinned by a Delivery Plan and a Financial Plan for each such Zone; use of the WMCA's embedded capacity to create a Project Delivery Team to apply the human and financial resources available from both local and national sources to identifying the way in which strategic transport investment schemes might be leveraged to secure more, and more productive, employment and housing land than might otherwise be the case; and identifying the potential for siting strategic employment sites and large concentrations of new homes in strategic transport corridors.
- The continued development of a visible unity of purpose in delivering that agreed spatial vision, seen in the arrangements that underpin it, especially in local and national bodies collaboratively using the full range of existing and emerging planning powers; and in the creation of new collaborative delivery models to allow a joined-up approach to the delivery of key sites. The Commission considers that there is a great deal to be gained from further and wider collaboration across the public and private sectors in delivering the SEP's ambitions and targets. It also believes that there would be value in the WMCA implementing measures to strengthen the region's identity in a manner appropriate to its role as the UK's second city region, and using the proposed Growth Company as the 'front door' to global investors, developers and occupiers.

- A radically expanded programme of regeneration and remediation of brownfield sites across the West Midlands, engaging both local and national organisations. The Commission believes that central government, especially the HCA, has a significant role and responsibility in this area. Associated with this would be the expansion of existing collaborative arrangements to allow a collective review of the utilisation by central and local public sector bodies of their land and property assets, to establish whether through more efficient shared use it would be possible to release under-utilised public sector sites for redevelopment.
- A strategic review of the Green Belt in the geographical areas covered by the WMCA. The Commission believes that even an effective, well-funded brownfield remediation programme is unlikely to provide a sufficient supply of developable land to meet the SEP's ambitions and targets on its own within the timescale, therefore a mixed land use strategy would need to be adopted encompassing the use of densification, estate renewal and infill development as well as new settlements and urban extensions. The review should pick up from and, where appropriate, supersede the reviews which a significant number of local authorities had underway, where the Commission has heard from a number of respondents that individual local reviews risk a piecemeal and unsustainable 'chipping away' of the Green Belt.
- Building on steps already taken, the further development of governance arrangements to provide shared leadership and oversight of the implementation of the measures described in this report.

Paul Marcuse closed by thanking Jan Britton and his team, Councillor Sean Coughlan for the support received. He also placed thanks to the all the commissioners Bridget Rosewell, Jerome Frost, Bruce Mann, Bill Oliver and Metro Dynamics (Mike Emmerich and Louisa Guyon). He thanked the WMCA for getting involved in the engagement process and wished the WMCA well on the opportunities ahead. There was sincere hope that the report would be of benefit to this great region.

The West Midlands Police and Crime Commissioner welcomed the report in particular reference to action zones. He went onto to add his Action Plan had a strand on growing the economy and highlighted the police had a small intricate role to play. A Summit on unauthorised traveller camps had taken place on Friday 11 February 2017 which was a multi-agency event. As a result an action plan had been produced to tackle the region wide issues. A report would be circulated to all board members once finalised. Going forward there would be collaborative approach to tackling the issue.

Councillor Michael Stokes welcomed the report however had a small criticism that the report only acknowledged Warwickshire County Council had given evidence and not the districts. When in fact districts had also contributed to the call for evidence. With some of the Non-Constituent

members in a two tier system clarification was required on how it affected everyone in the geographical area.

Councillor Izzi Seccombe added the emerging national policy also needed to be understood and how that would interlink to this piece of work e.g. the government white paper on housing. She clarified that for district councils there was a two tier system however the sovereignty for local land plans was the responsibility of the districts. Going forward all areas needed to be interlinked at local level, WMCA Level, LEP and SEP level.

Councillor Roger Lawrence welcomed the report and the prioritisation for the Black Country by way of development and remediation of brownfield sites. He recognised going forward there would be a challenge in linking housing, employment sites and transport needs together. He also thanked the West Midlands Police and Crime Commissioner on the traveller initiative and welcomed the initiative to work in collaboration with partners to tackle the issue.

Councillor Ian Courts welcomed the political solution on the traveller issue. Going forward strong political engagement was required with Constituent and Non-Constituent members. The recommendations also needed to reflect the government white paper on policy areas such as brownfield sites and greenfield land.

Councillor Chris Saint was concerned that engagement did not take place at district level and highlighted that districts were responsible for their own statutory land plans and was concerned a final report had been put forward without sign off from individual Councils.

Councillor Bob Sleight emphasised the report at this stage was for noting.

Councillor David Humphreys sought clarification on the allocation figures within the report which was 5-10% higher than the current housing figures for his Council. Jan Britton clarified the WMCA SEP had higher development targets which would require more land. The figures would not be enforced onto members.

Councillor Malcolm Pate welcomed the report, Shropshire had several brownfield sites and would welcome on-going dialogue on the remediation of brownfield sites.

Councillor Julie Jackson welcomed that individual sovereignty would be respected.

Councillor Tony Johnson highlighted that there was a risk the Land Commission Report would become a policy document without sign off from individual Councils.

Councillor Sean Coughlan responded that districts did have an opportunity to engage into the process and would check that was the case. He also acknowledged everyone had different political challenges to face and that governance structures would need to be developed around housing and

land.

Councillor Bob Sleight thanked the commissioners for their work and Jan Britton. Councillor Sean Coughlan also commended the work of Jan Britton.

Councillor Sean Coughlan moved two additional recommendations at the meeting as detailed at point five and six below.

Resolved:

1. That the West Midlands Land Commission Final report be received.
2. That the Chair of the Commission, Paul Marcuse, and the other Commissioners be thanked for their diligent work in the preparation of the Final report.
3. That the Final Report be received and in so doing acknowledge that it is not a material consideration in the determination of planning applications or the formulation of planning policies.
4. That it be noted, that Councillor Sean Coughlan shall take responsibility for a programme of work to determine the WMCA response to the independent Land Commission report in due course.
5. That it be noted, the relationship between the recommendations of the Land Commission and the HS2 Connectivity package and ensure this was considered as proposals developed for consideration by the WMCA Board.
6. That it be noted, the government's white paper on housing be considered alongside the work of the Land Commission as proposals were developed for the consideration by the WMCA Board.

3. Combined Authority Governance

3.1 Minutes of the Overview and Scrutiny Committee held on 16 December 2016

Resolved:

That the minutes of the Overview and Scrutiny Committee held on 16 December 2016 be noted.

3.2 Minutes of the Transport Delivery Committee held on the 9 January 2017

Resolved:

That the minutes of the Transport Delivery Committee held on the 9 January 2017 be noted.

3.3 Minutes of the Audit, Risk & Assurance Committee held on the 27 January 2017

Resolved:

That the minutes of the Audit, Risk & Assurance Committee held on the 27 January 2017 be noted.

4. Chair of West Midlands Combined Authority

4.1 Mayoral Combined Authority 'Functions' Order Update

Chris Tunstall advised that the final version of the Order from DCLG had been received and consent would be sought from Constituent Councils shortly to lay the Order in Parliament. DCLG had requested that Constituent members consent to the order by the 22 February 2017 but due to some Constituent members not being able to meet this deadline it was proposed that Constituent Members respond by the 2 March 2017.

Resolved:

That Chris Tunstall to write back to DCLG to advise that Constituent Members would consent to the Order by the 2 March 2017.

4.2 Devolution Update

Katie Trout provided an update on devolution. Further discussions at official level had taken place with Treasury and Cities Local Growth Unit and a separate briefing session would take place with board members.

4.3 Trade Union Congress Engagement with the Combined Authority

Councillor Pete Lowe presented a report for the Trade Union Congress (TUC) to be co-opted onto the WMCA Board. He highlighted the importance of working in partnership with key stakeholders and the benefits the TUC can bring to the WMCA.

Resolved:

1. That the Trade Union Congress (TUC) be co-opted (one seat) onto the WMCA Board be approved with effect from 1 March 2017 (first meeting 3 March 2017).
2. That in principle the TUC had a seat on relevant working groups within the WMCA structure be agreed, subject to the approval of the WMCA Board on 7 April 2017.
3. That it be agreed, that a new section be added to the Constitution of the

WMCA regarding co-optees.

4. That it be agreed, that the Constitution changes would include the ability for the WMCA Board to both select co-optees and de-select co-optees by approval of the WMCA Board voting members.

5. Transport

5.1 Network Resilience - Preliminary Report

Councillor Roger Lawrence presented a report on the work undertaken to understand the scale of the challenge of managing and securing a resilient and robust transport network during a period of major infrastructure work across the West Midlands. The report also highlighted a number of actions which were recommended in order to mitigate potential adverse impacts of any resulting poor network resilience (the ability of the system to cope with planned change and incidents).

A multi-agency approach was required to tackle network resilience, a further report would be provided in due course. Funding needed to be secured to develop a highways monitoring system.

Councillor Chris Saint and Councillor Malcolm Pate highlighted that there region had been excluded from the core area, which would leave both regions isolated from the HS2 links. Laura Shoaf agreed to meet with Councillor Chris Saint and Councillor Malcolm Pate separately to discuss further.

Councillor Izzi Seccombe welcomed the focus of the report and highlighted the key trading network routes in the Warwickshire footprint. She emphasised the importance in the ability of businesses to move goods around the network and the need for this to be right long term not just medium term. The key to success was the viability for businesses and alternate routes for resilience.

The West Midlands Police and Crime Commissioner added a regional command centre to coordinate highways activity of Highways England, Police and Local Authorities could save money by bringing the activity together and that the notion be tested. A system which would allow drivers to make informed decisions and change their route before they were stuck in traffic was critical for network resilience.

Councillor Michael Stokes welcomed the report and acknowledged there was an opportunity for a global footprint to work with companies on developing a system to assist with network resilience.

Councillor Roger Lawrence welcomed the comments and would liaise with all going forward and a further detail would be provided in due course.

Resolved:

1. That the progression of a number of immediate priorities for managing network resilience during the next 5-10 years of major transport works across the WMCA area:
 - i. Form a formal and fully empowered multi-agency partnership with robust governance to work together to tackle the issues;
 - ii. Define and agree clear objectives for the partnership, to be based around ensuring the economic activity is able to continue to operate and grow, whilst existing transport system capacity issues were addressed and new growth sites were unlocked;
 - iii. Undertake a more detailed evidence analysis and develop firm mitigation strategies and schemes, including detailed feasibility and costs for these; and
 - iv. Secure funding for and undertake enabling and preparatory actions to consider the principles and benefits to partners in sharing data, and managing the network in an integrated and co-ordinated way. This includes exploring options around a West Midlands Regional Integrated Command Centre to bring together all stakeholders with all the relevant information to direct both the strategic and operational activity, for delivery by all partners.
2. That the immediate implementation of a multi-agency Network Resilience Partnership and Governance Structure led by TfWM, the principles of which were set out in Section 6 of the report. This is to be refined and developed in collaboration with partners concurrently with establishing and mobilisation it.
3. That the formation of a coordinated joint communications and public relations plan encompassing all WMCA partners, HS2 Limited, Highways England and Network Rail, to be agreed by the Heads of Communication of the WMCA and the Constituent Authorities.
4. That the discussion between Sandwell MBC and Highways England regarding the M5 Oldbury Viaduct major maintenance works and the concerns regarding the need for both physical mitigation works on the local highway network and a robust public communications plan. Sandwell MBC is seeking to agree proposals with Highways England, along with a commitment to implement a contingency relief plan in the event of excessive disruption be noted.

5.2 HS2 Connectivity Package

Councillor Roger Lawrence presented a report which sets out a revised HS2 Connectivity Package following a review of scheme viability. Many schemes would be revisited in the future as part of future devolution asks. A prioritisation list was brought forward at this stage.

Councillor Chris Saint sought clarification on the connectivity package from Solihull to the Interchange. Councillor Lawrence clarified that it had been joined up with the Hall Green Scheme. He went on to add that

everyone would benefit but not at the same time or same way.

Councillor Izzi Seccombe was disappointed the Colehills Parkway was not further up the scheme as Colehills would be significantly affected by HS2 and the development village. But noted that the report recognised the route required improvement long-term.

Councillor Ian Court noted that Hall Green was in the core proposal but requested that the WMCA be mindful of emerging housing development needs in rural areas.

Councillor Roger Lawrence welcomed the comments and recognised the WMCA needed to be agile in making decisions in the region.

Resolved:

1. That the principles for reallocating HS2 Connectivity Package funding as set out in Section 5 of the report be noted.
2. That the criteria that has been used to assess the HS2 Connectivity Package in Section 6 of the report be noted.
3. That the revised HS2 Connectivity Package as set out in Section 7 of the report be agreed.
4. That it be agreed the Government was lobbied to ensure that dependent national programmes were delivered by Network Rail.

5.3 **Swift Programme 2017**

Councillor Roger Lawrence presented a report on the detailed Swift Programme to the West Midlands Combined Authority; and to outline an opportunity to accelerate a number of projects within the programme as determined by the Smart Programme Board.

Resolved:

1. That the Swift programme as set out in the report be reviewed.
2. That the acceleration of the rail based projects be agreed.

5.4 **West Midlands Bus Alliance Annual Report**

Councillor Roger Lawrence presented a report from the Transport Delivery Committee on West Midlands Bus Alliance Annual Report. He provided an update on the work and effectiveness of the five-year West Midlands Bus

Alliance after its first full year. He went on to thank the Transport Delivery Committee for the work undertaken in this area.

Resolved:

1. That the progress made during the first 12 months of the West Midlands Bus Alliance, in particular successes in reducing emissions, developing smartcard ticketing, on-going improvements in vehicle quality and the delivery of a number of successful schemes to improve journey times and reliability be noted.
2. That the challenges presented by increasing congestion, the impact this has on punctuality and journey times, and the knock-on impact on passenger satisfaction and patronage be noted.
3. That the proposal for a formal Alliance partnership delivery agreement to support the delivery of further initiatives over the next three years be agreed.

5.5 Movement for Growth and Transport Monitoring

Councillor Roger Lawrence presented a report on the development and delivery of the Movement for Growth strategic transport plan; the tracking of progress of the Strategic Economic Plan and the WMCA Performance Framework. Monitoring was needed to see whether the overall delivery of schemes and measures was achieving our vision and objectives and evaluation to understand what is work best. The report highlighted how we would measure our success against headline and supporting measures and how, through on-going research and evidence gathering, we would inform and shape the policies and programmes.

Resolved:

1. That the Movement for Growth strategic transport plan monitoring process be approved, which is compatible with the West Midlands Combined Authority's performance management framework, as set out in the report.
2. That the on-going monitoring to support the themes within the Movement for Growth strategic transport plan be approved.

6. Economic Growth

6.1 Economic Growth Portfolio Update

The item to be deferred to a future board meeting.

6.2 WMCA Growth Company

Keith Ireland advised that this item would be discussed in private as the presentation detailed information relating to the affairs of an organisation.

7. Health and Wellbeing

7.1 Health and Wellbeing Portfolio Update

Councillor Pete Lowe provided an update on the Health and Wellbeing Portfolio. The launch of the Wellbeing Action Plan on the 31 January 2017 had been a successful event and was well attended.

Councillor Pete Lowe advised that a representative had not been nominated for the Wellbeing Board for a district Non-Constituent member and advised that the next meeting was taking place on the 22 February 2017.

The West Midlands Police and Crime Commissioner advised that Superintendent Sean Russell (Implementation Director for the West Midlands Mental Health Commission) had received an award for showing outstanding bravery whilst off duty.

8. Productivity and Skills

8.1 Employment Support Pilot

Councillor George Duggins presented a report on employment support pilot. The pilot needed to be submitted by the 24 February and an outcome should be received by the end of March 2017. The good news was government was minded to open the pilot to Constituent and Non-Constituent members.

Councillor Izzi Seccombe queried whether the pilot would be rolled out to the self-employed and that in Warwickshire there had been success in rolling out support to the self-employed and was happy to share good practice.

Councillor George Duggins noted the comments made.

Resolved:

1. That the submission of a business case for an employment support pilot be agreed as outlined within the report.
2. That comments on the basis upon which pilot sites should be selected.

3. That the principle of aligning devolved Adult Education Budget to delivery of the pilot be agreed.
4. That authority for sign off of the business case be delegated to the Portfolio Lead for Productivity & Skills prior to submission on 24th February 2017.

9. Finance and Investment

9.1 2017/18 Combined Authority Operational Budget

Councillor Izzi Seccombe presented a report on the Combined Authority Operating Budget for the 2017/18 financial year. The operational budget was outlined with detail provided on income and the expenditure for portfolios. Total expenditure was short of £4.3 million.

Resolved:

- 1.** That the revenue requirements for the 2017/18 Combined Authority Operational Budget be reviewed and approved.
2. That the 2017/18 Combined Authority Annual Membership fee be approved, and that discount is available for payment before 31st March 2017 after which date the full fee would be required.

9.2 2017/18 Combined Authority Consolidated Budget

Councillor Izzi Seccombe presented a report on the Combined Authority Investment Programme and overall consolidated budget for the 2017/18 financial year. The current position on the mayoral budget requirements were outlined and that a further report approving a fully funded budget would be reported in due course.

The consolidated budget detailed the operating budget, emerging mayoral budget requirements, investment programme and transport revenue budget.

The proposed general reserve balance was significantly below the recommended level.

The West Midlands Police and Crime Commissioner observed that the mayoral budget was not noted in the Forward Plan for the March meeting. He added that the mayoral budget report was to be brought forward by Finance and Investment portfolio lead that was outside the mayoral area.

Councillor Izzi Seccombe responded that that mayoral budget would be presented at the March meeting; the mayoral candidates had been consulted on the budget. As a Non-Constituent member she was able to provide a degree of independence and was aware the mayoral budget

was a decision for the Constituent Members to agree upon.

Keith Ireland added that Councillor Izzi Seccombe would present the mayoral budget report at the WMCA March meeting as the portfolio lead of finance and investment. The mayoral budget needed to be considered by Constituent Members and discussions were taking place with mayoral candidates, who had differing visions for the mayoral budget.

Resolved:

1. That the balanced summary 2017/18 consolidated revenue budget for West Midlands Combined Authority detailed in section 3 of the report be approved.
2. That the budget for the May mayoral elections set out in section 4 of the report be approved.
3. That the 2017/18 Investment Programme detailed in section 5 of the report be approved, subject to individual schemes complying with the assurance framework requirements.
4. That the use of the gainshare government grant be approved, noting that this is primarily a funding source for the Investment programme.
5. That the three year advance payment of the transport deficit pension contribution as detailed in section 6 in the report be approved.
6. That the Combined Authority forecast available reserves position as at 31 March 2017 of only £1.58m be noted.

9.3 **2017/18 WMCA Treasury Management Strategy**

Councillor Izzi Seccombe presented a report on the West Midlands Combined Authority's (WMCA) Treasury Management and Investment Strategy for 2017/18. The report sets out the approved prudential and treasury management indicators for the period to 31 March 2020 and sets out the expected treasury operations for this period. The treasury management strategy detailed the expected activities of the treasury function in the forthcoming year 2017/18. The publication of the strategy was a statutory requirement.

Resolved:

1. That the Minimum Revenue Provision (MRP) Statement set out in Section 11 of the report be approved.
2. That authority be delegated to the West Midlands Combined Authority Section 151 Officer to undertake borrowing in accordance

with this Strategy.

3. That the West Midlands Combined Authority Treasury Management and Investment Strategy for 2017/18 as set out in the report be approved.
4. That the West Midlands Combined Authority Treasury Management and Investment Strategy for 2017/18 be endorsed and noted.
5. That the prudential and treasury management indicators and limits described in section 13 and as detailed in Appendix 3 of the report be endorsed and noted.

9.4 **Land Remediation Fund**

Councillor Izzi Seccombe presented a report and sought final agreement on the establishment of the Land Remediation Fund (LRF), and the arrangements for operating the LRF, now that the devolution deal has been approved by Government. The LRF would have a total value of £200 million, with £150 million for strategic developments and £50 million for individual developments. The City of Wolverhampton Council would undertake borrowing relating to the LRF until the WMCA had power to borrow.

Councillor Ian Courts stated that governance process had not been touched upon. The Black Country would benefit the most from the LRF and if more brownfield sites were remediated there would be less reliance on greenfield sites.

Councillor Sean Coughlan added that the Land Commission report points the WMCA in the right direction in relation to land. The WMCA needed to ensure that brownfield sites were remediated and that greenfield sites were used strategically.

Councillor Izzi Seccombe clarified the governance process for Land Remediation proposals, proposals would initially be discussed by the Investment Board and then submitted to the WMCA Board for agreement. A £150 million would be earmarked for Black Country brownfield sites and £50 million for other projects. The WMCA would have an opportunity to learn from Black Country sites and reconsider the fund in future.

Resolved:

The establishment of a Land Remediation Fund (LRF), which would be a fund of investments made by the CA itself, with a total value of £200 million, with 75% of the LRF being earmarked for programmes of strategic developments and 25% being set aside to support individual strategic developments and to complement the Collective Investment Fund (CIF).

2. That the maximum LRF grant awarded to any individual project, from the 25% set aside to support individual strategic developments, would

not typically exceed 20% of that element of the LRF.

3. That consistent with the principles of balance and fairness the LRF would be focussed on securing a broader economic return across the West Midlands region.
4. That the LRF would be available to support projects within the geographical areas of those constituent and non-constituent members of the CA named in the recent Parliamentary Order. Noting that the special circumstances of the Black Country, in relation to derelict and contaminated, would be recognised and prioritised within the Dynamic Economic Investment Model, along with the principles of balance and fairness.
5. That the LRF is operated in a flexible manner, primarily providing grant and gap funding, however, equity instruments may be used where developer super profit is anticipated, noting that the investment strategy and parameters would be set by the CA and not Finance Birmingham and that Finance Birmingham would work closely with member Councils and LEPs on the pipeline of investment opportunities.
6. That a set of target outcomes would be developed, that align to the Strategic Economic Plan, in order that the success and value for money of the LRF can be closely monitored.
7. That Finance Birmingham were appointed Fund Manager for the 25% of the LRF set aside to support individual strategic developments and to compliment the CIF.
8. That the CA funds Finance Birmingham's management fee for operating the LRF, this would be based on the incremental costs over and above those required to operate the CIF, with delegation to Jan Britton as lead Chief Executive of the Finance workstream of the CA to agree the actual level of those fees.
9. That the Information Memorandum for the LRF, provided at Appendix A, is approved, with delegation to Jan Britton as lead Chief Executive of the Finance workstream of the CA to agree minor amendments if required to bring the LRF into operation.
10. That until such time as the CA has the power to borrow:
 - a. The City of Wolverhampton Council would undertake the borrowing relating to the LRF.
 - b. That the CA would pay an annual revenue grant to the City of Wolverhampton Council to cover the cost associated with the LRF borrowing.
 - c. The City of Wolverhampton would enter into a formal written agreement with the CA that sets out the detail of this arrangement, with authority being delegated to Jan Britton as lead Chief Executive of the Finance workstream of the CA to approve this agreement.
11. That when the CA has the power to borrow, the balance of any borrowing undertaken by the City of Wolverhampton Council relating to the LRF would be 'purchased' by the CA.
12. That an Investment Management Agreement (IMA) for the operation of the CIF is entered into by the CA and Finance Birmingham, with authority being delegated to Jan Britton as lead Chief Executive of the Finance workstream of the CA to approve this IMA.
13. That final approval of any further LRF related documentation be

delegated to Jan Britton as lead Chief Executive of the Finance workstream of the WMCA.

14. That it noted, the arrangement and monitoring fees would be paid directly to Finance Birmingham by LRF applicants.
15. That it be noted, the fund management arrangements for the 75% set aside for programmes of the LRF would be considered on a case by case basis as and when bids come forward.

10. Any Other Business

10.1 None Notified

11. Date of Next Meeting

11.1 Friday 3 March 2017, 11:00 – 13:00

Resolved:

That the date and time of the next meeting be noted.

12. Exclusion of the Press and Public

Resolved:

That in accordance with Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business as they involve the likely disclosure of exempt information relating to any individual, information which is likely to reveal the identity of an individual and/or information relating to the business affairs of any particular person (including the authority holding that information).

12.1 WMCA Growth Company

Keith Ireland made a presentation on the progress in developing a WMCA Growth Company. A further report would be presented at the next Board meeting.

Resolved:

That the presentation be noted.