



WEST MIDLANDS
COMBINED AUTHORITY

Investment Board

Date 21 November 2016

Minutes

Members	
Councillor Jim O'Boyle	Coventry City Council
Councillor Robert Hlland	Solihull Metropolitan Borough Council
Councillor Peter Richards	Stratford on Avon District Council
Councillor Izzie Seccombe	Warwickshire County Council
Paul Brown	Black Country Local Enterprise Partnership
Nick Abell	Coventry and Warwickshire Local Enterprise Partnership
In Attendance	
James Aspinall	West Midlands Combined Authority
David Cockroft	Coventry City Council
Carl Craney	West Midlands Combined Authority
Nick Oakley	Finance Birmingham
Aimee Proctor	Coventry City Council
Mark Taylor	City of Wolverhampton Council
Observer	
Councillor David Welsh	Coventry City Council

01/16 Appointment of Vice Chair

Resolved:

That Cllr Mrs Izzie Seccombe, Portfolio Holder for Finance and Investments, West Midlands Combined Authority, be appointed Vice Chair of the Board for the remainder of the Municipal Year.

Cllr Mrs Izzie Seccombe – Vice Chair - In the Chair

02/16 Welcome and introductions

At the invitation of the Chair introductions were duly made.

03/16 Apologies for absence

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Apologies for absence had been received from Councillor Sean Coughlan (Walsall MBC – representing the four Black Country Authorities), Sarah Middleton (Black Country Local Enterprise Partnership) and Katie Trout (Greater Birmingham and Solihull Local Enterprise Partnership). Carl Craney reported that he had been asked by Katie Trout to inform the Board on behalf of the Greater Birmingham and Solihull Local Enterprise that it had not been possible to identify a representative to attend this meeting.

04/16 Declarations of Interest

Councillor Jim O'Boyle declared a non-pecuniary interest in Agenda Item No. 6 (To consider the Business Case for Coventry City Centre South proposal).

Resolved:

That the requirement of members of the Board to declare interests in matters under consideration at meetings of the Investment Board be clarified given the inherent interest of representatives of the Local Enterprise Partnerships to have an interest in such matters.

05/16 Calendar of meetings

Resolved:

That, if required, meetings of the Investment Board be held at 14:00 hours on the following dates at venues to be confirmed:

19 December 2016;

23 January 2017;

20 February 2017;

20 March 2017 and

24 April 2017.

06/16 Exclusion of the public and press

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 the business affairs of any particular person (including the authority that holds that information).

07/16 Membership, Voting and Terms of Reference

The Chair advised the Board that concerns had been raised at the meeting of the WMCA Board held on 30 September 2016 with regard to membership, voting arrangements and the Terms of Reference of this Board. It had been agreed that any outstanding issues on the balance of power of private sector involvement be resolved outside the Board but that had not yet happened. She read out to the Board a proposal which had been made by Nick Abell to address this issue and which proposed the establishment of a Working Group comprised of herself

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together with Nick Abell, James Aspinall and a legal representative from the Combined Authority to meet to discuss this matter with a view to reporting to the January meetings of the WMCA Board and this Board. Nick Abell explained his concerns with regard to this matter to the Board and drew to its specific attention the changes from the original membership and voting arrangements to that currently proposed. He advised that he hoped all decisions would be reached by consensus but that in the event that voting was required the balance of power needed to be divided equitably.

Resolved:

1. That the Working Group detailed above be established and required to report to the January 2017 meetings of the WMCA Board and this Board;
2. That the Terms of Reference of the Board be circulated to members of the Board, for information;
3. That details of the Assurance Framework and the Gateway stages that had been passed by the three cases under consideration at this meeting be circulated to the Board.

08/16 Business Case for Coventry City Centre South proposal

The Board considered a report presented by James Aspinall and a PowerPoint presentation from David Cockroft in connection with the Coventry City Centre South proposal. James Aspinall and David Cockroft responded to various questions posed by the Board.

Resolved:

1. That the West Midlands Combined Authority be recommended to support in principle the Coventry City Council application for funding to support its Coventry City Centre South proposal and to approve a grant of up to £98.8 million subject to :
 - a) that any terms of a grant should ensure that the risks associated with a legal challenge are solely the responsibility of Coventry City Council and should such challenge prove successful then any grant paid over should be returned to the WMCA;
 - b) that where there are any cost savings or unused contingency the WMCA should benefit from such reductions which should be included in the grant conditions;
 - c) that the financial terms of the grant need further clarification and understanding between the Council and the WMCA;
2. That delegated authority be granted to Councillor Mrs Secombe, Vice Chair of this Board to authorise the final terms to be presented to the WMCA Board;
3. That a further report be presented to a future meeting of this Board relating to the financial framework that underpins the investment process and how and if it may relate to individual proposals.

09/16 Business Case for the Barberrry Perry Barr Ltd. proposal

Nick Oakley presented an Investment Report in respect of Barberrry Developments SPV and responded to questions posed by the Board.

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Resolved:

That subject to due diligence being undertaken by Finance Birmingham the proposal be supported by the provision of CIF debt funding of £2.9 million.

10/16 Business Case for Goold Estates (Midland Road) Ltd. proposal.

Nick Oakley presented an Investment report in respect of Goold Estates (Midland Road) Ltd and responded to questions posed by the Board.

Resolved:

That subject to due diligence being undertaken by Finance Birmingham the proposal be supported by the provision of CIF debt funding of £3.7 million