



# WEST MIDLANDS COMBINED AUTHORITY

## Board Meeting

Friday 30 September 2016

### Minutes

#### Members

Birmingham City Council	Councillor John Clancy
City of Wolverhampton Council	Councillor Roger Lawrence
Coventry City Council	Councillor George Duggins
Coventry City Council	Councillor Abdul Khan
Sandwell Metropolitan Borough Council	Councillor Paul Moore
Solihull Metropolitan Borough Council	Councillor Bob Sleigh – Chair
Solihull Metropolitan Borough Council	Councillor Ted Richards
Walsall Metropolitan Borough Council	Councillor Sean Coughlan
Cannock Chase District Council	Councillor John Kraujalis
Nuneaton and Bedworth Council	Councillor Dennis Harvey
Redditch Borough Council	Councillor Bill Hartnett
North Warwickshire Borough Council	Councillor David Humphreys
Rugby Borough Council	Councillor Michael Stokes
Warwickshire County Council	Councillor Izzie Seccombe

#### 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
Cannock Chase District Council	Tony McGovern
Redditch Bromsgrove Council	Kevin Dicks
North Warwickshire Borough Council	Jerry Hutchinson
Shropshire Council	Clive Wright
Rugby Borough Council	Adam Norburn
Warwickshire County Council	Monica Fogarty
The Marches LEP	Gill Hamer
Police & Crime Commissioner Office	Jonathan Jardine

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Transport for West Midlands	Laura Shoaf
West Midlands Combined Authority	James Aspinall
West Midlands Combined Authority	Jan Jennings
Solihull Metropolitan Borough Council	Rachel Egan
Solihull Metropolitan Borough Council	Andrew Kinsey
City of Wolverhampton Council	Chris Tunstall
City of Wolverhampton Council	Rachel Ratcliffe
City of Wolverhampton Council	Jaswinder Kaur

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#### **1. Meeting Business Items**

##### 1.1 Apologies for absence

Apologies for absence were received from Councillor Pete Lowe, Councillor Steve Eling, Councillor Ian Courts (substituted by Councillor Ted Richards), Councillor Lee Jeavons, Stewart Towe, Ninder Johal, Jonathan Browning, Steve Hollis, Councillor Shaun Davies, Councillor George Adamson (substituted by Councillor John Kraujalis ), Councillor Chris Saint, Councillor Malcolm Pate and Graham Wynn.

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

There were no declarations of interest.

##### 1.3 Minutes of the WMCA Meeting held on 19 August 2016

The minutes of the 19 August 2016 were agreed as an accurate record.

The Police and Crime Commissioner provided an update on item 4.1. A revised job description had been received and due to internal restructure an alternate officer maybe appointed to the post.

##### 1.4 Forward Plan

Councillor Roger Lawrence proposed that the work plan of Overview and Scrutiny Committee be presented at a future Board meeting. Jan Britton advised that the Overview & Scrutiny Committee had met on two occasions and it had been proposed to organise a Scrutiny workshop with Portfolio leads.

Resolved:

That the forward plan be approved.

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### **2. Combined Authority Governance**

#### 2.1 Progress Update Mayoral WMCA Order

Chris Tunstall presented a report with an update on the progress of the Mayoral WMCA Order and detailed associated approvals. The Board were asked to note the progress of the developing Mayoral WMCA Order and the timeline for agreement of the Order by Constituent Councils, for the Order to be laid in Parliament.

Positive progress had been made, with only a few areas outstanding or requiring further discussion, for example unanimous voting items and the ability of the CA to borrow for non-transport schemes.

An iterative version of the draft Order was expected from DCLG early October 2016 – a version for public consumption would be available towards the end of October 2016. It has been confirmed that the WMCA will be pursuing the appendix B timeline; therefore all Constituent Councils will consider the Order from 1<sup>st</sup> November – 6<sup>th</sup> December.

If approved by all Constituent Councils, the Combined Authority will then consider the draft Order. It is proposed in the report that this consideration is taken on the 9<sup>th</sup> December and the meetings previously scheduled for the 2<sup>nd</sup> and 16<sup>th</sup> be cancelled.

The Police and Crime Commissioner queried whether the salary of the Mayor had been set, Keith Ireland responded that an independent review would be commissioned to determine the salary and a report would be provided at a future Board meeting.

Resolved:

1. That the progress of developing the Mayoral WMCA Order be noted.
2. That the timeline for agreement of the Order by the Constituent Councils to enable the Order to be laid in Parliament – requiring the December Combined Authority Board to be rearranged be noted.

### **3. Chair of West Midlands Combined Authority**

#### 3.1 Mayoral WMCA Consultation Summary Report

Councillor Bob Sleight presented a report to provide the Board with the results of the consultation regarding the Mayoral WMCA Scheme.

Resolved:

1. That the results of the consultation and summary report provided to the Secretary of State for Communities and Local Government be noted.

#### 3.2 Devolution Deal (1) – Implementation

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Martin Reeves provided an update on the implementation of devolution deal one. Individual projects/programmes would be monitored and a disciplined approach would be followed for implementation.

### 3.3 Devolution Deal (2) Negotiations Update

Katie Trout advised negotiations for devolution two had been resumed. Future asks would be framed around the Strategic Economic Plan (SEP), which provided a strong evidence base for future asks. Proposals would follow on from previous discussions around transport, employment & skills, housing and land, public sector reform and fiscal devolution. Portfolio Leads would be consulted on the proposals. A further update and a policy paper would be provided at a future meeting.

## 4. **Housing and Land**

### 4.1 Land Commission Update

Councillor Sean Coughlan presented a report to advise the Board of the progress made in the establishment of the West Midlands Land Commission and steps that have been taken since the matter was previously considered by the Board on the 10 June 2016. The West Midlands Land Commission had been formally launched and all commissioners had now been appointed. A draft timetable on the work of the Land Commission had also been developed. Staffordshire County Council would also be submitting evidence.

Councillor Bill Hartnett was advised Members can either submit evidence for the Land Commission to consider or a meeting can be arranged with the Chair Paul Marcuse.

In response to a question from Councillor Michael Stokes it was clarified at present a direct link was not required between local land plans and that of the WMCA.

Resolved:

1. That the progress to date of the West Midlands Land Commission, the appointment of the Commissioners and the draft timetable for the delivery of the final report of the Commission be noted.

## 5. **Economic Growth**

### 5.1 Strategic Economic Plan (SEP) Board

Councillor John Clancy provided an update on the work of the Strategic Economic Plan Board. A project management framework was to be developed to measure progress of key objectives which would be used to keep the Board apprised of key objectives. The SEP Board needed to ensure the Dynamic Economic Impact Model (DEIM) was engaged with appropriately and that there was sufficient capacity to use the model. A

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work programme needed to be developed for the application of DEIM. The work on 'Making Our Mark' was also progressing.

Keith Ireland requested the Board to agree the nomination of Jonathan Browning to be appointed as the Chair of the SEP Board.

Resolved:

That Jonathan Browning be appointed as the Chair of the SEP Board.

### 5.2 Strategic Economic Plan Engagement Update and Plan

Councillor John Clancy presented a report on the Strategic Economic Plan (SEP) which sets out the WMCA's bold, ambitious and robust plan to deliver economic growth across the three LEP region. The plan has been developed through collaboration with businesses, public sector organisations, universities and others who share a passion for, and a pride in, the West Midlands.

The engagement and communications challenge was to share the SEP with a range of cross-sector audiences. There is a requirement to create a dialogue with partners, stakeholders as well as local people and also to receive feedback that will assist with the development of future SEPs as the WMCA grows. An overview was provided on past and future engagement events.

Resolved:

That the progress of the Strategic Economic Plan Engagement and Communications to date be noted.

## 6. Skills and Productivity

### 6.1 Productivity and Skills Commission Update

Councillor George Duggins presented a report for the Board to consider the detailed proposal for the initial activity of the Productivity and Skills Commission.

Resolved:

- 1.1 That the Commission develops activity under four strands:
  - a) Full analysis of the productivity challenge for each of the priority and enabling sectors identified within the SEP. This will include the skills challenge as one of the five drivers of productivity.
  - b) Development of products and tools to drive productivity at the firm level, to be guided by the analysis detailed under a) as well as building on, directly linking with and developing the work of the national Productivity Leadership Group and sector specific groups such as the Automotive Council UK.
  - c) Produce a clear set of actions to roll out and embed the use

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of the tools developed under b). An initial suggestion, aligning with the output from the skills workshop, is to consider how WMCA could facilitate the creation of a new Apprenticeship Standard to develop the leadership and management skills required to drive productivity and utilise the tools developed.

- d) Research, policy analysis and policy development leading to recommendations on how WMCA can drive productivity through each of its strategic priorities, ensure that the local labour market is shaped to match our vision of a more productive region and to be clear on how these recommendations may affect social mobility.

1.2 That the following Governance arrangements are put in place:

- a) Clear mechanisms are mapped to engage with employers based on existing groups and the engagement of LEP Sector Champions.
- b) A champion for each of the priority and enabling sectors is nominated to sit on a West Midlands Productivity Leadership Group with Dr Andy Palmer as Chair. These champions could effectively act as commissioners for the work carried out relating to their sector.
- c) A technical reference group is set up to support and advise on the work of the commission. This should be Chaired by a senior economist who would also act as Co-Vice Chair for the West Midlands Productivity Leadership Group. The technical reference group would be made up of experts that could act as commissioners for specific pieces of work primarily under 1.1 d)
- d) WMCA Cabinet Member for Productivity & Skills acts as Co-Vice Chair for the West Midlands Productivity Leadership Group.

1.3 That the agreed budget of £150,000 is deployed as follows:

- a) To commission the work described under 1.1 a)
- b) To commission overall programme management to include oversight of the commission as well as organisation of the West Midlands Productivity Leadership Group, business engagement activity and the technical reference group.
- c) To provide a fund to commission studies under 1.1 d).

## 7. Transport

### 7.1 Midland Metro Update

Councillor Roger Lawrence presented a report to provide an update on the Midland Metro network expansion programme and, within the on-going programme of business case submissions to Government, to seek approval to submit an Initial Outline Business Case for the East Birmingham to Solihull Tramway to Government.

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Resolved:

1. Note the progress being made on delivering the Metro extensions programme and note the schedule of upcoming approval submissions as set out in this report; including
  - a. The Wednesbury to Brierley Hill extension will be the first 'Devolution Deal' scheme to be completed, as a Transport and Works Act Order (TWAO) which was initially obtained in 2005.
2. Delegate authority to TfWM to negotiate commercial settlements for land acquisition to facilitate the earliest completion of the Wednesbury to Brierley Hill Scheme. This would negate the need for a supplementary TWAO.
3. Task officers to ensure the initial outline business case information is submitted to Government, for both extensions (Wednesbury to Brierley Hill and East Birmingham to Solihull), to bid for project development contributions in the upcoming Autumn Statement.
4. Note the timetable for business case development and submission to Government for all schemes as set out in Appendix 1, specifically as there are interdependencies between the Metro and other key priorities such as the Black Country Enterprise Zone application for Brierley Hill.

### 7.2 Midland Metro Birmingham Eastside Extension

Councillor Roger Lawrence presented a report to seek approval under the provisions of section 239 of the Local Government Act 1972 (which applies in this case by virtue of section 20 of the Transport and Works Act 1992) for WMCA to submit an application for The Midland Metro (Birmingham Eastside Extension) Order to the Secretary of State for Transport under the Transport and Works Act 1992 and to approve delegations from WMCA to the TfWM Leadership Team to progress the Birmingham Eastside Extension project through the statutory process within the overall budget envelope set out in the report.

Resolved:

1. That the submission by the WMCA to the Secretary of State for Transport of an application for The Midland Metro (Birmingham Eastside Extension) Order be approved. ("the Order") and;
2. That delegation of powers be approved from the WMCA to the Metro Programme Director to:-
  - a. Finalise the various application documents for the Order;
  - b. Progress negotiations with any affected parties or objectors to the Order with the aim of avoiding, or securing the withdrawal of, any objections to the Order;
  - c. Comply and deal with any public local inquiry processes and procedures arising or resulting from the submission of the

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application for the Order;

- d. Progress negotiations with any landowners and leaseholders and make necessary arrangements to acquire the land within the proposed Order, conditional on the basis the Order will be made; and
  - e. Place orders to appoint the Midland Metro Alliance, other consultants, legal advisors and others as necessary to undertake further design development work on the scheme and support the on-going statutory process, in line with any existing agreements and in compliance with internal governance requirements and procurement best practice and in consultation with Head of Governance where appropriate.
3. That delegation of powers be approved from the WMCA to the Head of Governance or her nominated representative to negotiate, agree, enter into, execute and serve (where appropriate) all relevant legal agreements, notices and other documentation necessary to facilitate and underpin the Order.

## 8. Finance and Investment

### 8.1 Finance and Budget Update

Councillor Izzie Seccombe presented a report to provide the Board with an update of the WMCA finances as at the end of August. The Board was informed of the three year TfWM proposals as agreed when settling the 2016/17 Transport levy. Key issues for setting the 2017/18 WMCA and Mayoral budgets were highlighted. As the Combined Authority moves forward the finance report will be expanded to include a delivery scorecard on the investment programme and other CA work streams.

In response to the Police and Crime Commissioners question on funding for the mayoral election, Councillor Izzie Seccombe responded that discussions were on going with government.

Resolved:

That the current financial position to the end of August and the future financial implications that will be incorporated into the 17/18 budget and medium term plan be noted.

### 8.2 Investment Proposition and Process

Councillor Izzie Seccombe presented a report to inform members of a Strategic Business case application from Coventry City Council for funding for their City centre regeneration project, and the expectation of a full business case submission for ultimate consideration by the Board. The remit of the Investment Board was to be extended to include assessment of major projects and the proposed delegations were outlined to the Board.

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Resolved:

1. That that the remit for the Investment Board be extended to include assessment of major funding projects be approved, as detailed in paragraph 3.4 of the report.
2. That the Board delegations as outlined in para 3.10 of the report be approved, and that the assurance framework be changed to reflect the practical experiences of implementation as long as these changes are agreed by DCLG.
3. That responsibility be delegated for agreeing these and any other changes with DCLG to the S151 officer (James Aspinall) and Chief Executive of the Black Country Consortium (Sarah Middleton).

### **9. Any Other Business**

- 9.1 Councillor Sleigh sought the agreement of Board members to reschedule the November Board date due to it falling on Armistice Day.
- 9.2 The Board agreed to cancel the meeting on the 14 October 2016 and meet at the next scheduled date. Nuneaton & Bedworth Council, The Black Country Living Museum, West Midlands Fire Head Quarters and Lloyd House offered to host future Board meetings.
- 9.3 The Board endorsed Councillor Sleigh's action as Chair for supporting Birmingham City Council's intention to bid for 2026 Commonwealth Games.

### **10. Date of Next Meeting**

- 10.1 Friday 28 October, 11:00 – 14:00

### **11. 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)]

### **Part 2 – Matters Not Open to the Public and Press**

- 11.1 Work and Health Programme

Councillor George Duggins presented a report to update the Board on

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WMCA's involvement in the co-design of the Work & Health Programme.

Councillor Bill Hartnett queried whether the work and health programme would be open to Non-Constituent members. Rachel Egan clarified government were challenged on whether Non-Constituent members could be involved in the work and health programme, however government's stance was it was only applicable to Constituent Members. The Board agreed to submit a letter to government for the policy area to be reviewed and opened up to Non-Constituent members also.

Resolved:

1. That the Memorandum of Understanding between West Midlands Combined Authority and the Department for Work & Pensions in relation to the co-design of the Work & Health Programme be agreed and signed, subject to agreement of the terms of reference for the associated governance arrangements.
2. That authority be delegated to the Cabinet Member for Productivity & Skills to determine whether the Combined Authority will agree the terms of reference relating to the governance arrangements.
3. That the West Midlands Combined Authority will not be adding any additional funding to the Work & Health Programme at this time be agreed.

### 11.2 Business Rates Retention

Martin Reeves presented a report on the retention of 100% business rates. The pilot was only open to Constituent members, subject to the approval of each Council. The pilot would operate on a no financial detriment principle. Participation in the pilot would not require any changes to existing business rates pools. Existing and any new enterprise zones will not be affected by the pilot. The pilot would provide the opportunity to understand the technicality of 100% retention rates.

Councillor Izzie Seccombe recognised this would be of importance to the Combined Authority however it would present a challenge to Non-Constituent members as they would not have the opportunity to influence the pilot.

Resolved:

1. That participation of the Constituent Members of the West Midlands Combined Authority in a business rates retention pilot from April 2017, on a no detriment basis and in accordance with the terms outlined within the report, be endorsed.
2. That agreement to participate was subject to each individual Council's decision on whether to proceed be noted.
3. That authority to conclude the negotiation of the detailed terms of the pilot, and to establish the necessary local arrangements, be delegated to Cllr Bob Sleight, in consultation with Finance Directors

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via the Strategic Director – Finance & Legal of Birmingham City Council.

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