

Cabinet

Report Title	Black Country Transport Consolidation of Strategic Transport Teams and Functions
Date of Meeting	Wednesday, 11 March 2026
Report Author	Andy Miller
Lead Officer	Executive Director - Place
Lead Cabinet Member(s)	Cabinet Member for Regeneration & Infrastructure
Why is this a key decision?	To be significant in terms of its effect on communities living or working in an area comprising two or more wards of the Borough.
Wards Affected	All wards
Identify exempt information and exemption category	Open
Is the report urgent?	No
Reasons for urgency (only where applicable)	N/A
Appendices (if any)	1. Consolidation of Strategic Transport Teams Business Case Summary 2. Sandwell Functions proposed to be transferred to BCT

1. Executive Summary

- 1.1 This report seeks to approval to the transfer of functions currently carried out within the Transportation Planning Team, part of the Place Directorate, to Black Country Transport, a central team responsible for strategic transport hosted by City of Wolverhampton Council. This proposal seeks to improve the provision of the strategic transport function across the Black Country and enhance the capacity to prepare projects for delivery and ensure that we collectively spend available funding. A new Black Country Collaboration Agreement will be prepared and agreed to support this revised arrangement.

2. Recommendations

For the reasons set out in the report, Cabinet is recommended to:

- 2.1 Authorise arrangements for the discharge of strategic transport scheme development and other functions listed in Appendix 2 to the report submitted currently carried out by Sandwell Council's Transportation Planning Team be transferred to Black Country Transport hosted by the City of Wolverhampton Council and led by the Black Country Director of Transport along with any associated capital budgets.
- 2.2 Delegate authority to the Executive Director, Place in conjunction with the Monitoring Officer, Service Director - Governance to take all actions necessary to complete Black Country Collaboration Agreement and conclude and implement the transfer.
- 2.3 Approve the funding principles outlined in Section 6 of this report to fund the consolidated BCT team part of the Black Country Collaboration Agreement.

3. Proposals – Reasons for the recommendations

- 3.1 Black Country Transport was established in 2019 to create a shared resource for strategic transport in the Black Country. Its aim was, and remains, to enhance the overall capacity of the Black Country local authorities to deliver transport planning and develop transport infrastructure schemes, particularly those that cross local authority boundaries. A collaboration agreement was drawn up and approved by all four local authorities.
- 3.2 The Black Country local authorities have a strong history of working together across various aspects of public services. Within transport it is difficult to take forward any agenda without working in collaboration with neighbouring authorities, as transport routes and services do not stop at local authority boundaries. This means the sector is naturally focused on cross-boundary working.
- 3.3 Since the inception of Black Country Transport, the four Black Country authorities have seen significant success in securing funding both regionally and nationally. In 2022 the region was awarded £1.05bn in capital funding and at a Black Country level, a further £8m in revenue funding to support development activity as part of CRSTS1. This level of funding is unprecedented and represents a fourfold increase on the amount available across the four local authorities in the five years prior to March 2022.
- 3.4 Over the last 12 months the Department for Transport (DfT) has indicated there will be a second five-year transport allocation of CRSTS (now called Transport for City Regions or TCR) for the period April 2027 to March 2032. This allocation is £2.398bn and is a tenfold increase in the level of funding that would have been spent in the five years prior to March 2022 across the West Midlands as a whole. This is against a background of reduced staffing levels in local authority Transport and Highways teams and no changes to how teams operate or how schemes are developed and delivered on site.

3.5 The Black Country share of this allocation including projections for the next funding period 2027-2032 can be found in figure 1

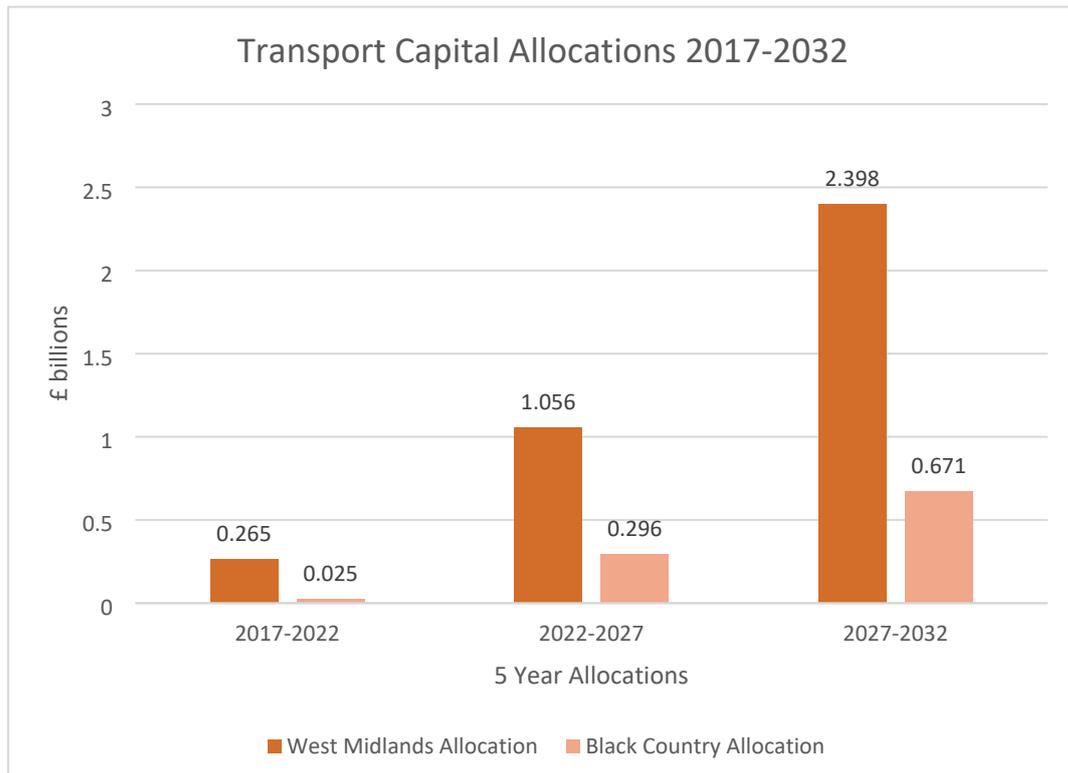


Figure 1 - Capital Transport Allocation for the West Midlands and Black Country

3.6 The key challenge presented to the Black Country now is how to maximise this available funding. A comprehensive review of the Black Country strategic transport teams was undertaken by Arup between April and September 2024 to address this. The review findings highlighted shortfalls in the resourcing, structure and governance of the Black Country teams which affect capability to deliver the unprecedented funding available at a regional level.

3.7 Pay disparity between the strategic transport teams at the four local authorities creates unnecessary competition between partner authorities, whilst external competition from big players in the industry, such as HS2, drains resources. An ageing workforce compounds this issue, and many local authority teams have lost key skills and resource through retirement of staff. Succession planning has, as a result, become a pressing issue.

3.8 Barriers to day-to-day collaborative working include ICT incompatibility between the four authorities, different working practices and lack of access to partner authority buildings and/or Wi-Fi and Intranet systems. Governance issues include repetitive Cabinet procedures for cross-boundary working which result in slow approvals at a local level, as well as delays for Combined Authority approvals.

3.9 The recommendations set out in this report aim to resolve the issues set out above to better prepare the Black Country strategic transport function for the next funding period 2027-2032. Taking the BCT concept a stage further by transferring functions from the four local authorities, and staff in the case of

Walsall and Wolverhampton Councils, to the joint body will improve the ability of the Black Country to take maximum advantage of available funding streams and ensure that projects developed and ultimately delivered in a timely fashion. Delivery of projects is a key measure of success used to determine future funding allocations from both DfT and WMCA.

- 3.10 Consolidating strategic transport functions across the four local authorities will enhance the collective ability to spend available funding and prepare projects for delivery. The revised arrangements will be supported by a new Black Country Collaboration Agreement.

Progress

- 3.11 The Black Country Transport Strategic Review report written by Arup was presented to the Association of Black Country Authorities (ABCA) Chief Executives in September 2024 where the Black Country Director of Transport was given approval to proceed to develop an implementation plan to address the issues it set out.
- 3.12 An outline business case and options appraisal were developed and presented to the ABCA Chief Executives and Leaders in May 2025 where the selected option to consolidate the Black Country teams was given approval to proceed.
- 3.13 A series of cross-authority working groups for Human Resources, Finance, Legal and Information Technology were created to input detail into a further, more detailed report which was taken to ABCA and approved in October 2025.
- 3.14 A final business case has been developed to outline an implementation plan for the consolidation of strategic transport functions at the four local authorities into an expanded Black Country Transport team hosted by City of Wolverhampton Council. Appendix 1 contains a summary of this document.
- 3.15 Following this consolidation, BCT would be responsible for carrying out the development of all major strategic transport development projects on behalf of the four Black Country authorities. The functions identified as in scope of this project are outlined in figure 4 of Appendix 1.
- 3.16 BCT would not be responsible for the delivery of these projects, nor would it be responsible for maintenance of the schemes once delivered; this would remain the responsibility of the individual local authorities in their capacity as Local Highway Authority.
- 3.17 Whilst BCT will provide a transport policy function on behalf of those local authorities that wish to utilise it, it is intended that transport policy for Sandwell, policy input to the local plan process, and transport policy support for the wider planning and regeneration processes within the borough will continue to be provided by officers based in the Place Directorate.

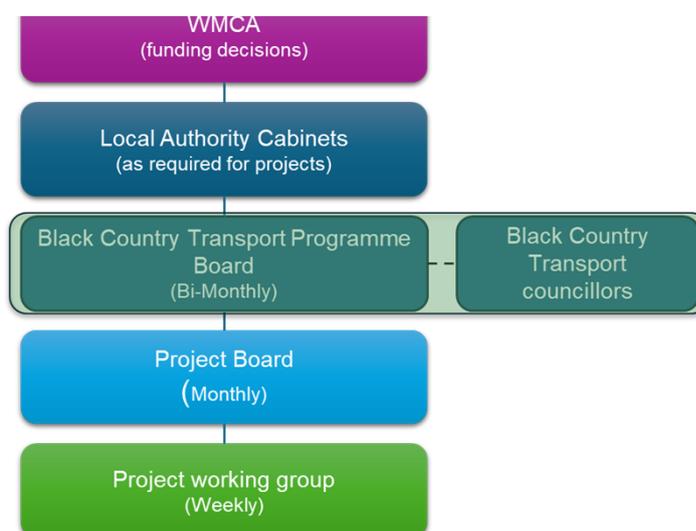
Implementation

- 3.18 Responsibility for only one major capital infrastructure project, which is covered in more detail in section 5.5.4 of Appendix 1, is anticipated to be transferred to BCT for development. This the Smethwick to Birmingham

Inclusive Growth Corridor Transportation Package. External project funding will be transferred where appropriate, taking account of WMCA grant agreement periods.

- 3.19 Delivery of the project would remain with Sandwell Council once the scheme is fully developed and all approvals are in place. There are a number of other cross boundary projects that are partially located in Sandwell that Sandwell officers are involved in but which are already led by BCT. These are;
- A4123 Walk, Cycle & Bus Corridor
 - A461 Walk, Cycle & Bus Corridor
 - WBHE Sustainable Access Measures
 - Cross-boundary Active Travel Programme
- 3.20 An Information, Communications & Technology (ICT) working group has been established to plan for the movement of existing data held in Sandwell regarding the in-scope project. A data discovery phase is underway to ensure the timely movement of any relevant Sandwell Council data to the new host authority. Staffing arrangements will differ from authority to authority. No staff in Sandwell will transfer to the expanded BCT due to the extent to which the team is working on functions not within scope
- 3.21 A Collaboration Agreement will underpin this piece of work to ensure there is a clear legal basis for the new Black Country working relationship. This agreement formalises the funding priority outlined in Section 6 to ensure there is no undue financial risk to the Council and the three partner authorities. It includes provisions for Black Country governance, financing the new consolidated team and for sharing project liability between the respective partners involved in a scheme.
- 3.22 A governance framework is currently in place to ensure the oversight of funding decisions and change requests by all four Black Country authorities. This ensures that key funding decisions are made collectively and transparently. Where key decisions are required, cabinet reports are taken to each constituent authority's cabinet meeting as illustrated in Figure 2 below:

Figure 2 Black Country Transport Current Governance



- 3.23 There is a potential to reinstate the Black Country Joint Committee (BCJC) for cross boundary project governance, which will simplify and accelerate cross boundary decisions. This proposal is currently being scoped at Director level and would enable the delegation of authority for the approval of major CRSTS/TCR transport schemes from individual local authorities to the BCJC. Whilst this is still being developed, current ways of working outlined in above will be maintained.

4. Alternative Options Considered

- 4.1 The following alternative options have been considered –

4.1.1 **Option 1 – Enter into the Collaboration Agreement.** This approach will help to strengthen the strategic transport function in the Black Country by bringing resources, knowledge and funding together to better collaborate to deliver the unprecedented level of funding available at a regional level. Under this new arrangement, resources will be protected for the existing projects and workstreams that the team is currently developing to ensure Sandwell's interests are not diluted by the Black Country arrangement. By collaborating with the other Black Country authorities, Sandwell Council will be better placed to deliver the existing funding it has been awarded and to bid for future funding. This will ensure a better service is delivered to residents. By signing up to the Black Country Collaboration Agreement, Sandwell Council's role in the Black Country arrangement will be legally protected and ways of working supported by clear governance and financial arrangements.

4.1.2 **Option 2 – Retain existing strategic transport development function in Sandwell.** While Sandwell Council could choose to retain its strategic transport development function to reduce disruption to ways of working, current barriers to Black Country collaboration, issues with resourcing and slow delivery of strategic transport funding would persist. This would result in a less efficient service for residents and potentially clawback of funding in extreme circumstances, which would impact Sandwell's ability to bid for future funding. Should the other Black Country authorities consolidate into BCT without Sandwell Council, it would be left at a disadvantage in relation to its neighbours.

5. Consultation

- 5.1 A detailed communications plan has been developed to identify the various stakeholder groups who need to be consulted, engaged, or informed of this work. Consultation will be undertaken with staff in all four authorities will be undertaken following Cabinet approval. This will include engagement with recognised trade unions through the Joint Consultative Committee.

6. Financial Implications

- 6.1 The cost of funding the consolidated team will be covered by the proposed priority of funding in paragraph 6.2, which will be formalised in the Black

Country Collaboration Agreement. The priority of funding for the team would be subject to annual review.

- 6.2 The following funding priorities have been agreed to fund the newly consolidated BCT team:
 - 6.2.1 Capitalise and fund through transport capital grants available to BCT and LA partners
 - 6.2.2 Fund through project transport revenue grants available to BCT and local authority partners
 - 6.2.3 Fund through other grants for specific pieces of work (Carbon, regeneration etc)
 - 6.2.4 Fund through CRSTS revenue (or equivalent) up to 100%
 - 6.2.5 Up to 15% top slice of Local Network Improvement Plan funding (or equivalent).
- 6.3 The BCT team would continue to be fully underwritten equally by the four Black Country authorities to ensure any unrecoverable costs are shared equally across the four partners. Grants for in-scope schemes which have already been allocated to Sandwell Council will remain in place and will not transfer to BCT. BCT will recharge time spent to the appropriate authority until the conclusion of the scheme. All new project grants will be managed by City of Wolverhampton Council as accountable body on behalf of BCT from 01 April 2026.
- 6.4 A condition to ensure that any substantial loss of interest on cashflow investments to the host or partner authorities is reimbursed through the funding principles outlined in paragraph 6.2 will be included in the Collaboration Agreement.

7. Legal and Governance Implications

- 7.1 A Collaboration Agreement between all four partner authorities has been prepared and agreed in principle by all authorities. This report requests authorisation to seal this agreement to ensure the new ways of working are underpinned by a legal document which outlines governance arrangements and clearly stipulates financial and scheme liabilities to minimise risk.

8. Risks

- 8.1 A Collaboration Agreement has been developed to formally agree the relationship between the four authorities and Black Country Transport which will help to mitigate and minimise risk. This report requests to delegate authority to agree and seal this agreement to The Executive Director – Place in consultation with the Cabinet Member for Regeneration & Infrastructure.
- 8.2 A key risk of consolidating the four local authority teams into one central team hosted by City of Wolverhampton Council is that this may undermine the clarity of Sandwell Council's Strategic Transport responsibilities. This will be overcome by ensuring responsibilities are clearly defined in the Collaboration Agreement and that the new functions are stipulated clearly. In particular, statutory responsibilities will remain the prerogative of the local authority.

- 8.3 There is also a risk of reduced visibility and scrutiny of schemes being delivered on behalf of Sandwell Council through the creation of a centralised team. It is expected that the establishment of the Black Country Joint Committee will overcome this issue. While this body is being developed, current ways of working will be retained to ensure effective governance of schemes.
- 8.4 A low-level risk created by the new way of working is how it might affect the interface between the Black Country Transport team and those remaining in Sandwell Council, including the delivery and support teams. This will be minimised by a strong communications strategy and the encouragement of collaborative working, whilst technological barriers are being resolved through an ICT workstream.

9. Equality and Diversity Implications (including the public sector equality duty)

- 9.1 Strengthening the Black Country strategic transport development capability will contribute to reducing inequalities by increasing the capability to provide better infrastructure and greater choice of transport modes to allow Sandwell residents to travel.
- 9.2 This is important considering the 2019 Index of Multiple Deprivation placed Sandwell as the 12th most deprived English local authority out of 317, meaning Sandwell is in the most deprived 10% of districts in the country. Deprivation is linked to lack of mobility; therefore, the provision of infrastructure will enable greater opportunity for residents to move around the borough.
- 9.3 The development of active travel infrastructure will provide greater opportunities for walking, wheeling and cycling which are more affordable and healthy travel options. This is particularly important considering the link between socio-economic inequalities and health inequalities. The Marmot Review (2010) found that people living in the poorest neighbourhoods in England will on average die seven years earlier, and spend 17 more years of their lives with disability, than people living in the richest neighbourhoods.

10. Other Relevant Implications

Procurement implications

- 10.1 This arrangement does not change the ability of Sandwell Council to exercise its right to deliver projects and undertake the procurement of them. Early dialogue with procurement colleagues regarding project delivery will continue to be undertaken, but this will be done by Black Country Transport under the new way of working. This change will be communicated to the procurement team at Sandwell Council.

Resource Implications

- 10.2 There are no direct financial impacts on Sandwell as a result of the proposed expansion/consolidation of BCT and the transfer of certain strategic transport functions. The proposals do not involve the transfer of any Council revenue funding. The transfer of the one major capital transport project (Smethwick – Birmingham Corridor) will involve future CRSTS/TCR grant funding being

awarded City of Wolverhampton Council instead of for the purposes of scheme development that would have previously come to Sandwell. This will be accommodated through revised grant agreements. The wider financial implications are set out Section 6 above.

Staffing implications

- 10.3 No Sandwell staff will be transferred to Black Country Transport as a proportion of the functions that each perform are out of scope of the work it is proposed that BCT will perform in the future and will thus continue to be delivered by Sandwell Council. However up to sixteen new posts will be created within the BCT team structure which Sandwell staff with appropriate skills and qualifications will be eligible to apply for.

Climate change

- 10.4 There are no direct climate implications of this project. The improved capability of the team will have positive implications for the implementation of sustainable Active Travel measures and the move towards a net-zero transport network in Sandwell.

11. Background Documents

- 11.1 Not applicable.

12. How does this deliver the objectives of the Strategic Themes?

- 12.1 This report will support the delivery of the following Strategic Themes:-

- **Living in Sandwell** - Successful communities need access to jobs, services, and facilities, both within and beyond the Borough's boundaries, to enable them to remain healthy and vibrant. The transport network is an important enabler of this. Both new and existing residential developments rely on good quality access and links to shops, services, and leisure facilities for them to be successful. Strengthening the transport planning capabilities and resource levels across the Black Country will enhance Sandwell's ability to lever in transport investment and deliver a high-quality network for the residents of the borough.
- **Healthy in Sandwell** - Increased transport investment will contribute to a safe and efficient network for local people and visitors, and to the health benefits of sustainable active travel. Improving both the capability and staff resources within the transport planning sector is vital to achieving this.
- **Thriving Economy in Sandwell** - The provision of a high-quality, well-maintained transport network will reduce journey times and improve journey reliability for Sandwell business who rely on it to connect to their suppliers and customers.

Relevance Check

Budget Reduction/Service Area:

Service Lead

Date:

In what ways does this Budget reduction have an impact on an outward facing service? How will the service feel different to your customers or potential customers?

N/A

If not, how does it impact on staff e.g. redundancies, pay grades, working conditions? Why are you confident that these staff changes will not affect the service that you provide?

N/A

Is a Customer Impact Assessment needed? No