



West Midlands
Combined Authority

— □ **West Midlands
Combined Authority
Overview & Scrutiny
4th Annual Report
2021/22**

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Foreword

Chair – Councillor Cathy Bayton

As the chair of the Overview & Scrutiny Committee for 2021/22 I want to thank all of its members for their commitment and participation this last year. Scrutiny is only as effective as its membership, and for the first time since the inception of the West Midlands Combined Authority every scrutiny meeting has met its quoracy threshold, emphasising the growing recognition amongst participating councils that effective scrutiny leads to better policy development and service delivery right across the WMCA. The manner in which robust, but fair scrutiny has been undertaken this past year has demonstrated the value scrutiny brings to a publicly funded organisation. It is in recognition of the cross-party work of this committee that the impacts it has made on the organisation are highlighted further within this report.

I want to say a particular thank you to the Vice-Chair Councillor Lisa Trickett, whose knowledge and expertise has been invaluable in guiding and supporting me as chair, particularly regarding the affordable housing scrutiny review.

Once again, the work of the committee has only been possible due to efforts of our scrutiny officer Lyndsey Roberts, who has worked tirelessly on behalf of members to support our work programme and to advocate on behalf of overview and scrutiny across the WMCA. As chair I am incredibly grateful to her, along with Dan Essex for his sterling advice in relation to wider governance and constitutional matters.

In setting the work plan for 2022/23, there are some items of business to be carried over that I hope will be fully addressed and seen through to conclusion, including the skills review and the governance review. Both items have been on-going pieces of work for scrutiny for some years and it is my sincere hope that the conclusion of both of these reviews will reflect great credit on the institution of the WMCA, given its vital role within the West Midlands.



Foreword

**Chair of Transport Scrutiny
Sub-Committee –
Councillor Liz Clements**

As outgoing chair of the TSSC, I'm extremely grateful to all my fellow councillors who've joined me in scrutinising this key area of the WMCA's activity, you have brought a consistently high standard of debate and enquiry to our meetings. Our scrutiny officer Lyndsey Roberts has provided the committee with excellent support, and we've relied on Dan Essex for governance advice: both these outstanding officers are a credit to the WMCA. Many thanks also to Ann Shaw and all her team at TfWM for their open and constructive engagement with TSSC throughout the year.

Our work programme has tackled the key challenges for TfWM and transport operators as the transport sector recovers from the pandemic. The future of bus services; climate change and the urgent need to decarbonise transport; the current state of Midland Metro – its operating challenges and expansion plans; rebuilding passengers' confidence post pandemic and the delivery of the Commonwealth Games transport projects: these are the issues which have dominated the agenda of TSSC over the past year, and we have challenged decision makers in WMCA and TfWM with the issues which matter to our residents.

At the time of writing, a review of the WMCA's transport governance arrangements is under way, including consideration of the roles of the TSSC and the Transport Delivery Committee. It is to be hoped that the review produces recommendations to clarify the lines of accountability for transport decision-making in the WMCA, reduce duplication of meetings and provide a more effective platform for elected members to hold transport decision makers to account.

Introduction

Overview and scrutiny is a statutory function of the West Midlands Combined Authority. The Overview & Scrutiny Committee discharges this responsibility through oversight of the work of the Mayor, Portfolio Lead Members and the wider WMCA decision making process in order to hold decision makers to account and improve the quality of decisions that the WMCA takes.

Overview & Scrutiny Committee members may make recommendations to the WMCA Board and other committees and call in decisions for further scrutiny and challenge those that have already been made. The committee acts as an advocate for residents of the West Midlands by investigating issues that are important to local people and by looking further into matters brought to its attention by the public. From improving the economy to tackling inequality, environmental matters and ensuring that the affordable housing needs for the region are addressed, the Overview & Scrutiny Committee, comprising the region's local councillors, is the body that oversees how all this is done.

Scrutiny is a fundamental part of any efficient and equitable governance structure and decision-making process. Scrutiny is at the heart of good decision-making in which the WMCA has welcomed, encouraged and supported throughout the organisation.

While the committee's membership includes local councillors nominated by the WMCA's 18 member councils, it also has three representatives from the region's local enterprise partnerships. This brings a private sector perspective to discussions and ensures that the views of the region's commercial sector are heard at the highest levels of decision making.

The committee performs two functions 'overview' and 'scrutiny'. 'Overview' focuses on the development of policy and 'scrutiny' that looks at decisions that have been made or are about to be made.

Overview & Scrutiny Committee in 2021/22

This year the committee has focused on the extent and use of housing and land powers available to the WMCA, the Environment Act 2021 and the role of the WMCA, and a review of regional governance and the simplification of economic leadership to ensure inclusive economic growth was progressed and that local residents were provided with the opportunities to access growth areas.

The committee has continued to have broad oversight of the policies of the WMCA and has reviewed the effectiveness of its key decisions. It has an important role in reviewing and scrutinising the Mayor, Portfolio Lead Members, the WMCA and Transport for West Midlands in respect of plans, priorities, corporate governance arrangements and financial matters.

“

Overview & Scrutiny's Focus for the Year

To establish whether the West Midlands Combined Authority's policies were helping those that were most in need, and to ensure that the hardest to reach communities could feel the benefit of the WMCA

”



Holding the Mayor of the West Midlands and the Portfolio Lead Members to Account

The committee has undertaken a number of public Mayoral Q&A sessions, structured around two of the committee's core themes (accountability and investment) with questions focusing on the key challenges for the West Midlands region.

In October, the committee questioned Andy Street on the delivery and impact of the WMCA policies. Questions focussed on:

- Levelling Up White Paper
- West Midlands Plan for Growth
- Economic Development and Regeneration
- Skills
- Transport, including bus franchising
- Housing
- Environment Bill

In December, the committee held its second Q&A and questioned the Mayor on financial matters relating to the developing budget for 2022/23, with a particular focus on:

- The sustainability of the budget
- Transport revenue
- Housing
- Environment
- Adult Education Budget

The Mayor was also joined by the Portfolio Lead for Finance, Councillor Bob Sleight, who was questioned on matters relating to the Investment Programme.

“ These **public Q&A sessions** were an important part of providing **public accountability** and **transparency of decision-making** for the WMCA's only directly elected politician ”



Areas of Focus 2021/22

Helping to Deliver Affordable and Social Housing

Overview & Scrutiny Committee has identified the provision of affordable and social housing within the region as a key area of focus for 2021/22. It established a scrutiny panel that examined the role and remit of the WMCA to deliver affordable and social housing within the West Midlands through the use of devolved housing and land funds and considered how this supported and added value to the responsibilities of the constituent authorities in respect of affordable and social housing provision.

Evidence Gathering and Key Witness Interviews

In addition to written evidence submitted, the scrutiny panel conducted face-to-face interviews with a range of key witnesses to build a better appreciation of the strengths and challenges of the current arrangements and to highlight areas of potential improvements. The scrutiny panel interviewed:

Key Issues & Challenges Identified

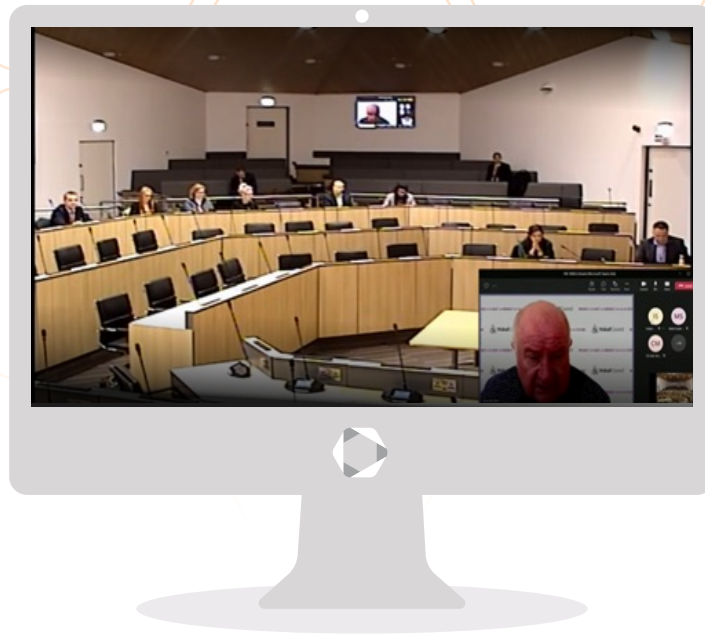
- The drive to receive a receipt on the sale of land which undermined the capability to develop and bring forward affordable and social housing within the region.
- The shortage of land
- An increase in flip sales
- Issues with capacity, capability and the costs of land assembly

- **Gareth Bradford**, Director of Housing and Regeneration, WMCA
- **Ian McLeod**, Director of Planning, Birmingham City Council
- **Jo Nugent**, Head of West Midlands-Markets, Partners and Places, Homes England
- **Tom Hawley**, Head of Affordable Housing Growth (Midlands), Homes England
- **Musurut Dar**, Senior Community Organiser, Shelter
- Members of Birmingham Fair Housing Campaign
- **Kevin Rodgers**, Chair of the West Midlands Housing Association Partnership
- **Steve Eaves**, Director of Regeneration, Platform Housing Association
- **David Soothill**, Development Director, Sanctuary Housing Association

Engagement with the Portfolio Lead for Housing & Land

In March, Councillor Mike Bird, Portfolio Lead Member for Housing & Land undertook a scrutiny spotlight session with members and answered questions on the collaboration and co-investment in the region between housing associations and WMCA to secure more social and affordable housing to meet local needs, and on the work taking place on the new innovative joint approach with a group of housing associations in the region to deliver additional affordable housing and wider socio-economic outcomes on WMCA land.





Review Recommendations approved by the WMCA Board on 18 March 2022

After considering the written and oral evidence it received, the Scrutiny Panel proposed a number of recommendations to the WMCA Board that would help to address the housing need within the region and help to deliver more social housing within the West Midlands:

Recommendation 1

That the WMCA Board writes to the Secretary of State for Levelling Up, Housing & Communities, setting out the region's ambitions to deliver a step change in the delivery of social and affordable homes in the region and its intent to pursue this and the associated powers/funding needed to achieve that as part of the Levelling Up agenda and devolution deal negotiations.

Recommendation 2

That WMCA should retain a minimum affordable housing target but that the affordable housing requirements for schemes funded by WMCA (currently set as a minimum of 20% affordable), should seek to be aligned with the targets set by Local Planning Authorities in the relevant Local Plan including the alignment of type and tenure.

Recommendation 3

That the WMCA and local authorities continue to work together through the Housing & Land Board, WMCA Public Land Taskforce and directly with the Cabinet Office to address issues around best value in disposal of public land and to identify actions and interventions that will maximise the wider social, economic and environmental benefits secured through the development and disposals of public land in the region.

Recommendation 4

That the WMCA, housing associations, Homes England and local authorities continue to work together to address the contradictions and challenges of the current system for delivery of affordable and social housing – recognising that the challenge cannot be addressed in isolation and it is a multi-faceted systemic issue where all agencies need to work together with a clear strategy for change.

Recommendation 5

That the WMCA, local authorities and other regional stakeholders campaign for an end to the restriction sighted in the interviews of social housing grant being awarded to areas of high affordability pressure, noting that more investment in social housing across the region will address multiple needs and provide more secure, healthy and efficient homes for our communities.

Recommendation 6

That through the Trailblazer Devolution Deal, the WMCA, local authorities and other regional stakeholders' campaign for an end to or amendment of the viability clause in national planning policy which is impacting directly on land prices and affordable housing supply in the region.

Recommendation 7

That the WMCA appropriately brings together local capacity, capabilities and expertise across local authorities, the WMCA and other public bodies (e.g. Homes England) to support housing and regeneration, especially in matters around land assembly and interventions such as Compulsory Purchase Orders.

Recommendation 8

That through any future devolution deal, the WMCA, local authorities and other regional stakeholders' campaign for a review of the Local Housing Allowance system and the necessary local discretion in order to address issues affecting excluded residents and the subsequent impact on homelessness, temporary accommodation and the private rented sector.





Air Quality in the West Midlands: Options Paper

ENVIRONMENT ACT 2021

In June, the WMCA Board discussed the proposed changes in air quality legislation and how the WMCA could be best placed to compliment and add value to the work being undertaken by constituent authorities.

A scrutiny panel was established to review this in further detail. The panel worked with the Inclusive Growth & Public Service Reform directorate to review and understand the additional requirements arising from the outcome of the Environment Bill as it progressed through Parliament. Members engaged with the Head of Environment and the University of Birmingham to review an Air Quality Options Paper that provided a summary of interventions that could be adopted and which was presented to the WMCA Board in February for consideration.

Engagement with the Portfolio Lead for Environment, Energy & HS2

In January, Councillor Ian Courts, Portfolio Lead for Environment, Energy & HS2 undertook a scrutiny spotlight session with members on the Environment Act, prior to the consideration of the Air Quality Options Paper at the WMCA Board in February.



“

To avoid displacement activity, a **combined approach** to **address air quality** was needed and the **development of an area-wide strategy** to tackle the problem of air pollution in many areas

”



The Levelling Up White Paper: Trailblazer Devolution Deal

Members scrutinised the proposed plans for co-ordinating a response to the Government's invitation to negotiate a Trailblazer Devolution Deal.

Members highlighted the importance of community engagement and transparency to ensure that the voice of the citizen was heard and that the WMCA was involving the wider community in shaping its future role, along with the importance of understanding the differential spatial content within the region.

Members gave a commitment to remain engaged in any potential powers to be devolved to the WMCA arising out of a future devolution deal.

“ **Methods of growth** for the region need to reflect and **address inequalities**, ensuring a difference is made to communities and the local economy ”

Pre-Decision Scrutiny

Looking at decisions before they are made provides an important opportunity to influence those decisions, and to improve them. It gives scrutineers an opportunity to challenge assumptions that may have been made as the decision was developed, and also gives them the chance to consider how decision-makers have considered what risks might arise from the implementation of the decision, and how those risks might be mitigated.

Pre-decision scrutiny is the process that enables councillors to engage with the WMCA Board and Mayor before they take decisions.

1. It enables scrutiny councillors to gain information and develop an understanding on particular issues.
2. It contributes to scrutiny's role as a 'critical friend' to ask questions on upcoming Mayoral or board decisions.
3. It is a valuable opportunity for scrutiny to inform and influence decision making through debate and challenge.

WMCA's Aims & Objectives

Overview & Scrutiny Committee contributed to the development of the WMCA's Aims & Objectives through bilateral and multilateral engagement with the Head of Policy & Programme Development, prior to its submission for agreement at the WMCA Board in November.

Through the development of the document, scrutiny has helped to:

- Set out how the WMCA will deliver on the region's priorities
- Guide the use of powers and money secured from central government
- Enable the WMCA to measure progress against their priorities

“ To ensure that the work of the WMCA was reflective and understood the views of local communities, it was important for the WMCA to undertake effective citizen engagement ”

Economic Governance and Establishing the Economic Growth Board

Overview & Scrutiny Committee engaged in the establishment of a new Economic Growth Board to provide democratically accountable economic leadership with decision-making powers. The board will provide strategic oversight of the region's approach to driving green and inclusive economic growth.

Scrutiny members stressed the importance of progressing inclusive economic growth, ensuring local residents were provided with the opportunities to access growth areas, the need for effective public community engagement in policy development and the need to support businesses to transition due to wider economic factors.

Members observations and comments helped to inform the final report submitted to the WMCA Board for approval.



A Look Back: Scrutiny Reviews 2019/20 - Follow-Up Where are We Now?

WMCA Governance Scrutiny Review & Effectiveness of Transport Governance Scrutiny

During 2019/20, Overview & Scrutiny Committee undertook two reviews that looked at the current governance arrangements of the WMCA and the effectiveness of transport governance. The findings of both reviews have been taken into consideration as part of a wider governance review commissioned by the Mayor and Constituent Authority Leaders.

In November, Overview & Scrutiny Committee reviewed the activities of the WMCA's Governance Working Group and supported its recommendations including a review of the WMCA's Members' Allowances Scheme.

The WMCA Board has now established an Independent Remuneration Panel to undertake a review of allowances. The Overview & Scrutiny Committee will continue to be engaged in the process and the chair of the committee will give evidence to the panel.

Adult Education Budget

During 2019/20, Overview & Scrutiny Committee undertook a review of the devolution of the Adult Education Budget in which the WMCA became responsible for from 1 August 2019. The devolved Adult Education Budget provided funding for adult skills delivery for residents (aged 19 and over) of the West Midlands' seven constituent areas.

A deep dive was undertaken with the Cabinet Member for Education and Skills from each of the seven constituent local authorities, with questions focussing on the use of the Adult Education Budget in each local authority area. Overview & Scrutiny Committee continue to have oversight of the delivery of local skills training within the region.

“ Overview & Scrutiny Committee's recommendations have really helped us to drive a different approach with AEB ”





Economic Needs of the Black Country' Scrutiny Review

During 2020/21, Overview & Scrutiny undertook a review to understand whether the regional economic recovery proposals, which the WMCA were supporting and enabling, were meeting the needs that had been identified within the Black Country sub-region. The findings of the review were submitted and accepted by the WMCA Board.

The Overview & Scrutiny Committee received a letter in response to each of the recommendations from the Chief Executive, which has now led to a further review which will be undertaken in 2022/23 to understand the impact of the devolution of the Adult Education Budget to the WMCA on the delivery of local skills training within the region, and to identify the challenges and ways in which the WMCA and local authorities could better target skills needs in the region, particularly in relation to the big economic challenges.

The findings of the review will be used to help shape future skills funding, including the Shared Prosperity Fund.

Holding those Responsible for Transport to Account

Councillor Ian Ward, Portfolio Lead for Transport

In October, a Q&A session was held with Councillor Ian Ward, Portfolio Lead for Transport, on transport policy related matters. Members questioned him on:

- The delivery of the Commonwealth Games Transport Plan
- Hydrogen Vehicles
- Bus Franchising
- Midland Metro
- Transport Levy
- City Region Sustainable Transport Settlement Bid

The sub-committee's observations and recommendations were endorsed by the Overview & Scrutiny Committee and Portfolio Lead Member for Transport.

Transport Scrutiny Sub-Committee

Overview & Scrutiny Committee appointed Councillor Liz Clements to Chair the sub-committee for 2021/22, who brought with her considerable experience in scrutinising transport services.

With the scale and scope of the transport-related projects currently being delivered, scrutiny members have ensured that they have held those responsible for transport to account, demonstrated through Q&A sessions with the Portfolio Lead for Transport, the Chair of the Transport Delivery Committee, and the Executive Director for Transport for West Midlands.

Councillor Kath Hartley, Chair of Transport Delivery Committee

In February, Councillor Kath Hartley attended a Q&A session to answer questions on transport delivery matters across the region. Questions focussed on:

- Transport Governance Review
- Financial and Performance Monitoring Information
- Strategic Delivery
- Delivery of the Commonwealth Games Transport Plan
- Cycling & Walking
- Midland Metro Suspension and Operations

The sub-committee's observations and recommendations were endorsed by the Overview & Scrutiny Committee and Portfolio Lead for Transport.

Transport Scrutiny Sub-Committee Focus for the Year

“ To ensure that the WMCA together with constituent authorities and stakeholders were restoring public confidence in using the transport system post the COVID-19 pandemic and to encourage people to use public transport as an alternative to the car

”

Areas of Focus 2021/22

This year the Transport Scrutiny Sub-Committee has focussed on the following areas:

Roundtable Event: E-Scooter Trial

Scrutiny members were invited to attend a West Midlands E-Scooter Roundtable Event: The Impact on People with Sight Loss.

Members heard from sight loss organisations and local people living with sight loss and proposals as to how organisations can work together to ensure that visually impaired people felt confident and safe when walking around the region.

This valuable discussion helped members to form their lines of enquiry for its spotlight session with the Innovation Integration Lead, Transport for West Midlands on the E-Scooter.

Bus Delivery Options Paper

Scrutiny members received an early insight into the work undertaken regarding future bus delivery options, which led to a spotlight session with the Head of Network Transformation to answer questions on:

- the benefits, challenges and risks associated with the introduction of bus franchising
- accountability
- relationships
- the importance of the passenger experience.

West Midlands Local Transport Plan: Green Paper

Scrutiny members were engaged on the Local Transport Plan Green Paper and took a closer more detailed review on the level of ambition of the plan, resources and capacity. Key questions focussed on:

- Whether the projects would deliver the change required within the region?
- Whether the projects would meet the needs of the residents of the West Midlands?
- The importance of engagement with members of the public to ensure behavioural change.

The views and comments on the green paper were used to inform a session with the constituent authority leaders on the future transport strategy.

Transport Scrutiny Sub-Committee will continue to scrutinise the delivery of the Local Transport Plan to ensure that it met the needs of the residents of the West Midlands.

“

It was important for Transport for West Midlands to **develop a transport network** that would allow **passengers** to have the same **freedom to move around the region** as was currently enjoyed by car owners

”

Midland Metro: Suspension and Operations

Earlier this year, cracks were discovered on the trams which resulted in a temporary interruption to services for inspection and repairs. Scrutiny members examined the reasons for the cracks, financial losses and progress for a return to service in which many residents of the West Midlands relied upon.

The sub-committee sought assurances that Transport for West Midlands understood and documented the root cause of the cracks on the second-generation tram fleet. Members sought clarity that, within the system and according to the regulator, the works had been completed and therefore provided the confidence that the action undertaken resulted in the operation of a safe and robust service.

Scrutiny members held a joint briefing session with member of the Transport Delivery Committee to discuss the suspension, timescales and next steps with the Executive Director for Transport for West Midlands.

A full detailed report was considered by the sub-committee at its meeting in March.

Commonwealth Games Transport Plan and Legacy

Transport Scrutiny Sub-Committee continued to engage with the Commonwealth Games Technical Director on the implementation of the Commonwealth Games Transport Plan. During the year, members have focussed on community engagement and opportunities, legacy of the games, connectivity, traffic management measures, mitigation measures, passenger experience, risks and vehicle reliability (bus, tram, rail)

City Region Sustainable Transport Settlement

















Scrutiny members held a spotlight session with the Head of Strategy & Intelligence on the detail of the City Region Sustainable Transport Settlement Bid, which was a five-year capital settlement to enable the region to achieve its ambitions in terms of transport investment, carbon reduction, economic growth and levelling up.

The WMCA submitted a full prospectus for £1.732bn of asks to the Department for Transport. The Government's Spending Review 2021 confirmed a WMCA allocation of £1.05bn for 2022-27.

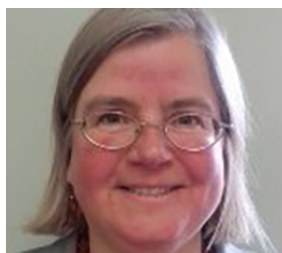
Questions put forward to the Head of Strategy & Intelligence focussed on:

- the development of the programme
- local contributions
- the prioritisation process as all schemes included within the WMCA's bid submission were not fully funded
- transparency of prioritisation process; and
- how the balance of investment in public transport, active travel and further investment in the road network was going to feature in the prioritisation process.

Committee Members 2021/22

	<p>Councillor Cathy Bayton The Association of Black Country Authorities Committee Chair</p>		<p>Councillor Lisa Trickett Birmingham Committee Vice-Chair</p>
	<p>Councillor Naeem Akhtar Coventry</p>		<p>Councillor Maya Ali Coventry</p>
	<p>Councillor Kate Booth Birmingham</p>		<p>Paul Brown Black Country Local Enterprise Partnership</p>
	<p>Councillor Mike Chalk Redditch</p>		<p>Councillor Liz Clements Co-opted, Birmingham</p>
	<p>Councillor Tony Diccio Solihull</p>		<p>Councillor Ian Kettle Dudley</p>
	<p>Councillor Peter Fowler Birmingham</p>		<p>Councillor Nigel Lumby Shropshire</p>
	<p>Councillor Charn Padda Sandwell</p>		<p>Councillor Dr Simon People Tamworth</p>
	<p>Councillor Paul Sweet Wolverhampton</p>		<p>Councillor Vera Waters Walsall</p>

Sub-Committee Members 2021/22



Councillor Liz Clements

Birmingham
Chair



Councillor Barbara McGarrity

Wolverhampton
Vice-Chair



Councillor Gurdev Hayre

Coventry



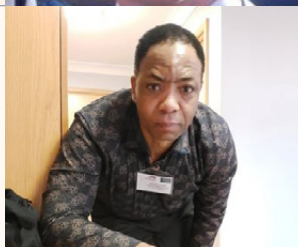
Councillor Adam Hicken

Walsall



Councillor Ian Kettle

Dudley



Councillor Thabiso Mabena

Sandwell



Councillor Martin McCarthy

Solihull



West Midlands
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