



WEST MIDLANDS COMBINED AUTHORITY

Overview & Scrutiny Committee

Tuesday 20 March 2018 at 10.00 am

Minutes

Present

Councillor Peter Hughes (Chair)	Sandwell Metropolitan Borough Council
Councillor Rose Burley	Walsall Metropolitan Borough Council
Councillor Dean Carroll	Shropshire Council
Dr Chris Handy	Black Country Local Enterprise Partnership
Councillor Rachel Harris	Dudley Metropolitan Borough Council
Councillor Angus Lees	Dudley, Sandwell, Walsall and Wolverhampton Councils
Mike Lyons	Greater Birmingham & Solihull Local Enterprise Partnership
Councillor John McNicholas	Joint Coventry/Solihull Representative
Councillor Simon Peaple	Staffordshire Non-Constituent Authorities
Councillor Ian Shires (Vice-Chair)	Dudley, Sandwell, Walsall and Wolverhampton Councils
Councillor Claire Spencer (Vice-Chair)	Birmingham City Council
Councillor Chris Watkins	Nuneaton & Bedworth Borough Council

Item Title No.

17. Apologies for Absence

Apologies for absence were received from Paul Brown (Black Country LEP), Councillor John Glass (Nuneaton & Bedworth Borough Council), Councillor John Mutton (Coventry City Council), Councillor Stephen Simkins (City of Wolverhampton Council) and Sarah Windrum (Coventry and Warwickshire LEP)

18. Declarations of Interests

No declarations of interest were made in relation to matters under consideration at the meeting.

19. Minutes of the meeting held on 30 January 2018

The minutes of the meeting held on 30 January were confirmed and signed as a correct record.

20. Local Enterprise Partnerships

The committee considered a report of the Scrutiny Lead Officer on the governance of Local Enterprise Partnerships.

Local Enterprise Partnerships were established as locally-derived business-led partnerships between the private and public sectors that would drive economic growth. There were three LEPs within the Combined Authority area (Black Country, Greater Birmingham & Solihull and Coventry & Warwickshire) with a fourth LEP having observer status awaiting progression (the Marches).

The committee received a presentation from Dr Chris Handy, Board Member of the Black Country LEP on its ambitions and plans, strategy into delivery, its track record of delivery, Growth Deal 1, 2 & 3, governance and partnership working and making our mark together.

The committee also received a presentation from Mike Lyons, Board Director of Greater Birmingham & Solihull LEP that included information about its mission, vision, strategy, delivery, private and public sector board directors, its governance structure and strategy.

In terms of Brexit, it was acknowledged that there was uncertainty with regard to investment, however the LEPs were confident that the correct strategies were in place to ensure that the investment was allocated to the right areas to maximise economic growth.

In respect of questions from Councillor Claire Spencer, the LEPs provided further information on their respective control environments, decision making processes, relationship with local authority planning team, openness and transparency, addressing the skills gap and gender balance amongst their board members.

Councillor Peter Hughes asked members of the committee to forward to the Scrutiny Lead Officer any further questions that they would like to ask the LEPs. The Scrutiny Lead Officer would then liaise with LEP representatives regarding feedback.

Resolved

(1) the briefing note be noted.

(2) Mike Lyons and Dr Chris Handy be thanked for their informative presentations.

21. Capability & Vacancy Risks

The committee considered a report of the Director of Finance on how the WMCA planned to meet capability and capacity demand through its resourcing and planning processes, to ensure vacancies were managed effectively.

The Interim Head of Organisational Development provided further information on:

- the number of people within the West Midlands Combined Authority that were on fixed term contracts and the reasons for this;

- sickness absence levels and how this was being monitored and reported.

Following questions from members of the committee, the Interim Head of Organisational Development agreed to provide a further report to a future meeting. This report would provide information on how the change in responsibilities would be reflected within the WMCA workforce with regard to expert knowledge and skills, diversity in the workplace and how this would be achieved in terms of recruitment and the policy/approach towards the achievement of gender pay balance.

Resolved

- (1) the content of the report be noted.
- (2) the actions and considerations taken, including systems and planning processes to manage capability and vacancy risks, be noted.
- (3) A further report be presented to a future meeting of the Committee providing additional information on recruitment with regard to the addressing of knowledge/skills gaps, diversity and gender pay balance.

22. Strategic Risk Register

The committee considered a report of the Finance Director on the strategic risks currently identified and recorded on the Strategic Risk Register.

The Head of Governance reported on the value of partnerships and noted that the WMCA Leadership Team continued to look at ways to strengthen its relationship with Constituent and Non-Constituent Authorities. Members of the Leadership Team were actively engaging with authorities to ensure that portfolio leads were updated on a regular basis.

The committee proposed that future reports should include risk owners and provide a definition of the risk ratings used. Also, in terms of the use of financial assumptions relating to the devolution deals, it was felt that it would be beneficial to have a more detailed understanding of the challenge surrounding those financial assumptions. Councillor Peter Hughes suggested that there was a role for the Budget Task & Finish Group to undertake a review of this particular risk area.

It was noted that the Audit, Risk & Assurance Committee had requested a report on the anticipated effect of Brexit on WMCA finances and devolution aims. Also, with regard to arm's length companies being set up in relation to the WMCA, the Head of Governance assured members that Audit, Risk & Assurance Committee had oversight of the governance checklist and issues surrounding any arm's length companies as they were being set up.

Councillor Peter Hughes asked whether the Head of Governance could look in more detail at the wider impact of the loss of European Union funding across the region in order to assess the true effect of the loss and to start to look at possible alternative funding options. The Head of Governance agreed to look into this and provide a report to a future meeting of the committee.

Resolved that the details contained in the Strategic Risk Register be noted.

23. Activities of the Task & Finish Groups

The Lead Members for each of the Task & Finish Groups provided an update on their respective work areas.

Councillor John McNicholas reported that, as part of a scoping exercise, members of the Governance Task & Finish Group had discussed possible models of governance for the transport 'service area' of the Combined Authority. Members also discussed the disparity of Special Responsibility Allowances across the governance structure of the West Midlands Combined Authority.

Resolved

- (1) the next piece of work to review governance of transport within the WMCA be agreed.
- (2) a report on the outcomes from that review and the options and models available to be considered at an additional meeting of Overview & Scrutiny Committee on 16 April 2018.

The meeting ended at 12.00 pm.