



Overview & Scrutiny Committee

Date	25 February 2019
Report title	Response to Overview & Scrutiny Committee Recommendations to WMCA Board on 11 January 2019
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Report has been considered by	

Recommendation(s) for action or decision:

The Overview & Scrutiny Committee is recommended to:

- (1) Note the responses provided to the recommendations this Committee made to the WMCA Board on 11th January 2019.

1. Purpose

- 1.1 This report provides a formal response to the recommendations made by the Overview & Scrutiny Committee following the Mayor's Q&A session held on 12 December 2018 where the Mayor was questioned on issues relating to the WMCA budget.

2. Background

- 2.1 On 12 December 2018 the Committee held a Mayor's Question and Answer session where members questioned the Mayor on issues relating to performance against the budget 2018/19, proposals for the 2019/20 budget, other strategic finance issues and the decision not to set a Mayoral precept for 2019/20. The Mayor was joined at the session by the Deputy Mayor, Interim Finance Director and the Head of Business Planning.
- 2.2 A report detailing the Overview & Scrutiny Committee's feedback from that session was presented to the CA Board on 11 January. The report included a number of recommendations that arose from the responses provided by the Mayor and Deputy Mayor. The WMCA's constitution requires the Mayor and/or the Authority to respond within two months of receiving a report from its Overview & Scrutiny Committee, indicating what action it proposes to take in respect of matters drawn to its attention.
- 2.3 The WMCA Chief Executive will be available at the Overview & Scrutiny Committee on 25th February to answer any further questions arising out of the answers provided within this report. In addition to the recommendations, the Committee raised a number of questions for the Mayor's consideration. Responses to each of these will be contained in a letter from the Mayor to the Chair of the Committee.

3. Responses to the Overview & Scrutiny Committee recommendations

- 3.1 Set out below is the response to each of the recommendations made by the Overview & Scrutiny Committee and reported to WMCA Board on 11 January 2019:

- 3.2 **Recommendation: The WMCA should seek to establish a robust budget consultation process for future annual budgets, which builds in and ensures adequate time for proper scrutiny. It should also consider the use of innovative ways to consult with residents and the younger generation of the West Midlands (e.g. live streaming consultation events) which could help raise the general awareness and profile of the West Midlands Combined Authority.**

Response: We continue to develop and improve the process and will be looking to strengthen it further during 2019 for the 2020/21. We are working on a collective proposal with finance directors across the region already and will be discussing this initial process plan and timescales with Metropolitan Council Leaders. While there is no legal requirement to consult on the WMCA budget (unless there is a change to policy proposed), we recognise the importance of consultation and scrutiny and this will be considered within the improved planning process for 2020/21.

- 3.3 **Recommendation: The current performance framework should align with the budget framework to enable the outputs and achievements to be seen, with Overview & Scrutiny Committee to be engaged in the development of future performance management frameworks, including pre-scrutiny consideration of the proposed report on performance management/delivery monitoring due to be considered by the WMCA Board on 8 February 2019.**

Response: The WMCA Annual Plan 2019/20 will provide a high level summary of strategic objectives and vision at an organisational and portfolio level. The document will be aligned with the budget setting and approval process. It will form a key part of the overall performance management framework, and include key performance measures, both in terms of WMCA activity, and the impact on outcomes that the activity is intended to inform and influence. There is a separate agenda item on the development of the Annual Plan at the Overview and Scrutiny Committee meeting on 25th February 2019.

- 3.4 **Recommendation: The Transport for West Midlands' performance data is currently reviewed by Transport Delivery Committee on a regular basis, however it is considered that the Overview & Scrutiny Committee's Budget Working Group should review transport performance data, on an exception basis, and question how it relates to budget spend.**

Response: It is suggested this matter be considered as part of the ongoing WMCA governance review, and the work being discussed with the Centre for Public Scrutiny (CfPS) and Local Government Association (LGA) focussing on the role and purpose of Overview and Scrutiny within a Combined Authority context (as agreed at the Overview and Scrutiny Committee meeting on 16th January 2019). This will help determine the scope and remit of the Committee's work programme and where to prioritise focus.

- 3.5 **Recommendation: WMCA to establish a policy document that defines its approach to the delivery of social housing and that also identifies the percentage of social housing and affordable housing it wishes to achieve within the West Midlands area.**

Response: Increasing the supply of affordable and social housing is critical to delivering the overall targets in the Housing Deal agreed by WMCA and the Government in March 2018. The Housing and Land Delivery Board agreed at its meeting in October 2018 that the WMCA should develop a proposition to Government for a significant increase in the supply of social and affordable housing. Work on this is ongoing and updates will be provided to Housing and Land Delivery Board and Overview and Scrutiny Committee in due course.

- 3.6 **Recommendation: In addition to social value and procurement, when making investments the WMCA should also look at a number of other measures including equality and diversity, inclusive growth and environmental improvement to achieve a carbon neutral environment. These key issues should therefore be included in any project appraisal process.**

Response: The WMCA has set up an Inclusive Growth Unit which is working on a number of work streams designed to develop and apply inclusive growth criteria across the spectrum of the WMCA's investments and delivery programmes. This includes working closely with the Housing and Regeneration Team to embed Inclusive Growth principles within development proposals, working with TfWM to support inclusivity and wellbeing within transport policy, and the development of criteria and decision making tools to support our Investment Board.

The WMCA has also set up an Environment Board supported by an Environment Advisory and Delivery Group which is overseeing a work plan to improve the environmental performance of the WMCA and region. The plan is based on recommendations from partners and identified good practice from the latest national Combined Authority sustainability benchmarks. As a result we have identified key improvements to strengthen

environmental outcomes in our project system. This is being implemented and progress reported to the Environment Board. This will include targets around carbon reduction, which will be reviewed in light of the expected recommendations from the UK Climate Change Committee in the next few months, and the clean and inclusive growth ambitions set out in the region's Local Industrial Strategy.

- 3.7 **Recommendation: The review of the Ring and Ride service, including the integration of other forms of local transport schemes (including community/hospital transport) be prioritised for consideration during 2019/2020, rather than a 'medium-term' aim. The Board should note that the Overview & Scrutiny Committee would be happy to support the portfolio holder and Transport Delivery Committee in trying to achieve this.**

Response: Given the need to work with a wide variety of stakeholders (including councils) and the wider aspects of community and hospital transport, it is anticipated the review will need to be collaborative and carefully planned and managed. We will keep the Overview and Scrutiny Committee informed of progress and note the offer from the Committee to support the portfolio lead member and the Transport Delivery Committee.

- 3.8 **Recommendation: WMCA to give priority to developing an Arts & Culture Strategy and Physical Activity Strategy, to establish unique selling points for the region, which set it apart from its peers, reflects its diverse nature, achieves physical/mental health benefits and builds on the success of achieving the Commonwealth Games and City of Culture to the area.**

Response: In terms of an Arts & Culture Strategy, the WMCA Board approved the establishment of a Cultural Leadership Board on 11th January 2019, alongside a review of the Culture Creative Industries and Tourism Advisory Group, and implementation of those recommendations is underway.

As regards a Physical Activity Strategy, there are various projects and initiatives contributing to an overall approach. We are currently developing the approach for a regional Childhood Obesity Plan. The WMCA Wellbeing Board have agreed this as a priority and we are currently developing the strategic intent and collaborative framework for delivery. West Midlands on the Move focuses on building active lifestyles into everyday lives, creating the social movement which contributes to improving people's physical and mental health. The WMCA is working with local authorities and other stakeholders such as Sport England and are investing in those social movements which tap into people's motivations to be active – e.g. the Solihull and Coventry Good Gym runners.

This work will be supported by region wide work to strengthen the collaborative leadership for physical activity to ensure that we can capitalize on the opportunities the City of Culture and Birmingham Commonwealth Games brings to long term lasting change to create a more active, healthier and most prosperous West Midlands.

4. Financial Implications

There are no direct financial implications arising from this report

5. Legal Implications

Arrangements for Combined Authority Overview and Scrutiny are dealt with in the Combined Authorities (Overview and Scrutiny Committees, Access to Information and

Audit Committees) Order 2017 and in the WMCA Constitution. As set out elsewhere in this report, the provisions require the Mayor and/or the Authority (as appropriate) to respond to a specific report or recommendations. This report fulfils those requirements. There are no other specific legal implications arising from this report

6. Equalities Implications

There is no equality impact in relation to this report.

7. Inclusive Growth Implications

- 7.1 In determining the inclusive growth implications of WMCA decisions and other reports, the Inclusive Growth Unit will use a Framework to apply a number of 'tests'. These are currently being developed for consideration and approval by the PSR Board in April 2019.

8. Other Implications

- 8.1 There are no further specific implications arising out of the recommendations contained within the report.

9. Schedule of Background Papers

- 10.1 WMCA Board report: Report of Councillor Peter Hughes – Feedback from Overview and Scrutiny Committee Mayor's Question Time: Budget – 11 January 2019