



West Midlands  
Combined Authority

## WMCA Board

<b>Date</b>	17 January 2020
<b>Report title</b>	Scrutiny Review into the Effectiveness of Transport Delivery Committee in Overseeing the Delivery of WMCA Transport Policies
<b>Members Undertaking the Review</b>	Councillor Cathy Bayton, Councillor Ahmad Bostan and Councillor Angus Lees
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**Recommendation(s) for decision:**

**The WMCA Board is recommended to:**

- (1) Support the conclusions and recommendations of the Overview & Scrutiny Committee, as set out within the report.

## **Purpose**

1. To consider the findings of a scrutiny review undertaken to determine the effectiveness of Transport Delivery Committee in ensuring that the transport policies of the West Midlands Combined Authority positively contributed towards the delivery of its wider corporate objectives.

## **Background**

2. Following its creation in 2016, the WMCA established a number of thematic boards that provide political leadership and oversight of the authority. Transport Delivery Committee, which previously existed within Centro and the West Midlands Integrated Transport Authority governance structures, became part of the WMCA with responsibility for overseeing the delivery of transport policies agreed by the WMCA Board.
3. At its meeting on 2 September, the Overview & Scrutiny Committee identified transport as a key area of focus and agreed to undertake a scrutiny review that looked at the effectiveness of Transport Delivery Committee in overseeing the delivery and impact of the transport policies three years on from the establishment of the WMCA.
4. At its meeting on 22 October, the committee agreed the key objectives for the review, being to:
  - (a) Understand the current role of Transport Delivery Committee in overseeing and monitoring the delivery and impact of the WMCA's transport policies, and its effectiveness in undertaking this role.
  - (b) Determine whether the effectiveness of Transport Delivery Committee could be enhanced by changes in the governance arrangements of the committee.
  - (c) Recommend an effective transport governance structure (including transport scrutiny arrangements) that will positively contribute towards the delivery of transport policies and the delivery of the wider ambitions of the WMCA, as determined by the Annual Business Plan.
5. The review group was chaired by Councillor Cathy Bayton, Vice-Chair of the Overview & Scrutiny Committee and also comprised Councillor Ahmad Boston and Councillor Angus Lees. The review was undertaken during November and was supported by William Britton (Transport Strategy Researcher), Dan Essex (Governance Services Manager) and Lyndsey Roberts (Scrutiny Officer).

## **Evidence Gathering**

6. The review group sought a range of written and verbal evidence to help inform its conclusions and recommendations. A briefing note was prepared by Transport for West Midlands' Policy & Strategy team that summarised the history of Transport Delivery Committee, its terms of reference and current structure. In addition, the note explored the roles and structures of transport committees across local transport areas, and specifically within other city regions and combined authorities. The purpose of the briefing note was to inform understanding on how transport delivery and scrutiny was performed elsewhere in the country.

7. The Chair/Vice-Chairs of Transport Delivery Committee also submitted written evidence that summarised the role and responsibilities of the committee and its Lead Member Reference Groups, its interactions with wider groups, and a summary of work that it had carried out. The briefing note also made a number of suggestions as to where the role and purpose of the committee could, in their opinion, be further strengthened.

8. In addition to the written evidence submitted, the review group conducted face-to-face interviews with a range of key witnesses to gain their understanding and insight into Transport Delivery Committee and wider transport governance considerations. This was to help build a better appreciation of the strengths and weaknesses of current arrangements and to highlight areas of potential improvement. A summary of these interviews is set out below:

- **Councillor Ian Ward - Portfolio Lead for Transport**

9. Councillor Ian Ward explained the interrelationships between the Portfolio Lead and both Transport Delivery Committee and the cabinet members for transport within the constituent authorities. The strengths and challenges of current governance arrangements were discussed, as well as their effectiveness of determining transport policy in the WMCA. The adequacy of the current arrangements for the scrutiny of transport policies within the WMCA's existing governance structures was also discussed.

- **Councillor Kath Hartley, Councillor Richard Worrall and Councillor Tim Huxtable - Chair/Vice-Chairs, Transport Delivery Committee**

10. The councillors discussed the roles and responsibilities of Transport Delivery Committee, its oversight of capital projects and revenue funded services, and the strengths and weaknesses of the committee's relationships with the WMCA Board, Portfolio Lead for Transport and Transport for West Midlands' officers. The discussion also covered Transport Delivery's Committee engagement with public and passenger representative groups and explored suggestions for how it could be more effective. Finally, the underdeveloped role of transport scrutiny within the WMCA was discussed and how this differed from the role of Transport Delivery Committee.

- **Councillor Liam Robinson - Chairperson, Liverpool City Region Combined Authority's Transport Committee**

11. Councillor Liam Robinson discussed the role of the Transport Committee in the Liverpool City Region Combined Authority and its structure, roles and responsibilities. The strengths and weaknesses of the region's transport governance (including transport scrutiny), public engagement on transport-related matters and the key principles of a transport decision-making structure were also discussed.

- **Tim Martin - Head of Governance, Clerk and Monitoring Officer**

12. Tim Martin discussed the current transport governance structure within the WMCA and the history behind its evolution over recent years. In addition, he explained the processes that were currently in place for periodically reviewing the governance structure to ensure it was fit for purpose, and discussed the underdeveloped role of transport scrutiny within the WMCA.

- **Laura Shoaf - Managing Director, Transport for West Midlands**

13. Laura Shoaf explored the current role and effectiveness of Transport Delivery Committee in carrying out its responsibilities, along with the relationships it had with the WMCA Board and the Portfolio Lead for Transport. She explained the typical 'journey' involved in developing a major piece of transport policy, and the strengths and weaknesses of this process. The importance and current effectiveness of the scrutiny of transport policies was also discussed.

- **Pete Bond - Director of Integrated Network Services, Transport for West Midlands**

14. Pete Bond discussed the current process for developing transport policy within the WMCA, along with the existing strengths and weaknesses of Transport Delivery Committee from an officer's perspective. He also discussed the level of scrutiny that was undertaken on the delivery of transport policies and the key aspects of any good transport governance structure.

- **Tom Painter - Head of Rail Franchising & Partnerships, West Midlands Rail Executive**

15. Tom Painter explained how Transport Delivery Committee added value to the delivery of rail services within the West Midlands, and the strengths and weaknesses of this arrangement. There was also a discussion on rail governance more generally, and whether there was adequate and appropriate public scrutiny of the delivery of rail services within the region.

## **Emerging Themes and Considerations**

16. During the consideration of the written and oral evidence gathered during the course of the review, a number of broad themes emerged that could be grouped into four key areas for consideration:

- **Current Role and Effectiveness of Transport Delivery Committee**

17. It was clear to the review group that Transport Delivery Committee had a key role to play within the WMCA and that it had been able to demonstrate its value across a range of activities. Its ability to provide detailed oversight of public transport within the region was widely recognised, particularly in respect of day-to-day passenger services. It also had mature relationships with commercial operators and passenger representative groups that helped give the WMCA a balanced perspective.

18. However, there was clear evidence that the role and responsibilities of Transport Delivery Committee was unclear amongst both members and officers, most likely as a result of the evolution of transport governance both pre and post the WMCA's creation

in 2016 and the transfer of decision-making responsibility to the WMCA Board. This had resulted in confusion regarding the committee's remit in respect of policy, strategy, delivery and scrutiny of transport matters, exacerbated by a terms of reference that was likely to contribute to, rather than clarify, this confusion.

19. There did not appear to be any alignment between the annual work plan of the committee and the WMCA's Annual Plan, making it difficult to see how Transport Delivery Committee was able to give proper focus to those transport projects and schemes that had been identified as organisational priorities. As a consequence, the committee appeared less effective in its oversight of major capital projects, and the review group considered this to be a significant weakness in the WMCA's transport governance arrangements given the significant funding levels involved and the strategic importance these had to the wider purpose of the WMCA.

20. The thematic Lead Member Reference Groups were highlighted as a useful forum for members of the committee to discuss projects and proposals in more detail than could be allowed for in the wider Transport Delivery Committee meetings. These groups also allowed for the development of greater member expertise and were valued by officers in giving a structured space for informal member engagement. However, there was some concern that the groups were, to some extent, self-selecting and did not involve the full membership of the Transport Delivery Committee. Because these meetings operated outside of the formal governance framework, matters considered at Lead Member Reference Groups did not always subsequently appear before formal meetings of the committee if officers considered sufficient 'political steer' had already been provided.

- **Transport Policy Development within the WMCA**

21. From the evidence heard by the review group, there was no appetite for Transport Delivery Committee to be given greater powers in respect of setting policy. Indeed, the 'policy-delivery-scrutiny' split was considered a division of responsibility that needed strengthening and reinforcing, rather than weakening or blurring. Given its importance to the WMCA and its interrelationships with other corporate policy areas, it was considered sensible that responsibility for transport policy remained with the WMCA Board and that Transport Delivery Committee should retain its current focus on delivery-related matters.

22. However, it was equally clear that the relationship between the Portfolio Lead for Transport and Transport Delivery Committee (including its chair) was very much informal and was not based on well-defined processes. As a result, there was a lack of formal dialogue or interaction between both parties, partly based on a lack of responsibility for organising such opportunities. A strengthening of this process was accepted as necessary to decrease the over-reliance on informal relationships, especially to ensure that engagement and dialogue was able to withstand individual and political changes.

23. Outside of the formal decision-making governance structures, it became apparent that there was at present no space in which transport policy matters could be discussed at a strategic, region-wide, level. The relationship between the Portfolio Lead for Transport and cabinet members with responsibility for transport within constituent authorities was, at best, informal. Engagement, such as it currently existed, was often

impacted by time constraints on individuals, and it lacked the robustness of a more structured arrangement. Engagement between transport cabinet members and senior officers of Transport for West Midlands also became resource intensive as meetings were often, by necessity, duplicated seven-fold.

- **Transport Scrutiny Arrangements**

24. It was clear to the review group that the role of transport scrutiny was underdeveloped within the WMCA. This was partly due to a lack of clarity as to whether the responsibility sat within Transport Delivery Committee (either formally or informally) and an Overview & Scrutiny Committee that was heavily focussed on the other policy areas of the WMCA. It was clear though that combined authorities more generally had struggled to date to fully develop their transport scrutiny processes and were experiencing similar learning curves.

- **Other Governance Matters**

25. The WMCA had grown significantly since it was established in June 2016 in response to devolution deals and changing responsibilities. The governance structure underpinning these responsibilities had evolved organically, but a consequence of that was that it was necessary to review those structures more frequently than might normally be expected within mature organisations. A number of the issues highlighted within this report were considered to be a consequence of this rapid change of evolution, and it was important that the WMCA placed appropriate importance on identifying structural weaknesses within governance and was prepared to take the necessary action to rectify those weaknesses.

## **Recommendations**

26. After considering the written and oral evidence it received, the review panel concluded that a number of recommendations should be considered by the WMCA Board that would strengthen Transport Delivery Committee and the wider transport governance arrangements within the WMCA and across the region. In making these recommendations, the panel would like to thank all those councillors and officers who gave their evidence in an open and collaborative spirit. Scrutiny members saw a clear willingness from all those involved to further strengthen current arrangements and to help the WMCA continually improve.

- **Recommendation 1: Strengthen Transport Delivery Committee**

The role of Transport Delivery Committee can be strengthened through a number targeted changes:

1. Refresh its terms of reference to strengthen the accountability for transport delivery responsibilities, making clear matters relating to policy and scrutiny sit with other boards, and to cover the full remit of Transport for West Midlands responsibilities.
2. Agree a 12 monthly workplan for the committee that aligns to the transport elements of the WMCA's Annual Plan.
3. Recognising that the committee could strengthen member accountability by reducing its membership, eg. by mirroring the WMCA Board's two members per

constituent authority arrangement, this matter form part of the upcoming scrutiny review on the effectiveness of the WMCA's governance structures in delivering its policy objectives.

4. Incorporate the work of the Lead Member Reference Groups into the main work programme of the committee to ensure full member involvement and to provide greater transparency.
5. Formalise quarterly meetings between the Portfolio Lead for Transport and the chair of the committee to discuss matters of shared interest.
6. Develop a role profile for members clarifying their responsibilities for the delivery of transport policies, supported by training and other briefing events.

- **Recommendation 2: Establish a Strategic Transport Board**

The creation of a new Strategic Transport Board would help facilitate the closer engagement between the Portfolio Lead for Transport and cabinet members for transport within constituent authorities that was identified within paragraph 23 of this report. Whilst setting transport policy would remain the responsibility of the WMCA Board, a new Strategic Transport Board would provide a structured forum to discuss regional transport matters and, supported by appropriate senior transport officers from the Strategic Transport Officers Group, embed closer working relationships and provide the mechanism to resolve problems earlier within a transport scheme's delivery.

- **Recommendation 3: Establish a Transport Scrutiny Sub-Committee**

The WMCA needs rigorous scrutiny of its transport policy making and delivery. The creation of a Transport Scrutiny Sub-Committee, reporting into the Overview & Scrutiny Committee, will clearly set out where this responsibility sits. Ideally, membership of the sub-committee could be drawn from any member of the transport scrutiny committees within the constituent authorities to improve lines of communication and maximise member expertise. The sub-committee would scrutinise transport policy as determined by the WMCA Board and transport delivery that was the responsibility of Transport Delivery Committee. An indicative structure chart showing these relationships is attached as an appendix.

- **Recommendation 4: Governance Oversight**

The WMCA continues to evolve, and the governance that underpins public assurance in the organisation must remain alert, and respond appropriately, to this evolution. To ensure that it remains fit for its purpose, it is necessary for the WMCA Board to be prepared to undertake a full review of its governance within each mayoral cycle.

The recommendations contained within this report, if adopted, will involve the further evolution of the WMCA's governance structures. Members of the review panel noted that the Scheme of Members' Allowances currently in operation reflect a committee structure and member responsibilities that is significantly at odds with those actually in place and being carried out. The time demands of being appointed to a WMCA committee had also not been assessed within the Scheme of Members' Allowances.

The WMCA Board should therefore undertake to carry out a periodic review so that it may confidently adopt a scheme of allowances that appropriately recognise the requirements of membership of the WMCA Board and its committees.

### **Financial Implications**

27. There are no direct financial implications immediately arising out of the recommendations contained within this report. Financial implications would though arise from any review of the Scheme of Members Allowances that was undertaken.

### **Legal Implications**

28. Any changes to the governance of the WMCA agreed by the WMCA Board will require the constitution to be updated to reflect these changes.

### **Equalities Implications**

29. There are no direct equality implications arising out of the recommendations contained within the report.

### **Inclusive Growth Implications**

30. There are no direct inclusive growth implications arising out of the recommendations contained within the report.

### **Geographical Area of Report's Implications**

31. The WMCA exercises transport powers overwhelmingly in respect of the area covered by its constituent authority members.

### **Other Implications**

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