

Public Service Reform Board

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| Date | 15 December 2020 |
| Report title | Single Assurance Framework - Impact on Thematic Board Terms of Reference and Role |
| Portfolio Lead | Public Service Reform & Social Economy - Councillor Maria Crompton |
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Recommendation(s) for action or decision:

The Public Service Reform Board is recommended to:

- (1) Consider the Single Assurance Framework requirements for Thematic boards.
- (2) Consider proposed Portfolio improvements for PSR Board.
- (3) Endorse the amended Terms of Reference as set out in Appendix A

1. Purpose

1.1 On 24 July 2020 the WMCA Board adopted a revised 'Single' Assurance Framework following an internal review. The Assurance Framework sets out how the West Midlands Combined Authority (WMCA) will use public money responsibly, both openly and transparently, and achieve best value for money. The intent of the review undertaken was to streamline and improve decision-making, driving best practice and consistency.

1.2 The purpose of the Single Assurance Framework is to deliver the following:

- Deliver consistency and accountability within decision-making
- Ensure ability to develop projects at speed whilst maintaining required development standards
- Provide WMCA with Financial and Governance Protections for stewardship of public funds
- Improve standards of project initiation, development, delivery and oversight
- Ensure that there is alignment between organisational objectives and outputs - "the Golden Thread"

2. Single Assurance Framework – Implications for Thematic Boards

2.1 The Single Assurance Framework (SAF) has implications for Thematic Boards, it requires each Thematic Board to undertake a set of core roles. The intention of the core roles is to ensure that Thematic Boards are applying the appropriate oversight, support and portfolio development roles required to support the key principles and application of the SAF.

2.2 The proposed core roles for each Thematic Board are as follows:

- i. **Play a key role in developing and approving the Portfolio Annual Business Plan** - ensuring that it demonstrates a clear 'golden thread' to the WMCA Annual Plan and strategic objectives, highlighting prioritisation considerations where appropriate and then supporting and challenging delivery.
- ii. **Provide oversight of the Portfolio Project Pipeline** - taking ownership of supporting and challenging the Lead Member on the pipeline and monitoring its content, providing feedback to Business Areas (but not instruction) and performance managing bids and project development to ensure delivery of the golden thread.
- iii. **Advise on major policy change within Portfolio** - Consider and advise upon major policy change within their thematic area, delivering expert stakeholder engagement and ensuring ownership and accountability.
- iv. **Performance manage Portfolio project delivery** - at thematic level (below strategic), ensuring effective and appropriate challenge to the delivery of projects and programmes, ensuring the continued delivery of the golden thread

2.3 In order to support delivery of these core roles each Portfolio will be required to produce a Project Pipeline that sets out all bids, developing projects and projects in delivery within that Portfolio. The Pipeline will be expected to include key details about the project, the stage that it is at and be open for review, challenge and support through the relevant Thematic board.

2.4 Each Project Pipeline will be regularly updated and will be available to view by its Thematic Board. Each Project Pipeline will also feed into the WMCA Activity Register which is a new central register of all WMCA activity.

3. Thematic Board – Portfolio Improvements

3.1 As part of the work undertaken through the Single Assurance Framework Project, further review of Thematic Boards took place as part of the response to the Internal Project Governance Review which had highlighted inconsistent practices and approaches being taken by Thematic Boards and the negative impact this inconsistency has, alongside consensus opinion at a senior officer level that Thematic Boards were not contributing to the delivery of outputs and strategic objectives.

3.2 As a result the Senior Leadership Team tasked the Single Assurance Framework Project with developing proposals for a consistent role, purpose and approach to Thematic Boards to help drive effective, clear and accountable decision-making, ensure appropriate political oversight and support for Portfolio Leads and to support the intent to deliver a 'Golden Thread' from strategic objective through initiation, development, delivery and evaluation within the WMCA.

3.3 This work was in addition to the developing SAF core roles that would be required to be delivered at each Thematic Board.

3.4 This work has led to the drafting of a standardised Terms of Reference for Thematic Boards that is intended to deliver a consistent approach to Thematic Boards across the WMCA as well as support the Single Assurance Framework core role requirements.

3.5 The work undertaken to provide a more consistent approach across Thematic Boards and therefore deliver consistent application of standards recommends the following:

- Each Thematic Board to play a key role in the oversight and management of the development and delivery of Portfolio projects, ensuring that they are contributing to the delivery of WMCA Strategic Objectives.
- Relevant Portfolio Lead to chair each Thematic Board.
- Membership to consist of 7 Constituent Council representatives, preferably the relevant Cabinet Member for each Constituent Authority.
- Membership to consist of 1 non-con council representative per county area (Warwickshire, Shropshire, Worcestershire, Staffordshire) and for the representative to be a relevant Cabinet Member where possible.
- Membership to consist of representative from each LEP (3 members).
- Membership to consist of additional portfolio specific membership dependent on each Thematic area.
- Minimum of 4 Thematic Board meetings per year in order to ensure consistent quarterly review of Portfolio Project Pipeline.
- Quorum of Portfolio Lead + a third of voting members.

- 3.6 As stated above the intention of the proposed consistencies and the SAF core roles is to provide a consistent role, purpose and approach across all the Thematic Boards to help drive effective, clear and accountable decision-making, ensure appropriate political oversight and support for Portfolio Leads and to support the intent to deliver a 'Golden Thread' from strategic objective through initiation, development, delivery and evaluation within the WMCA.
- 3.7 Engagement has taken place with the Executive Director of Inclusive Growth & Public Service Reform in developing the SAF and the Thematic Board consistency approach as set out above. In addition, this engagement has covered Portfolio specific opportunities to improve the application of the PSR Board and its role. This engagement has led to a recommendation that the following additions are also included in the terms of reference:
- Relevant Board Member to act as Deputy Chair.
 - Additional Board Members be sought from Local Authorities who have an interest in the portfolio area where there is no Cabinet Lead.
- 3.8 A key role for each Thematic board is to provide support to the Portfolio Lead, engagement with the Executive Director of Inclusive Growth & Public Service Reform has help develop an amended list of functions for inclusion in the Terms of Reference to provide this support.
- 3.9 All of the requirements set out in this report, the SAF core roles, the consistency improvements and the developments to better support Portfolio Leads have resulted in an amended terms of reference for the PSR Board being proposed for endorsement. These Terms of Reference are detailed in **APPENDIX A**.
- 3.10 The PSR Board is asked to consider the content of this report and endorse the Terms of Reference proposed in Appendix A.

4. Financial Implications

- 4.1 There are no direct spend or budgetary implications as a result of the recommendations within this report. The assurance frameworks and delegated approval structures detailed within this report are considered to be appropriately designed to ensure WMCA deliver value for money against all its investments and that the financial controls and checks required to deliver those investments are robust.

5. Legal Implications

- 5.1 It is a statutory requirement that the Combined Authority has an assurance framework in place.
- 5.2 There are also statutory duties on the Authority in relation to best value and securing the best use of public money in terms of projects and spending. Failure to have a robust assurance framework in place would result in action by the Authority's internal and external auditors and would affect the value for money judgement provided on an annual basis. It could also result in action being taken by the WMCA Statutory Officers

6. Equalities Implications

- 6.1 The composition of the Thematic Boards and other governance structures of the WMCA normally reflect the composition of the political leadership in constituent local authorities. To this extent, at the current time, they do not reflect the full diversity of the West Midlands region and decision-making might be skewed by unconscious bias. Where there is scope for local authorities to consider diversifying who might represent them on such Boards this could be considered and where there is scope for the Thematic Board to consider co-opting non-voting members on the grounds of their gender or protected characteristics then this too could be considered.

7. Inclusive Growth Implications

- 7.1 The WMCA has developed its own standards that it wishes to drive through its projects and programmes, one of which is consideration and development of Inclusive Growth. Continued regional inequalities and the impact of Covid-19 on some groups reinforces the need for the WMCA to continue to develop processes and initiatives to drive inclusive growth.

8. Geographical Area of Report's Implications

- 8.1 The Assurance Framework applies to any relevant activity across both Constituent and Non-constituent areas.

9. Other Implications

- 9.1 None.

10. Schedule of Background Papers

- 10.1 ARAC September 2019
10.2 ARAC November 2019
10.3 ARAC July 2020
10.4 WMCA Board July 2020

11. Appendices

- 11.1 Appendix A – Proposed Terms of Reference Public Service Reform Board

APPENDIX A



PUBLIC SERVICE REFORM BOARD Terms of Reference

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| <p>Purpose:</p> | <p>The Board will play a key role in the oversight and management of the development and delivery of Portfolio programmes and projects, ensuring that they are contributing to the delivery of WMCA Strategic Objectives and the Annual Business Plan.</p> <p>The Board will be responsible for the oversight of delivery of the PSR Business Plan, contributing to its development and monitoring its delivery.</p> <p>The Board will assist in the accelerated delivery of public service reform across the West Midlands region.</p> |
| <p>Accountable to:</p> | <p>WMCA Board</p> |
| <p>Membership:</p> | <p><u>Voting Members:</u></p> <ul style="list-style-type: none"> ○ Chaired by WMCA Portfolio Holder for PSR ○ Deputy Chair by relevant Board Member (to be agreed) ○ Constituent Members – Relevant Cabinet Member as determined by each Constituent Council ○ Non-Constituent Members – 1 Representative per county area (Warwickshire, Shropshire, Worcestershire, Staffordshire) Representative to be a relevant Cabinet Member where possible ○ LEPs – Representative from each LEP Area <p><u>Non-Voting Members:</u></p> <p>The following subject specific guests will be invited to Board meetings as appropriate:</p> <ul style="list-style-type: none"> ○ No more than 8 additional Constituent Members, in total, for those elected members with an interest but no Cabinet Lead. ○ Chair of the West Midlands Homelessness Taskforce ○ Chair of the Social Economy Taskforce ○ West Midlands Police and Crime Commissioner ○ Chief Constable West Midlands Police ○ West Midlands Chief Fire Officer ○ Director of West Midlands Combined Universities ○ Chair of the Institute for Community Research & Development (ICRD)Centre Director, Public Health England ○ Chief Executive NHS Birmingham & Solihull CCG ○ Director of Commissioning ,NHSE ○ West Midlands Head of Region, ADASS ○ West Midlands Childrens Services Lead |
| <p>Chair:</p> | <p>The Chair will be the Portfolio Lead for Public Service Reform</p> |
| <p>Functions:</p> | <ul style="list-style-type: none"> ● To review, monitor and approve the PSR Annual Business Plan, ensuring that it demonstrates a clear golden thread to the WMCA Strategic Objectives, highlighting prioritisation considerations where appropriate and supporting and challenging delivery of the Plan. |

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| | <ul style="list-style-type: none"> • Consider the PSR Portfolio Project Pipeline in order to monitor its content, providing feedback to the Business Area and performance managing project development • To consider and advise upon major policy change within the PSR Portfolio • To performance manage the delivery of projects detailed within the PSR Portfolio Project Pipeline at Portfolio level, ensuring effective and appropriate challenge to the Business Area and stakeholders • To provide co-ordination and direction on strategic matters relating to the portfolio needs of the region. • To provide the forum for facilitating strategic conversations between the local authorities, stakeholders and WMCA • Lead and direct the development of critical enabling capabilities for public service reform, including workforce, digital, data, and research capabilities. • Identify and exploit opportunities for integrated working and investment to ensure delivery of programme objectives • Adopt and deliver the principles of PSR. • Nominate named lead individuals to oversee and contribute to the delivery of specific work- streams within the overall programme |
| Voting: | <p>All Members will have one vote each.</p> <p>The Chair will have a casting vote if required.</p> |
| Quorum: | WMCA Portfolio Lead + Third of Voting Members |
| Frequency: | Minimum of 4 times a year or more frequently as required to discharge its responsibilities |