


**Sandwell Metropolitan Borough Council**

**16 October 2018**

<b>Subject:</b>	West Midlands Combined Authority
<b>Presenting Cabinet Member:</b>	The Leader
<b>Director:</b>	Darren Carter
<b>Contribution towards Vision 2030:</b>	
<b>Cabinet Member Approval and Date:</b>	The Leader 1 October 2018
<b>Director Approval:</b>	Darren Carter 27 September 2018
<b>Contact Officer(s):</b>	Sarah Sprung, Senior Service Improvement Lead, <a href="mailto:sarah_sprung@sandwell.gov.uk">sarah_sprung@sandwell.gov.uk</a>

**DECISION RECOMMENDATIONS**

**That Council:**

1. Consider opportunities for the Borough arising from the West Midlands Combined Authority.

**1 PURPOSE OF THE REPORT**

- 1.1 To provide Council with an update in relation to West Midlands Combined Authority activity since the last update was provided to Council on 17 July 2018.
- 1.2 This report gives an overview of a number of issues, further detailed information about West Midlands Combined Authority, including key projects and initiatives, is available on the [WMCA website](#).

## 2 IMPLICATIONS FOR SANDWELL'S VISION

- 2.1 Participation in West Midlands Combined Authority (WMCA) activity has the potential to help Sandwell deliver all of the ambitions contained in the Vision.

## 3 BACKGROUND AND MAIN CONSIDERATIONS

### **Process and Indicative Timetable for incorporation of West Midlands Police and Crime Commissioner Functions into the Mayoralty**

- 3.1 The second Devolution Deal confirmed that in addition to continuing the integration of the West Midlands Fire and Rescue Service within the Combined Authority 'the government, the CA and the PCC will work together to agree a detailed governance model and a legislative timetable for incorporating the role and power of the Police and Crime Commissioner into the mayoralty, with a view to electing the first Mayor with these powers in 2020'.
- 3.2 The WMCA Board considered the matter at its meeting on 20 July 2018, at this meeting the Board agreed to the development of a Governance Review and Scheme to enable the proposed amalgamation of the functions of the West Midlands Police & Crime Commissioner into the Mayoralty for the elections to be held in 2020.
- 3.3 A further report on the Governance Review and Scheme was submitted to the WMCA Board on 14 September 2018. At the Board meeting it was agreed that the report and Governance Review and Scheme was to be considered by Constituent Authorities and the PCC in line with the requirement to elect a Mayor with PCC responsibilities in 2020, as agreed by the Board on 20th July 2018.
- 3.4 It is proposed that a single, robust eight-week consultation be carried out that would do two things: Firstly it would ask the question if the public wished, as proposed in the second devolution deal, to transfer the PCC role into the Mayoralty from 2020 or maintain two single elected and differential roles. Secondly, it would then seek the public's views on the governance review and scheme.

<b>Action</b>	<b>Who</b>	<b>Date</b>
Programme Board		6 July 2018
Approval to prepare Governance Review and Scheme.	CA Board	20 July 2018
Governance Review and Scheme.	CA & PCC Office	Completed by the end of August 2018
CA Board consider the Governance Review and Scheme.	CA Board	14 September
Constituent Authorities consider	Constituent Authorities	Sept/Oct

Governance Review and Scheme and feedback comments to CA Board.	PCC Office	
Seek Approval to Consult	CA Board	9 November 2018
Public Consultation	CA, Constituent Authorities and PCC Office	19 November to 14 January 2019
Consideration of consultation outcomes and final approval by Constituent Authorities/PCC	PCC Constituent Authorities	Jan/Feb 2019
CA Board approval to submit.	CA Board	8 March 2019
Scheme to Home Secretary.	CA	Mid March 2019
Home Secretary Approval.	Home Office	April 2019
Preparation of Order.	Home Office	April to July 2019
Agreement to Order	CA Constituent Authorities	August 2019
Lay in Parliament*	Home Office	By 7 November 2019
Confirmation of Order	Home Office	December 2019
Election of Mayor with PCC Powers.		May 2020

### **West Midlands Fire and Rescue Authority**

- 3.5 In May 2018, the Board considered the outcomes of this consultation, and agreed to formally submit proposals to the Home Office to initiate the process of drafting the required Statutory Order that will enable changes to the governance arrangements.
- 3.6 Following submission to the Home Office, extensive discussions between Home Office officials, the WMCA and WMFS continue to take place. WMCA have sought to understand the full implications of the proposals, and to ensure that the key asks are appropriately reflected in the Statutory Order (to enable effective transfer of governance from the WMFRA to the WMCA in April 2019).

## Home Office Response to key asks

3.7 The Home Office has responded to the Scheme and confirmed its position with respect to the key asks as follows:

a. Ring-fencing of finances and reserves:

The Home Office confirmed that it was unachievable to ring fence WMFS budget and reserves within the Statutory Order. To do so would require a change to primary legislation and making a submission for a change in primary legislation would significantly delay the timeline, as the Home Office expects legislation relating to BREXIT to dominate the parliamentary timetabling. It was also stated that it was not Treasury policy to hypothecate or ring fence public funding.

b. Composition of Mayoral Fire Advisory Committee (MFAC):

The scheme proposed a 'minimum' of 18 members to be appointed to the MFAC. The Home Office expressed concern with the potential to allow the composition of the committee to be increased.

c. The CFO as Head of Paid Service for WMFS and operational independence:

The Home Office also confirmed that it would be unachievable to provide for the CFO to be the head of paid service of WMFS within the Statutory Order, due to the need for primary legislation to enable this. This is because the Local Government and Housing Act 1989 only caters for one Head of Paid Service role within a local authority structure. Pleasingly, however, the draft Order continues to recognise the operational independence and technical responsibilities of the CFO.

## Proposed Solutions to achieving key asks

3.8 The below proposals were identified as a means to enable these to be met locally:

a. The ring fencing of budget, precept and reserves can be provided for through agreement of the WMCA Board. Transparency can be provided through a public commitment and scrutiny via WMFS's Section 151 Officer and the WMCA Overview and Scrutiny Committee. The WMCA annual budget setting process which requires the agreement of all Constituent Councils provides an additional check and balance for such an arrangement. Levels of assurance can be provided locally, along with an accountability for the CFO to be designated a clear budget, in order to be able to lead and deliver the strategy of the Fire and Rescue Service through appropriate resources.

b. MFAC composition: It is proposed that a minor change is made for the draft Order, setting the committee as being composed of a 'maximum' of 18 members; with 15 elected members and 3 co-optees. The PCC would retain the voting member status as is currently in place on the reformed WMFRA as a co-optee, reflective of the representative model set out in the Policing and Crime Act 2017. This proposal from the Home Office will not present a risk to the Constituent Council representation on the MFAC.

- c. CFO as Head of Paid Service for WMFS: Whilst the Statutory Order cannot assign this role to the CFO, it can detail those accountabilities which 'will only be exercised' by the CFO. These can align to the key asks proposed in the Scheme. Locally, assurance can be provided through constitutional revisions that designate all organisational and operational matters to the CFO.
- 3.9 In the report of the 25th May 2018, the WMCA Board was informed (paragraph 2.16 of 25th May 2018 report) that all councils had agreed to delegate authority to the Leader and Chief Executive/Managing Director of the council, to approve the draft Order received from Government. This is in order for it to be laid before parliament and to enable the changes for the Mayoral WMCA to assume governance of WMFS. Furthermore, it was stated that all constituent councils including the WMCA, would be formally consulted should there be any major changes to the proposals in the Scheme made in the draft Order. Consequently, an urgent letter was issued to constituent council Leaders requesting a decision on the proposed solutions to achieving the key asks.
- 3.10 Cabinet considered this matter on 19 September 2018, representations were received at the meeting from both the Fire Brigades Union and the Chair of the Fire and Rescue Authority.
- 3.11 Following consideration of representations received Cabinet were minded to resolve the following: -
1. Approve the proposals for the fulfilment of the conditions from the seven constituent councils.
  2. Note the detail of the proposed amendments to the West Midlands Combined Authority constitution that reflect the conditions agreed by the constituent councils and to ensure as far as is practically possible, that the outcomes and red lines issues identified within the consultation not addressed within the Parliamentary Order are addressed within the Constitution of the West Midlands Combined Authority.
  3. That in connection with Resolution (2) above, any changes to the West Midlands Combined Authority Constitution be submitted to a meeting of the full Council of each of the seven constituent councils for approval.
  4. That workforce representation on committees be considered as part of the governance arrangements of the West Midlands Combined Authority.
  5. Authorise the Chief Executive, in consultation with the Leader of the Council, to assent to the draft order received from Government to be laid before parliament, to enable the changes for West Midlands Combined Authority to assume governance of West Midlands Fire Service (in accordance with Cabinet Minute 52/18).

## **Cohesion & Integration and Public Sector Reform Leadership Commission**

- 3.10 Sandwell has a lead role in taking forward the agenda relating to Cohesion & Integration and Public Service Reform as the Leader, Councillor Eling, is the portfolio lead for this area. Headline activity in the portfolio includes the adoption of the Inclusive Growth Framework.
- 3.11 The WMCA wants to “*link cranes with communities,*” to ensure that investment into transport, homes, and business premises benefits all citizens, across the region. As a means of tracking progress to achieve this, the framework has been developed in order that the impact of deliverables can be understood and used to inform future plans.
- 3.12 The structure of the Inclusive Growth Framework is based on an economic model from Kate Raworth’s ‘Doughnut Economics’, which lends itself to simply and accurately reflecting the social, economic and environmental factors that need to be balanced in order to create an inclusive economy.
- 3.13 When the Framework was taken forward for the approval at the WMCA Board on 14 September, the work being done in Sandwell to develop the Vision 2030 Journey Tracker was acknowledged. The tracker, although still in developmental stages, is founded in the principals of inclusive growth. A full report on the Journey Tracker will be presented to Council in 2019 and will be the result of six months of collaborative working with the Joseph Rowntree Foundation, WMCA, the Black Country Consortium, Sandwell Safeguarding Children Board, Sandwell Safeguarding Adults Board, the Safer Sandwell Partnership and the Sandwell Health and Wellbeing Board.
- 3.14 The Inclusive Growth Unit has been officially launched as the country’s first unit within a combined authority dedicated to building the case for inclusive economic growth.
- 3.15 Progress on key workstreams – a robust evidence base, an investment toolkit, a framework for adaptation locally and several strands of citizen and civic engagement – has begun and a lead officer is in post.
- 3.16 The Social Economy Taskforce has met twice. Social Economy UK is providing baseline data, research and expertise. External funding has been secured through Power to Change. Initially work is focused on four areas with a view to building recommendations:
- i) Commissioning and Procurement;
  - ii) Start Up, Sustain and Scale Up;
  - iii) Social Funding and Finance;
  - iv) Cross pollination across sectors

- 3.17 The WMCA has been asked to explore regional pilot status for the Cabinet Office's new Public Service Leadership Academy. This would be a vehicle to support collaborative leadership and cross-sector working across the WMCA – building on the principles set by the PSR board around 'enabling not leading'.
- 3.18 The West Midlands Industrial Strategy has been drafted in partnership with the region's LEPs, business communities, universities, local authorities and other key stakeholders. The strategy sets the blueprint for industrial development within the region, including the high growth sectors which offer the greatest potential for the regional economy. It will become a conduit for future funding and engagement with Government. Work is taking place to ensure that inclusive growth principles are embedded within the Industrial Strategy, and that PSR underpins considerations around future human capital and social infrastructure within the region.
- 3.19 As Portfolio Lead Councillor Eling attend the WMCA Overview and Scrutiny Committee on 4 September to respond to the Committees questions in relation to the Leadership Commission Report 'Leaders Like You'.

**Combined Authority Overview and Scrutiny (Councillor Peter Hughes)**

- 3.20 At its meeting held in July, the committee approved the continuation of five working groups for 2018/19. Whilst each group will make arrangements to meet and consider appropriate matters, they do not have delegated decision making authority and therefore will provide regular reports together with recommendations to meetings of Overview & Scrutiny Committee. The five working groups are:
- i. Health & Wellbeing (Lead member: Cllr Cathy Bayton (Dudley MBC))
  - ii. Inclusive Growth and Productivity & Skills (Lead member: Cllr Lisa Trickett (Bham CC))
  - iii. Housing & Land (Lead member: Cllr Ian Shires (Walsall MBC))
  - iv. Budget (Lead member: Cllr Peter Hughes (Sandwell MBC))
  - v. Governance (Lead member: Cllr John Cotton (Bham CC))
- 3.21 Leaders Like You' report - On 4 September, the Committee invited Cllr Steve Eling and Henry Kippin to answer questions on the progress being made on the implementation of the recommendations of the 'Leaders Like You' report. , they have been invited back on 12 April to provide a further update on progress. In addition, the Scrutiny Committee has put forward a recommendation to the WMCA Board to request that all future reports the WMCA or its committees considers includes a specific reference within them to any implications regarding inclusive growth.

## **Combined Authority Wellbeing Board (Councillor Ann Shackleton)**

- 3.22 The Health and Wellbeing Programme - the focus on the wellbeing agenda of the WMCA has been on keeping the people of the West Midlands healthy so that they are able to contribute to and benefit from the economic growth at the heart of the WMCA's strategy. This means that the WMCA Health and Wellbeing agenda is also clearly aligned with the WMCA PSR and Inclusive Growth agenda.
- 3.23 A plan on a page for the Health and Wellbeing Programme has been developed, essentially made up of three key components: -
- i. **Productivity and Health**  
Unlocking the economic premium generated by a healthy and well population, supporting the WMCA's ambition for inclusive growth that reinforces the link between health, wealth and human capital. Our activities focus on intelligence to support better health outcomes across all policies, and on specific activities to improve the resilience and social mobility of children and young people.
  - ii. **Radical Prevention**  
Enabling models of radical prevention that tackle the causes of ill health and poor productivity in the West Midlands. Our role here is as an innovation partner - trialling new initiatives, catalysing change and promoting new ways of working across the system in areas within which we can add value to our partners.
  - iii. **System Collaboration**  
Providing a system leadership role - convening, supporting better outcomes, and strengthening the links between health, care and other sectors within public services. Our role here is to support collaboration: acting in areas where we can bring people together and support whole-place change led by our partners.

## **4 STRATEGIC RESOURCE IMPLICATIONS**

- 4.1 The contribution to the Combined Authority from Sandwell Council for 2018/19 is £0.612 million.
- 4.2 Section 21 of the West Midlands Combined Authority (Functions and Amendments) Order 2017 has the effect that where costs are incurred by the Combined Authority and are not met from other sources of income, then they fall to be met by the seven constituent councils, including Sandwell.



## **5 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 5.1 Part 6 of the Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”) provides for the establishment of combined authorities for the areas of two or more local authorities in England. Combined authorities are bodies corporate which may be given power to exercise specified functions of a local authority under sections 104 and 105 of the 2009 Act, and power to exercise specified functions of any other public authority under section 105A of the 2009 Act.

## **6 EQUALITY IMPACT ASSESSMENT**

- 6.1 The priorities of the West Midlands Combined Authority reflect the equality and diversity of the West Midlands, including striving to create prosperity through a strong and collective economic strategy and the policy aspiration to champion all that makes the West Midlands a Great Place to Live. The equality impact of any specific proposals will need to be addressed in reports to the WMCA Board or the appropriate decision making body.

## **7 DATA PROTECTION IMPACT ASSESSMENT**

- 7.1 The recommendations in this report do not result in the collection or retention of personal data.

## **8 CRIME AND DISORDER AND RISK ASSESSMENT**

- 8.1 There are no Crime and Disorder issues arising from the recommendations set out in this report.

## **9 SUSTAINABILITY OF PROPOSALS**

- 9.1 The information in this report does not directly have any sustainability implications, however as schemes are delivered by the WMCA there is a need to ensure that the evidence that underlies decision making is robust, up-to-date and is in line with current planning and environmental legislation.

## **10 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

- 10.1 All constituent members of the WMCA are be better placed to contribute and influence the Health and Social Care offer for local residents and create:
- A more sustainable local health and care economy;
  - Improved quality and experience of care;
  - Improved population health.

## **11 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

- 11.1 There are no direct implications contained in this report.

## 12 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 12.1 Participation as a constituent member of the WMCA enables Sandwell to deliver improvements to the locality that would otherwise be more difficult to achieve. In addition, through WMCA activity, we can ensure that Sandwell residents have the skills to access new employment opportunities both here in Sandwell and across the region, with excellent public transport available connecting the whole of the west midlands.

## 13 BACKGROUND PAPERS

### 13.1 WMCA Board Papers:-

- i) [Record of Decisions 14 September 2018](#)