

Cabinet
Council

12 June 2018
10 July 2018

Name of Cabinet Member:

Cabinet Member for Policy and Leadership – Councillor G Duggins

Director approving submission of the report:

Chief Executive

Ward(s) affected:

City Wide

Title: Dissolution of the West Midlands Joint Committee

Is this a key decision?

No

Executive summary:

This report seeks authority from Cabinet to recommend to Full Council the approval of a unifying Resolution to dissolve the West Midlands Joint Committee (“WMJC” or the “Committee”) and the new arrangements for managing the remaining residual business of the Committee once the Committee is dissolved. In addition, it seeks Cabinet approval to establish a Joint Executive Committee with the other six Councils within the West Midlands for the purpose of airport decisions known as West Midlands Shareholders Airport Committee.

Recommendations

Cabinet is recommended to:

- (1) Agree to recommend to Full Council on 19 June 2018 the approval of the dissolution of the West Midlands Joint Committee, for the reasons set out in this report.
- (2) Agree to set up a Joint Executive Committee with the other six Councils within the West Midlands for the purpose of airport decisions known as West Midlands Shareholders Airport Committee in accordance within the terms of reference set out at Appendix 4 of this Report.
- (3) Agree to recommend to Full Council the proposals for managing the remaining residual business of the WMJC once it is dissolved as set out in Appendix 3 of this Report be approved.

- (4) Recommend to full Council that Cllr Duggins be appointed to the West Midlands Shareholders Airport Committee as a voting member and Cllr Abdul Khan and Cllr Ridley be appointed as non-voting members once the committee is established.
- (5) Recommend to full Council that the City Solicitor and Monitoring Officer be authorised to make any relevant changes to the Council's Constitution in order to enact the recommendations at (1) and (2).
- (6) Authorise the City Solicitor to negotiate, execute and complete all legal documents necessary to support and deliver the above recommendation.

Council is recommended to:

- (1) Approve the dissolution of the West Midlands Joint Committee, for the reasons set out in this report.
- (2) Approve the proposals for managing the remaining residual business of the WMJC once it is dissolved as set out in Appendix 3 of this Report.
- (3) Approve the appointment of Cllr Duggins as a voting member of the West Midlands Shareholders Airport Committee and of Cllr Abdul Khan and Cllr Ridley as non-voting members once the committee is established.
- (4) Authorise the City Solicitor and Monitoring Officer to make any relevant changes to the Council's Constitution in order to enact the recommendations at (1) and (2).

List of Appendices included:

Appendix 1: Outline of future costs

Appendix 2: Unifying Resolution

Appendix 3: Proposals on how existing WMJC functions will be carried out in the future

Appendix 4: Proposals for Airport Committee

Background Papers

None

Other useful documents:

None

Has it or will it be considered by Scrutiny?

No

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

Yes - 19 June 2018

Report Title: Dissolution of the West Midlands Joint Committee

1. Context (or Background)

- 1.1 WMJC was established in 1985 for the purpose of discharging the residual County Council functions that were deemed inappropriate to pass on to individual Metropolitan Borough Councils (MBCs). Lead responsibilities for different functions across the region were allocated eg support to Fire Authority; support to Passenger Transport Authority etc.
- 1.2 Initially meetings of the WMJC took place 3 to 4 times a year and dealt with a wide range of matters; Birmingham Airport has always been a substantial item of business but previously many transport-related matters were covered as well as more ad hoc items including waste landfill agreements, spatial planning, Environment Agency Levy.
- 1.3 Over more recent years, as other regional bodies have been introduced, particularly the West Midlands Combined Authority (WMCA), the responsibilities of WMJC have diminished. Only two short meetings per year are held now, often with few items of interest to Members. This has been commented on by voting and non-voting members recently.
- 1.4 Birmingham City Council, Coventry City Council, Dudley MBC, Sandwell MBC, Solihull MBC, Walsall Council and City of Wolverhampton Council are member authorities of WMJC with each having one voting and two non-voting members. Coventry City Council's members are Councillor George Duggins (voting Member), Councillor Abdul Khan and Councillor Gary Ridley (non-voting Members).

2. Options considered and recommended proposal

- 2.1 Appendix 3 sets out the existing functions of the WMJC with recommendations on how they could be carried out in the future. These proposals were discussed and agreed by Metropolitan Chief Executives at their meeting on 27 October 2017 and again on 26 January 2018 and by Metropolitan Leaders at their meeting on 9 February 2018.
- 2.2 Since the majority of the existing business of WMJC is airport related, it is proposed that a WM Shareholders Airport Committee be established to deal with all Birmingham Airport matters. This would allow for more appropriate detailed discussion on issues related to the Districts' shareholding in Birmingham Airport. The new Committee will be administered by the Birmingham-based Airport Adviser. Appendix 4 sets out the proposals for the Airport Committee in more detail.
- 2.3 When developing proposals, consideration has been given to:
 - The nature and frequency of occurrence of each area of WMJC business;
 - Existing formal and informal regional meetings;
 - Arrangements in other regions.

- 2.4 Having taken into account the above, the proposals outlined were deemed to be the most practicable by both the Metropolitan Chief Executives and Metropolitan Group Leaders at their respective meetings as referred to at paragraph 2.1.

2.5 Recommendations

Cabinet is recommended to:

- (1) Agree to recommend to Full Council on 19 June 2018 the approval of the dissolution of the West Midlands Joint Committee, for the reasons set out in this report.
- (2) Agree to set up a Joint Executive Committee with the other six Councils within the West Midlands for the purpose of airport decisions known as West Midlands Shareholders Airport Committee in accordance within the terms of reference set out at Appendix 4 of this Report.
- (3) Agree to recommend to Full Council the proposals for managing the remaining residual business of the WMJC once it is dissolved as set out in Appendix 3 of this Report be approved.
- (4) Recommend to full Council that Cllr Duggins be appointed to the West Midlands Shareholders Airport Committee as a voting member and Cllr Abdul Khan and Cllr Ridley be appointed as non-voting members once the committee is established.
- (5) Recommend to full Council that the City Solicitor and Monitoring Officer be authorised to make any relevant changes to the Council's Constitution in order to enact the recommendations at (1) and (2).
- (6) Authorise the City Solicitor to negotiate, execute and complete all legal documents necessary to support and deliver the above recommendation.

Council is recommended to:

- (1) Approve the dissolution of the West Midlands Joint Committee, for the reasons set out in this report.
- (2) Approve the proposals for managing the remaining residual business of the WMJC once it is dissolved as set out in Appendix 3 of this Report.
- (3) Approve the appointment of Cllr Duggins as a voting member of the West Midlands Shareholders Airport Committee and of Cllr Abdul Khan and Cllr Ridley as non-voting members once the committee is established.
- (4) Authorise the City Solicitor and Monitoring Officer to make any relevant changes to the Council's Constitution in order to enact the recommendations at (1) and (2)

3. Results of consultation undertaken

- 3.1 Both the Chief Executive and the Leader have contributed to the proposals via their regular meetings with other Metropolitan Borough Council Chief Executives and Metropolitan Leaders Group.
- 3.2 A brief update was also provided at the last WMJC meeting on 26 January 2018.
- 3.3 The Unifying Resolution is being submitted to Cabinet in each of the other six constituent Councils for approval in each of those councils. In addition each of the other six constituent Councils are being asked, through their respective executive governance arrangements, to set up a Joint Executive Committee with the other six councils.

4. Timetable for implementing this decision

- 4.1 Once the constituent councils have all agreed these proposals, they will be implemented and the Joint Committee abolished and replaced as outlined.

5. Comments from the Director of Finance and Corporate Services

5.1 Financial Implications

Coventry City Council's contribution to the WMJC in 2017/18 was £64,744. Future costs are likely to remain very similar since although WMJC responsibilities will be dealt with differently the financial obligations remain the same. An outline of future estimated costs for the operation of the new arrangements is included at Appendix 1 of this report.

5.2 Legal implications

- 5.2.1 There are no inherent provisions in the revised Constitution of WMJC dated 28 January 2015 which provide for its dissolution. The WMJC was established by the Full Councils of the District Councils of the County of West Midlands as a Joint Committee on 24 July 1985 under the provisions of Part VI of the Local Government Act 1972.
- 5.2.2 The WMJC's Constitution was updated to reflect changes as set out in the Localism Act 2011 in relation to strategic planning and cross boundary infrastructure matters which must now be dealt with via the Duty to Cooperate ("the duty").
- 5.2.3 Where local authorities are jointly discharging functions they must work within the statutory framework that governs this. The Local Government Act 1972 S101(5) requires the authorities to appoint a joint committee consisting of councillors from each authority.
- 5.2.4 The unifying resolution as set out in Appendix 2, once signed by all the constituent Councils will dissolve the West Midlands Joint Committee.

6. Other implications

6.1 How will this contribute to achievement of the Council's Plan?

The changes will have minimal, if any, effect on the achievement of the Council Plan.

6.2 How is risk being managed?

No specific critical risks have been identified.

6.3 What is the impact on the organisation?

There will be no specific impact upon the Council from these proposals.

6.4 Equalities / EIA

No impact.

6.5 Implications for (or impact on) the environment

No specific impacts

6.6 Implications for partner organisations?

The proposal is the same for each of the other West Midlands Metropolitan Districts.

Report author(s):**Name and job title:**

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Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-Ordinator	Place	18/05/18	21/05/18
Paul Jennings	Finance Manager, Corporate Finance	Place	18/05/18	21/05/18
Names of approvers: (Officers and Members)				
Barry Hastie	Director of Finance and Corporate Services	Place	18/05/18	23/05.18
Julie Newman	Legal Services Manager and Monitoring Officer	Place	18/05/18	23/05/18
Martin Reeves	Chief Executive	-	18/05/18	22/05/18
Councillor G Duggins	Leader of the Council	-	22/05/18	23/05/18

This report is published on the Council's website: www.coventry.gov.uk/councilmeetings

Estimate of future costs

	Airport Committee	Pension Fund	Administration
Aeronautical adviser	24,000		
SASIG subscription	6,000		
Finance & Admin Support	32,000		24,000
Pensions	45,000 (former airport employees)	387,000 (former WMCC, WMRB and Other Employees without a Successor Authority)	
Miscellaneous (catering, room bookings etc)	3000		4000
Total	110,000	387,000	28,000

RESOLUTION OF ALL THE CONSTITUENT LOCAL AUTHORITIES TO DISSOLVE THE WEST MIDLANDS JOINT COMMITTEE FROM THEIR RESPECTIVE GOVERNANCE ARRANGEMENTS

We the undersigned Local Authorities ALL hereby determine to dissolve the West Midlands Joint Committee (the “Committee”).

On the dissolution, the powers and functions of the Committee will be determined in a manner agreed by each constituent local authority.

Signed

Proposals for remaining WMJC functions

FUNCTION	RECOMMENDATIONS
1. To make nominations or appointments to the 5 balancing places of the West Midlands Police and Crime Panel.	That nominations to the Panel are reviewed at Met Leaders Group meeting. (Nominations will be formally made by each of the Councils and through ABCA; Leaders will be asked to review the nominations and political balance on the panel.)
2. Matters relating to Birmingham Airport.	That WM Shareholders Airport Committee be established with responsibility for all those airport related functions which currently sit with WMJC. This to include: (1) The exercise of the Districts powers and rights as shareholders of the Airport Company including the manner in which the Districts' block shareholder vote is to be exercised pursuant to the Shareholders' Agreement (2) The appointment and removal of District Directors of the Airport Company (3) The determination of the manner in which the District Directors block vote is to be cast pursuant to the Shareholders' Agreement The 7 Mets will need to make contributions to cover airport related costs.
3. To consult and co-operate as respects matters affecting the District Councils (including the Duty to Cooperate and as appropriate with each District Council and the Joint Authorities).	That relevant items requiring a formal decision go to WMCA Board (eg planning) and any remaining items go to Met Leaders Group meeting.
4. To oversee the work of and payment of the Joint Data Team contract with Mott Macdonald Ltd dated 27 March 2008. The JDT contract with Mott MacDonald provides services to the seven metropolitan authorities, the Highways Agency and	Responsibility to transfer to WMCA Board. (Existing contract expires in 2018).

<p>Centro as was, comprising of two main elements:</p> <ul style="list-style-type: none"> • Transportation and Planning Services; and • Transportation Modelling (PRISM). <p>The contract currently runs until March 2018, costs being covered by the 7 District Councils, split according to population. (A paper was presented to WMJC in June 2015 outlining full details of the work of the team).</p>	
<p>5. To receive reports from any partnership.</p>	<p>That items go to either Met Leaders Group meetings or WMCA Board meetings as appropriate.</p>
<p>6. Approval of nominations to West Midlands Arts Trust.</p> <p>The principal activity of the Trust is, having received grant aid from West Midlands County Council, to provide a building at a peppercorn rent to the Arts Council England in order to further the arts in the West Midlands.</p>	<p>Historically Birmingham and Sandwell Councils have provided a Trustee to sit on this Board, this has been managed through WMJC. It is proposed that this is now dealt with by the Met Leaders Group.</p>
<p>7. Payment of pension costs relating to former employees of WMCC, WMRB and other employers without a successor authority.</p>	<p>That responsibility for collection of contributions remains with Wolverhampton Finance. Financial reports presented at Met Leaders Group meeting for information.</p>

Proposals for Airport Committee

Structure

- It is suggested that the Airport Committee schedules six meetings each year.

Functions

- Appoints officers to advise the Districts and Airport Committee on Birmingham Airport Holdings Limited (the “Company”).
- Exercises the powers and rights of the Districts as shareholders of the Company including the manner in which the Districts’ block shareholder vote is to be exercised.
- Appoints and removes District directors.
- Determines the manner in which the block vote is to be cast by any of the Districts’ directors.

Membership

- One voting Member from each District.

In order to ensure that the current non-voting members of WMJC retain knowledge of airport related issues, it is suggested that two non-voting members from each District are invited to attend one of the scheduled meetings of the Airport Committee each year.

Voting

- All resolutions passed by a majority of the members present who between them represent Districts who hold at least 51% of the Districts’ total shareholding.

The Districts currently hold the following shareholding in the Company:

Birmingham	38.1%
Coventry	11.8%
Dudley	11.4%
Sandwell	11.5%
Solihull	7.6%
Walsall	10.0%
Wolverhampton	9.6%
Total District Shareholding	100%

Urgent decisions between meetings

- It is suggested that the Airport Committee may arrange for the discharge of their functions by each of the Districts’ Chief Executives or anyone authorised by any District to act in the Chief Executive’s absence acting in consultation with the Chair or vice Chair of Airport Committee.