

# West Midlands Combined Authority Scrutiny and Audit Annual Report

2023/24



West Midlands  
Combined Authority



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# Forewords



## Councillor Cathy Bayton

Chair of Overview & Scrutiny Committee

I write this foreword as the outgoing Chair of the Overview and Scrutiny Committee, a position I have proudly held for the last three years and have guided the scrutiny committee through the many challenges of the Deeper Devolution Deal and the Government's new Scrutiny Protocol. The committee has risen to the challenge this year, and I want to pay tribute to every member of the committee for their dedication and contributions, particularly my Vice-Chair Councillor Naeem Akhtar for his ongoing support and leading the Brownfield Land Remediation Deep Dive Review.

As always, the committee would not function without the support of Governance Service Officers, Dan Essex and Julia Cleary, but particularly Lyndsey Roberts who ensures that the committee has the information it needs and supports me as Chair to keep the meeting running smoothly. Lyndsey Roberts has helped the committee develop over the years and will continue to be an invaluable source of support to the new committee. It has also been very helpful to always have a member of the senior leadership team present at meetings and this has increased accountability.

In the annual report the work schedule has been outlined, the outcomes and future focus points demonstrate the forward thinking of the committee and the impact of the WMCA's policies on its strategic aims and objectives. During this year, scrutiny has been given a higher profile at the WMCA Board in the presentation of its reports where all scrutiny recommendations are now included and considered by the board.

In March we received a confirmation letter from Rt Hon Michael Gove MP that the WMCA would be eligible for the Level 4 Devolution Deal, achieved in part due to the level of work scrutiny had undertaken and the improvements made.

As scrutiny chairs, Councillor John McNicholas and I have attended five of the constituent authorities' Overview & Scrutiny Committees during the year, to increase elected members knowledge and involvement in the WMCA, which has been well received. We still have some thinking to do around public participation in scrutiny sessions and how we can increase this.

I have continued to chair the national Combined Authorities Scrutiny Chairs' Forum where much discussion has taken place around the new scrutiny protocol and the strengthened accountability and responsibility. The West Midlands is in a good place to continue to grow in the new Mayoral term. I wish the committee well for the coming year and the new challenges it will face.



## Councillor John McNicholas

**Chair of Transport Delivery Overview & Scrutiny Committee**

I have had the privilege of being appointed as Chair of the newly formed Transport Delivery Overview & Scrutiny Committee for 2023/24, and I would like to take this opportunity to thank my Vice-Chair, Councillor Mary Locke and all members of the committee for their constructive contributions throughout the year. I would also like to thank the chairs of the Member Engagement Groups for the in-depth scrutiny work they have done throughout the year.

I would like to acknowledge non-constituent members appointed to the committee for their participation and valued contributions as members of rural communities and thank Dan Essex and Lyndsey Roberts for their tireless help, advice and patience. The committee has welcomed James Hughes as the newly appointed Member Relationships Manager and look forward to working with him next year.

As you will read in this Annual Report, it has been a very busy year setting up and delivering our extensive work programme, which justifies the WMCA Board's decision to create a new scrutiny committee solely focused on the WMCA public transport responsibilities.

As you would expect, much happens behind the scenes and we have continued to hold meetings of the scrutiny chairs and vice-chairs of all the combined authorities across England. This has helped share good practice and ideas for how we can all strengthen and improve our scrutiny functions.

Transport Delivery Overview & Scrutiny Committee has experienced issues with quoracy this year, so we are continuing to engage with council leaders on the importance of member attendance to ensure that individual districts are not disenfranchised in the development of transport in the West Midlands. It is vitally important when local authorities nominate members to sit on our committees that those individuals have the capacity to commit to the varied and interesting work programme for the year.

I would like to congratulate the newly elected Mayor of the West Midlands, Richard Parker and we look forward to the Mayor's proposals regarding bus franchising, which will be a focus of the committee's work programme in the forthcoming year.

Finally, as a result of me being in the same political party as the Mayor, the WMCA's constitution now requires me to stand down as chair of the Transport Delivery Overview & Scrutiny Committee, and a new Chair will be appointed at our AGM. I have enjoyed my time as Chair immensely, having been appointed by the region's political leaders, and I look forward to continuing to be involved in transport matters this year.



## Mark Smith

**Chair of Audit, Risk & Assurance Committee**

It has been my pleasure to be the Independent Chair of the Audit, Risk and Assurance Committee since October 2021. During that time I have been fortunate to be supported in my role by the Vice Chair Councillor Ram Lakha who has continued to provide wise counsel.

The Committee has formally met on five occasions during the course of the year and continued to provide oversight of the WMCA's Risk Management process and the Single Assurance Framework which I am pleased to note has now been rolled out to all the Directorates. Further Assurance has been provided through a range of specific audits undertaken by the Internal Audit function. In previous years this service was outsourced to the

City of Wolverhampton Council, but in 2023 -24, it was concluded that it would be more efficient and effective to bring in house, and I am pleased to note that we have ended the year with a new Head of Internal Audit and Information Governance and have built a team to support this work going forward.

The Committee also oversees the relationship with the External Auditors. There are a number of well publicised challenges in the provision of external audit services to public sector bodies and in particular the timely completion of the work, and WMCA has not been immune to this. We will continue to work with the auditors to do whatever we can to try and ensure that the annual accounts are approved on a more timely basis in the future.

The Committee continues to get excellent support from a wide range of officers, but I would particularly like to thank Wendy Slater for all of her hard work in supporting the committee and me personally, to ensure we can undertake our responsibilities effectively.

As Independent Chair, I am looking forward to continuing to lead the important work that is undertaken by Audit, Risk & Assurance Committee and also to building relationships with the new Chairs of the Overview and Scrutiny Committees, but I would also like to thank Councillor Bayton and Councillor McNicholas for the collaborative manner in which we have all worked together over the past year.





# Introduction

This is the first joint scrutiny and audit annual report which outlines the key work activities and the outcomes of the West Midlands Combined Authority's statutory scrutiny and audit functions during 2023/24.

## Overview & Scrutiny and Audit Functions

Overview, scrutiny and audit are statutory functions of the WMCA.

Two scrutiny committees discharge the responsibilities of overview and scrutiny through oversight of the work of the Mayor, portfolio lead members and the wider WMCA decision-making process in order to hold the region's political leaders to account and improve the quality and impact of the decisions that the WMCA makes.

Audit, Risk & Assurance Committee discharges the responsibility of audit by providing independent oversight of the audit, risk management, assurance and reporting arrangements that underpin good governance and financial standards and is chaired by an independent member of the public.

## What We Do, and How We Do It

**Pre-Policy Development** - Considering and influencing policy areas and proposals before they are more formally developed.

**Pre-Decision** - Looking at topics and reports immediately before decisions are made by the WMCA Board.

**Deep Dives and Topic Based Reviews** – Establishing task & finish groups to undertake ‘deep dives’ and making reports and recommendations to be considered by the WMCA Board and/or other committees.

## What is WMCA Overview & Scrutiny?

The WMCA’s two scrutiny committees provide important challenge and oversight of the WMCA’s plans priorities, governance arrangements and financial affairs.

The committees perform two distinct functions under the remit of ‘overview’ and ‘scrutiny’:

**Overview** - Focusing on the development of policy. This form of scrutiny is carried out in the earlier stages of policy development.

**Scrutiny** - Looking at decisions that have been made, or are about to be made. This form of scrutiny is often carried out in the immediate weeks leading up to a decision being made.

### **Advocating for Residents of the West Midlands**

- Investigating issues that are important to local people's lives and by looking further into matters brought to its attention by the public.

**Exercising the Power of Call-In of Decisions** - Call-in decisions for further scrutiny and challenge prior to policy implementation.

**Performance Monitoring** - Monitoring the implementation, performance and impact of policies and decisions of the WMCA.

## **Our Transparency & Accountability**

- Engagement with the 'business voice' – This brings a private sector voice to discussions at Overview & Scrutiny Committee and Audit, Risk & Assurance Committee, and ensures that the views of the region's commercial sector are heard at the highest levels of decision making.
- Agendas, reports and minutes posted online
- Meetings are held in public
- Livestream posted on YouTube
- Scrutiny and Audit Annual Report
- X / Twitter account @WMCA\_Scrutiny
- Independent Chair, WMCA's Audit, Risk & Assurance Committee

## Peer Learning/Sector Lead Improvement

- Combined Authorities Scrutiny Chairs' Forum
- Combined Authorities Governance Network
- Centre for Governance & Scrutiny
- Regional Scrutiny Network
- West Midlands Audit Committee Chairs Forum
- Partaking in other Combined Authorities Scrutiny Reviews

## “Building a Culture of Scrutiny and Audit”

Scrutiny and audit are fundamental parts of any efficient and equitable governance structure and decision-making process. Both functions are at the heart of good decision-making, which the WMCA has welcomed, encouraged and continues to support throughout the organisation.

**“The scrutiny and audit functions are a fundamental part of the WMCA’s governance and decision-making processes. The WMCA and its scrutiny/audit members have built and continue to build a strong culture of non-partisan, constructive, collaborative, productive and evidence-based scrutiny.”**



# Scrutiny - what's new for 2023/24

## 1. Transport Governance - New Arrangements

**“With greater powers comes greater accountability”**

This year, to help strengthen the lines of accountability for transport decision making in the WMCA, reduce duplication of meetings and provide a more effective platform for elected members to hold transport decision makers to account, the WMCA Board agreed to establish a new Transport Delivery Overview & Scrutiny Committee to provide oversight and scrutiny to Transport for West Midlands and transport decision makers.

## 2. Government's Scrutiny Protocol

**“The Government's expectations as to how scrutiny should be carried out”**

In announcing the Deeper Devolution Deal, the Government highlighted the importance of governance and accountability underpinning these new powers and responsibilities. These enhanced accountabilities have been framed within the English Devolution Accountability Framework, which was published in March 2023, and formed a key part of the Government's thinking in respect of local accountability. Within the West Midlands Deeper Devolution Deal, the Government had highlighted the importance of governance, accountability and effective scrutiny.

The Department for Housing, Levelling Up & Communities, together with combined authorities, have developed a Scrutiny Protocol which sets out the relationship between the Mayor, the WMCA and its scrutiny and audit functions.

### **3. Regular Performance & Outcomes Monitoring**

#### **“Taking a more active role in the review of performance against key indicators”**

An area of focus for the committee for 2023/24 has been a focus on the WMCA’s key strategies and measuring the performance of the WMCA against its annual business plan. This has enabled members to better understand priorities and recommend action or inform future work activity.

Together with the WMCA, members have assisted in the development of performance information to be delivered in a format that has enabled them to undertake its scrutiny role in an effective way. This information is now being considered by members on a regular basis.

### **4. Scrutiny of the WMCA’s Statutory Officers**

#### **“The importance of senior officer engagement”**

As part of its role in engaging with senior officers, this year members wanted to also focus on the decisions undertaken by the WMCA’s Statutory Officers.

## 5. The Use of External Experts

### “Technical experts to enhance scrutiny of decisions”

During 2023/24, members have invited Homes England and the University of Birmingham to help inform and enhance their knowledge on particular subject matters that were to come forward for their consideration, particularly in respect of air quality, transport and housing.

## 6. Stronger Relationships with Stakeholders

### “Greater engagement with local authorities”

We have started to have more engagement with scrutiny within local authorities and have taken our scrutiny ‘on the road’.





# Audit - what's new for 2023/24

## 1. Review of the Internal Audit function

Following a review of the outsourced service provision having been provided by the City of Wolverhampton Council's internal audit in recent years, the WMCA decided to bring internal audit services in-house.

## 2. Organisational Audit Structures

A clear structure for the WMCA's internal audit team has been developed and designed together with audit members, with additional resourcing sourced to support delivery of the Internal Audit Plan during this transitional year. Recruitment for the In-House team was completed with a Head of Internal Audit & Information Governance joining the organisation in March 2024.

## 3. CIPFA

During 2023/24, audit members have utilised CIPFA guidelines on relevant matters to ensure the committee was reflective of statutory requirements. The consideration on the appointment of additional independent members continues.

## 4. Training

Audit members have received treasury management training this year, to support their role of oversight of financial matters including the approval of the Authority's annual statement of accounts.

## 5. External Auditor

The committee were introduced to the new External Auditor Engagement Leader who will have responsibility for overseeing the external audit of the WMCA Annual Report and Accounts for the year ended 31 March 2024.

# Overview & Scrutiny's Focus for the Year

During the year, the work of the Overview & Scrutiny Committee has had a strong focus on the performance of the WMCA and the outcomes delivered against its strategic aims and objectives.

The committee has also focused on the implementation of the WMCA's Deeper Devolution Deal and its implications for enhanced scrutiny, the Government's Scrutiny Protocol and WMCA activity in relation to housing, skills and air quality.



# Holding the Mayor of the West Midlands to Account

The committee has undertaken a number of public mayoral Q&A sessions, structured around two core themes ‘**accountability**’ and ‘**investment**’ with questions focusing on the key challenges, outcomes and benefits for the people of the West Midlands.

In October, the committee questioned the Mayor on the delivery and impact of the WMCA’s policies. Questions focused on:

- Governance and accountability
- Economy
- Skills and the labour market
- The green policy agenda
- Housing
- Transparency of the WMCA’s policies and business activity
- Community engagement

In December, the committee held its second Q&A and questioned the Mayor and the Lead Member for Finance on financial matters relating to the developing budget for 2024/25, with a particular focus on:

- Income generation opportunities, including a mayoral precept
- Autumn Statement
- Business and the economy
- The use of reserves
- Local authorities' financial position and the impact on the WMCA
- Transport, including bus franchising
- Combined authority funding

**“These public Q&A sessions were an important part of providing public accountability and transparency of decision-making for the WMCA’s only directly elected politician.”**



# Mayoral Q&A Sessions - Key Findings and Outcomes

## Delivery and Impact of the WMCA's Policies

The following matters were reported to the WMCA Board in November:

### **Economic Impact of HS2 (Cancellation of Birmingham - Manchester leg)**

The Overview & Scrutiny Committee enquired as to when an analysis of the economic impact of the cancellation of the Birmingham - Manchester leg of HS2 would be undertaken and wished to review the report when completed. Overview & Scrutiny members also wanted to be kept abreast of the transportation transformations to be delivered with the funding to be provided within the Network North strategy, the implementation of the Midland

Rail Hub and on the timeline for delivery.

### **The Outcome: Response from the Mayor**

The economic impact of the cancellation of the northern leg of HS2 was currently being considered as part of private sector work, which I commissioned alongside Andy Burnham (Mayor of Greater Manchester), with contributions from both the West Midlands and Greater Manchester combined authorities ahead of planned publication in the spring/summer of 2024. This work was primarily looking at how rail links between Birmingham and Manchester could be improved in light of the HS2 decision, but is also considering economic factors. As this was a large, complex piece of work it was difficult to be able to give an

exact date of when the findings will be available, due to the need to collate information from a variety of sources and to map this against impacts that might or might not be experienced, but as soon as more information was available, we would be happy to share with members.

To truly understand the economic impact, this private sector work would be supplemented by a WMCA commissioned piece of work to look at the specific impacts that would be felt within our region and how these will affect our regional economy. This would hopefully be available in March/April of 2024, and again we would be happy to share with members once complete.

## **Energy Creation**

Although it was recognised that the current focus on the WMCA was to reduce energy consumption, Overview & Scrutiny Committee considered that the WMCA should also explore options for energy creation to help keep energy affordable for residents.

## **The Outcome: Response from the Mayor**

The WMCA recognised the need to explore options to unlock barriers to local energy generation. With this in mind, we were working with partners on a number of initiatives, including Midlands Net Zero Hub who were completing a non-domestic solar mapping project. We were also talking with solar developers who were looking at grid-scale solar farms to service increasing industrial electricity demand as our industrial sector looked to decarbonise.

## **Community Engagement**

The considerable work undertaken by the WMCA was recognised, but the importance of ensuring that this was communicated to local authorities and the public to ensure that maximum benefit from its activities was being achieved was stressed.

## **The Outcome: Response from the Mayor**

The WMCA recognised the key importance of communicating and engaging with members, stakeholders, Government and the residents of the region on our work and its impact. In terms of engagement with councillors, this responsibility sits within the WMCA's Law & Governance directorate. Recently they introduced a new role of Member Relationship Manager to improve engagement with elected members across the region.

The WMCA communications team was responsible for engagement with residents. They did this through events, media, social media, marketing opportunities and community engagements events. Key project milestones and successes were highlighted with press releases, and associated social media was produced alongside it. Events were held to engage or collaborate with stakeholders, or where projects were being delivered or proposed that could have an impact on residents or businesses.

## **Labour Market Overview Information**

Scrutiny members would welcome sight of the local labour market information referred to by the Mayor within the Q&A session on a regular basis.

## **The Outcome: Response from the Mayor**

WMCA produced a monthly labour market and research briefing called 'WISE' (West Midlands Insights on Society and Economy). This would be shared with the committee in addition to the latest economic intelligence briefings going forward to provide ongoing updates.

# WMCA's Budget 2024/25

The following matters were reported to the WMCA Board in January, as part of the proposed draft budget 2024/25.

The first joint Q&A session was held with members of Overview & Scrutiny Committee and Transport Delivery Overview & Scrutiny Committee in which members asked questions to the Mayor and Portfolio Lead Member for Finance on the medium-term financial pressures and the mitigation measures that will be a focus of the committee during the current and future years.

In addition, questions were also raised in relation to:

- The potential for a mayoral precept
- Network North funding
- The need for subsidy for public transport in urban areas
- An increase in the transport levy and support for this across the local authorities to sustain the current offer to residents
- Financial risk
- SMEs and access to funding pots
- The WMCA's funding approach
- Business rates retention
- West Midlands Cycle Hire Scheme and its financial viability and sustainability



# The Outcome

The matters identified by Overview & Scrutiny Committee and Transport Delivery Overview & Scrutiny Committee that arose out of the Mayoral Q&A in December were considered as part of the draft budget 2024/25, which was submitted to the WMCA Board in January. A strong focus for scrutiny in the forthcoming year will be on the medium-term financial pressures in relation to transport.



# Effectiveness and Outcome

## Housing

### Affordable Homes Programme

Representatives from Homes England and the WMCA's Housing and Regeneration team were invited to answer questions on the Affordable Homes Programme within the West Midlands, as set out in the Deeper Devolution Deal agreed by the WMCA and the Government in March.



### Future Focus Point

- Estate regeneration and examples of where local authorities were seeking to work with the WMCA to regenerate estates
- The delivery of social housing
- Resource and funding post 2026

## Affordable Housing Supply Strategy

Scrutiny members considered the Affordable Housing Supply Strategy that was informed by the recommendations of the Overview & Scrutiny Committee's 2021/22 'Helping to Deliver Affordable and Social Housing' scrutiny review, in particular the recommendation of the panel:

**“That the WMCA, housing associations, Homes England and local authorities continue to work together to address the contradictions and challenges of the current system for delivery of affordable and social housing – recognising that the challenge cannot be addressed in isolation, and it is a multi-faceted systemic issue where all agencies need to work together with a clear strategy for change.”**



### Future Focus Point

- Creation of Green Spaces
- Key Performance Indicators and the provision of information to undertake benchmarking
- Brownfield land redevelopment

## Pre-Decision Scrutiny: Homes for the Future: Draft Strategy

The Overview & Scrutiny Committee considered and contributed to the development of the Homes for the Future draft strategy prior to its submission to the WMCA Board for approval.



### The Outcome

The Overview & Scrutiny Committee endorsed the official release of the WMCA's Homes for the Future proposals, subject to assurances sought in relation to retrofit and non-domestic dwellings, the pace of delivery of homes on decontaminated sites and support provided for SMEs and smaller developers within the region on adopting the standards.

# Skills

## Pre-Decision Scrutiny: Employment and Skills Strategy for Deeper Devolution

Scrutiny members were engaged on the development of an Employment and Skills Strategy for the WMCA area, and development and implementation of a new approach to Employment, Skills, Health and Communities benefits, including the establishment of a new outcomes framework.



### The Outcome

The Overview & Scrutiny Committee endorsed the Employment and Skills Strategy and Outcomes Framework.



### Future Focus Point

As part of its lines of enquiry for 2024/25, Overview & Scrutiny Committee will focus on:

- Skills and qualifications
- The increase in youth unemployment
- Benchmarking against other combined authority areas
- The provision of training linked to the current and future labour market opportunities

# Air Quality

## Pre-Decision Scrutiny: WMCA Air Quality Framework and Implementation Plan

In November, members scrutinised the WMCA's Air Quality Framework and Implementation Plan prior to its submission and approval by WMCA Board. Questions focused on health risks associated to wood burners and the need for stricter regulations, the success of Walsall in requiring a full assessment of the impact of wood burners within permitted regulations and environmental mitigations within the air quality framework.



### The Outcome

The Overview & Scrutiny Committee endorsed the WMCA's Air Quality Framework and Implementation Plan, subject to the inclusion of the Overview & Scrutiny Committee within its governance structure.

# The Economy

## West Midlands State of the Region

The West Midlands State of the Region was a high-level report that brought to attention the most important trends in the West Midlands. It was an annual review that considered data relevant for comparison at yearly or longer-term basis.



### The Outcome

The Overview & Scrutiny Committee welcomed the report, as it provided a good summary with data information as to the current condition of the West Midlands.

As requested by the committee, future reports would include information on in-work claimants' figures, 'ghost children' and home schooling, and should also be brought to the attention of the WMCA Board.



### Future Focus Point

The areas identified by the Overview & Scrutiny Committee that it wished to review as part of its 2024/25 work programme including:

- 'Ghost children' post-Covid
- Connectivity
- Air quality
- Retrofit skills

# Scrutiny in the Spotlight

## Good Scrutiny? Good Question!

### Government's Scrutiny Protocol

The publication of the Government's new Scrutiny Protocol as part of its Autumn Statement was welcomed, providing further guidance to authorities with devolved powers like the WMCA on its overview & scrutiny arrangements.

Scrutiny members agreed a four-stage approach to the implementation of the Government's Scrutiny Protocol:

- **Phase 1** - Review
- **Phase 2** - Self-Assessment
- **Phase 3** - Implementation
- **Phase 4** - Evaluation



## **Review (September 2023 – January 2024)**

Prior to the publication of the Government's Scrutiny Protocol, scrutiny members were engaged in the development of the protocol and the general direction of travel in respect of the Government's view of scrutiny within authorities with Level 4 devolution through regular update reports and briefings.

Following its publication in November, member knowledge briefing sessions were attended on the 18 key principles identified within the protocol, with opportunities to provide emerging thoughts and comments.

## **Self-Assessment (March – April 2024)**

A Scrutiny Working Group consisting of the Chairs and Vice-Chairs of Overview & Scrutiny Committee, Transport Delivery Overview & Scrutiny Committee and Audit, Risk & Assurance Committee was established to undertake an open and honest

assessment of the current scrutiny and audit arrangements and activities against each of the 18 key principles.

An action plan of improvements had been developed to demonstrate how improvements would be made to the current scrutiny and audit functions together with timescales that would be monitored to ensure delivery.

## **Implementation (May - December 2024)**

Work will be undertaken in 2024/25 to implement further improvements to the scrutiny arrangements of the WMCA arising out of the self-assessment exercise, to fully comply with the ambitions, set out within the Scrutiny Protocol.

## **Evaluation (January 2025)**

Work will then be taken later in the year to evaluate the impact of the changes introduced, and whether these should be further reformed.

# Deep Dive Review: Brownfield Land Remediation

**“To examine and assess how the WMCA exercises its powers and funding in respect of brownfield land redevelopment and to assess how the region’s communities have benefited”**

Following a series of questions raised by the Overview & Scrutiny Committee in relation to the WMCA’s Brownfield Land Remediation Fund, scrutiny members undertook a review to understand and assess how the WMCA exercises its powers and funding in respect of brownfield land redevelopment and to assess how the region’s communities had benefited.

## The Evidence

The review group sought a range of written and verbal evidence to help inform its conclusions and recommendations. In addition to the written evidence, the review group conducted face-to-face interviews with a range of key witnesses to help build a better understanding on the current situation, decision-making process, relationships, challenges, failures, benefits and to highlight any areas of potential improvements. Key participants included:

- John Godfrey, Executive Director of Housing, Property & Regeneration

- Professor Chaminda Pathirage, Director of the National Brownfield Institute
- Andrew Stott, Centre Manager of the National Brownfield Institute;
- Stuart Penn, Regional Managing Director, Lovell Homes

#### Emerging themes and consideration:

- The ability and capacity of SMEs to identify and appraise brownfield land opportunities across the region
- The introduction of innovative pilot planning policies which are designed to support and facilitate the delivery of brownfield regeneration zones.
- Ensuring greater transparency and accessibility to available incentives which assist in unlocking and expediting the delivery of brownfield sites.
- Developing a more integral bio-diversity policy which provides developers with a framework for on-site eco offsetting.

- Examining the potential to enhance brownfield land registers so that they include wider and more comprehensive information.
- Responding to developer feedback which indicates that the WMCA's existing grant approval processes are inefficient and can, as a result, introduce barriers and avoidable delays to progressing applications in a timely manner.
- To help support developer cashflow and exposure to significant upfront costs, consideration be given to a revised grant draw-down profile (and associated security package) which enables a first tranche funding allocation during site enabling works.
- The importance of promoting the house building industry to the community

A full report on the findings of the review together with recommendations will be considered by the Overview & Scrutiny Committee in July 2024, prior to its submission to the WMCA Board for approval.

# Transport Delivery Overview & Scrutiny Committee

The first meeting of the newly formed Transport Delivery Overview & Scrutiny Committee was held in July.

## Focus for the Year

### Deeper Devolution Deal Implementation (Transport)

The committee continued to be engaged in, and have oversight of, the Deeper Devolution Deal between the WMCA and Government, its transport commitments and the Transport Implementation Plan. Questions focused on the passenger, transport corridors and the best mode of transport for each corridor.

**“a one size fits all approach would not be appropriate as different sized cities, towns and villages would all have different requirements”**



### The Outcome

Six-monthly progress reports on the Transport Implementation Plan be submitted to future meetings of the committee.

## HS2 Announcements & Network North Funding

A focus of the Transport Delivery Overview & Scrutiny Committee has been on the HS2 programme following the Government's announcement in December in respect of the cancellation of the HS2 line north of Birmingham.



### The Outcome

A future report to come forward to scrutiny on funding allocated to Network North projects, any funding gap for these projects based on previous funding assumptions. The funding allocated to the Midlands Rail Hub and whether any additional projects were to be included in this in the absence of the HS2 northern leg.



## Future Bus Policy Delivery (Franchising and Enhanced Bus Partnerships)

Members continue to receive briefings and opportunities to share their views on the ongoing bus options development work and Enhanced Partnership Scheme. Lines of enquiry have mainly focused on funding sources for subsidised bus services over the next five years (long term and short-term funding)



### The Outcome

Transport for West Midlands agreed to develop a detailed timetable for completing the full franchising assessment in preparation for a decision to progress further to audit and consultation by the WMCA Board in July 2024, to include scrutiny engagement to provide transparency and assurance that emerging thoughts and proposals would be subject to public scrutiny.

**“The nature of bus operators within the region, needed to give greater priority to passenger needs”**

## Draft Safer Travel Plan 2024 - 27

Members have raised their concerns about the reduction of Police Community Support Officers and have continued to be engaged on how the gap would be covered.

**“Collaboration with local police, both on the network and within the local community, is crucial to reducing issues on the travel network”**



### The Outcome

Scrutiny members to receive a further report in July 2024, prior to the publication of the new Safer Travel Plan in Autumn 2024.

## What is the Role of Green Infrastructure in Urban Design for Air Quality and Climate Resilience?

To help members answer this question, the committee had invited the University of Birmingham to discuss how green infrastructure in urban design could reduce exposure to poor air quality and support climate resilience.



### The Outcome

The Local Transport Plan would now include the ‘reduce, extend, protect’ principle, to support the role of green infrastructure in urban transport design for air quality.

A review of the draft Green Transport Revolution Big Move Chapter would be undertaken to ensure it effectively encompasses the role of green infrastructure in supporting climate resilience in the West Midlands.



## Ring & Ride Target Operating Model

Transport for West Midlands has continued to engage with scrutiny members in the emerging future target operating model for the region's Ring & Ride Service.



### The Outcome

The comments, concerns and thoughts of the committee would be reflected in a Mayoral report, including:

- The review to consider providing fair access and address transport barriers
- Capacity constraints of the service
- Funding possibilities from Network North
- Allocation of funding
- The need for additional data
- Criteria to be reviewed and possibilities for subsidising service use for community diagnostic

## Capital Delivery Programme

Monitoring the delivery of the WMCA's Capital Programme was significant and the Transport Delivery Overview & Scrutiny Committee continue to work with officers to develop a report with the appropriate information to enable members to monitor the progress in respect of the capital programme and to identify future focus areas.



# Member Engagement Groups

The Transport Delivery Overview & Scrutiny Committee has also introduced six Member Engagement Groups (MEGs) that provide members with an opportunity to meet and discuss in more detail transport-related issues that are grouped around broad thematic areas. These MEGs are supported by officers from Transport for West Midlands and, whilst not decision making, provide a forum for members to develop a deeper understanding of those matters that would not otherwise be able to be discussed in such detail at formal committee meetings.



## Air Quality, Congestion and Environmental Impact MEG

The MEG had reviewed and contributed to the:

- West Midlands Air Quality Policy, Strategy and Measures
- West Midlands Local Transport Plan Development
- West Midlands Bus Network and Current Issues
- Approaches and priorities of West Midlands local authorities to reduce NO<sub>2</sub> and PM<sub>2.5</sub> emissions
- The draft WMCA regional air quality framework implementation plan
- Updates on the Defra review of Euro VI Bus Retrofitting scheme
- The role of hydrogen for buses and updates on ZEBRA funding bid

In addition, members have also worked closely with the University of Birmingham on:

- Air quality and public health
- The role of green infrastructure in urban design
- The impact on air quality of lowering motorway speed limits in the West Midlands
- The impact on air quality of bus fleet electrification

Midlands Hydrogen and Fuel Cell Network:

- The future role of hydrogen (and fuel cells) for the transport sector



## Outcome 1

### Air Quality Framework & Implementation Plan

Recommendation accepted by the Transport Delivery Overview & Scrutiny Committee:

- as part of development of the Regional Air Quality Framework, stretch targets which were more ambitious in terms of timescales and pollutant concentration targets than the Government's air quality targets, and which were closer to World Health Organisation targets for NO<sub>2</sub> and PM<sup>2.5</sup>, be agreed.

This recommendation was also accepted by the WMCA Board on 17 November 2023.



## Outcome 2

### The Use of Experts

The work of the Member Engagement Group in respect of Air Quality and the Environment has led to:

- a presentation by the University of Birmingham on the role of green infrastructure to Transport Delivery Overview & Scrutiny Committee in January 2024



### Outcome 3

#### West Midlands Local Transport Plan

Recommendations accepted by the Transport Delivery Overview & Scrutiny Committee:

Transport for West Midlands to:

- Incorporate in the Local Transport Plan the ‘reduce, extend, protect’ principle, to support the role of green infrastructure in urban transport design for air quality; and
- Review the draft ‘Green Transport Revolution’ Big Move Chapter to ensure it effectively encompasses the role of green infrastructure in supporting climate resilience in the West Midlands.



### Outcome 4

#### Bus Operators and the transition to a Zero Emission Bus Fleet

Recommendation accepted by the Transport Delivery Overview & Scrutiny Committee:

- The committee to urge Transport for West Midlands and bus operators to accelerate the transition to a zero-emission bus fleet in the West Midlands.
- The MEG will also seek to engage National Highways to consider the issues related to reducing 70mph motorway speed limits in the West Midlands. This is in relation to the 2023 WMCA regional air quality framework action ‘TRN15 Speed limit reduction (or dynamic speed limits) on high-speed roads’

## Rail, Metro & Sprint MEG

The focus of the MEG has been on:

- Midlands Rail Hub and the wider network connectivity benefits
- Midland Metro Ltd and performance
- Sprint – key statistics for phase 1 to Walsall
- HS2 and Midlands Rail Hub
- Eastside Metro extension
- Dudley Port Integrated Transport Hub
- Buy-Before-You-Board concept for West Midlands Metro
- Pay-as-You-Go on rail West Midlands pilot
- Birmingham to Longbridge, and Hagley Road (Edgbaston) to Halesowen Corridors – Mass Transit Options Appraisal Studies
- Open access rail proposals from Wrexham, Shropshire & Midlands Railway
- The work of the West Midlands Rail Executive
- Cross City Bus consultations for Package 4 (Longbridge to Castle Vale) and Package 6W (Soho Road)

## **Passenger & Road Safety MEG**

The focus of the MEG has been on:

- Long-term funding for Transport Safety Officers, post-2025
- Passenger safety statistics
- Road safety statistics
- The refreshed regional road safety strategy 2023 – 2030

## **Finance & Performance MEG**

The focus of the MEG has been on:

- The transport revenue and the risk around the Medium-Term Financial Plan, and mitigation measures
- Bus delivery options
- Performance reporting



## Passenger First MEG

The focus of the MEG has been on:

- The Bus Service Improvement Plan
- West Midlands Bus Passenger Charter
- Operator funding and services and the impact on the passenger
- A review of the Ring & Ride Service
- The Closure of Dudley bus station for redevelopment
- Bus Network Performance System
- Fares and ticketing
- Realtime information Issues
- Community engagement



### Outcome 1

#### Service Information

Recommendation accepted by the Transport Delivery Overview & Scrutiny Committee:

Councillors and the resources of individual councils to be made full use of when information needs to reach as many passengers as possible.



## Outcome 2

### Ring & Ride Target Operating Model

Recommendation accepted by the Transport Delivery Overview & Scrutiny Committee:

Transport for West Midlands to look at specific targets and how feedback can best be obtained from a broad range of users including Ring & Ride drivers.



## Outcome 3

### Service Information

Recommendation accepted by the Transport Delivery Overview & Scrutiny Committee:

The use of all local radio stations to share important information for free, via their channels should be explored.

## Sustainability & Active Travel

The focus of the MEG has been on:

- Transport for West Midlands Zero Emission Bus Delivery Plan and its alignment with fleet modernisation
- Sustainable travel to school
- Mobility Hubs and supporting net-zero targets by reducing car travel
- Local Travel Point Pilot Project – Cross Street, Halesowen



### Outcome 1

#### Living Streets Walk to School Programme

Recommendation accepted by the Transport Delivery Overview & Scrutiny Committee:

- Members identified similarities with Mobility Hubs in the Netherlands. Transport for West Midlands to use real photography of similar schemes to reinforce that Mobility Hubs can be a reality in the future.



## Outcome 2

### Local Travel Points

Recommendation accepted by the Transport Delivery Overview & Scrutiny Committee:

- Local Travel Point planning applications should reflect biodiversity net gain requirements.



## **Holding Those Responsible for Transport To Account**

### **Councillor Mike Bird, Portfolio Lead for Transport**

In October 2023, a Q&A was held with Councillor Mike Bird, Portfolio Lead for Transport, on transport policy and delivery related matters. Members questioned him on:

- New Local Transport Plan
  - The green agenda
  - Transport funding pressures
  - HS2 (Cancellation of Birmingham to Manchester Leg)
  - Reliability of the bus service
  - Reliability of rail services
  - Delivery of Wednesbury to Brierley Hill Metro extension
- Hydrogen buses
  - Bus franchising
  - Community engagement and buy-in



## Outcome 1

### In-depth Review of Real-Time Information

WMCA to consider encouraging to bus operators to improve the technology on buses to encourage accurate and reliable real-time information.

Scrutiny members undertook a more in-depth review of the real time information system that had a focus on:

- responsibilities
- technological interdependencies
- processes required to deliver accurate and trustworthy real time information for passengers



## Outcome 2

### Demand Responsive Transport

The WMCA to consider using a demand responsive transport system to improve reliability.

An analysis report on the future of demand responsive transport and Ring & Ride had been requested and considered by scrutiny members.



## Outcome 3

### Communications and Engagement

Scrutiny members together with WMCA officers had identified communication and member engagement as an area that needed further review.

A deep dive review into the effectiveness of the WMCA's communication and engagement had been initiated.

# Deep Dive: Member Engagement and Development

## “The Effectiveness of Member Engagement and Development”

Following a Q&A session with the Portfolio Lead Member for Transport on transport policy and delivery related matters, and feedback received from visits to local authority scrutiny committee meetings, at its meeting in December, this committee agreed to establish a task & finish group to review the effectiveness of member engagement and development within the WMCA and to make recommendations as to how this could be further developed and improved.

## Evidence Gathering

Evidence was heard from a wide range of stakeholders as to the current engagement and development that was undertaken with councillors currently sitting on a WMCA committee, as well as with those councillors who were not currently participating in WMCA decision making, but still wished to be informed and engaged in the WMCA's activities.



Key participants included:

- Councillor Matthew Dormer, Leader, Redditch Borough Council
- James Hughes, Member Relationship Manager, WMCA
- Laura Shoaf, Chief Executive, WMCA
- Councillor Stephen Simkins, Leader, City of Wolverhampton Council
- Councillor Bob Sleigh, Deputy Mayor, WMCA



# Themes and Recommendations

The recommendations were agreed by the Transport Delivery Overview & Scrutiny Committee that will be presented to the WMCA Board in June 2024 for consideration. The recommendations were grouped around four key areas of activity:

## Member Induction/Training

Develop a comprehensive induction programme / onboarding arrangements for new and returning members.

## Member/Council Engagement

Look to create further opportunities to engage with all constituent and non constituent authority members.

## Governance

- Consider establishing portfolio-specific political structures involving cabinet members from constituent authorities and the corresponding WMCA portfolio lead to discuss strategy and delivery matters
- Consider establishing political structures involving non-constituent leaders and the political leadership of the WMCA
- Local authorities be encouraged to consider making multi-year appointments to WMCA committees aligned to the mayoral term of office
- A role profile be developed for members appointed to all WMCA committees setting out the expectations and commitment requirements of the role
- Engagement mechanisms and governance processes be codified within the constitution

## Resource

Further consideration be given to strengthening the WMCA's financial and nonfinancial resources to support scrutiny and member engagement improvements.



# Looking Forward: “What Next for Scrutiny”?

## Evolving the Role of Overview & Scrutiny

**“For scrutiny to remain effective it’s important to undertake regular open and honest conversations and self-assessments to improve current practices and arrangements.”**

## Monitoring of Scrutiny Recommendations

To undertake regular monitoring of recommendations made by the committee and their implementation and effectiveness.

## Review of Call-In Process

To engage with the WMCA to ensure that there is greater clarity on the operation of the call-in process particularly in respect of Delegated Sign-off decisions.

## **Holding Portfolio Lead Members to Account**

Greater scrutiny of the WMCA's Portfolio Lead Members. Members will strengthen this area of scrutiny during 2024/25 by inviting Portfolio Lead Members on a regular basis to meetings of scrutiny when considering reports within their portfolio area.

## **Greater Focus on the delivery of the Capital Programme**

A greater focus on the delivery of the capital programme and underspend.

## **Public Engagement within the scrutiny process**

Greater use of social media and the comms team to engage with members of the public to help inform written questions, deep dives and potential future activity of the scrutiny function.

## **Comprehensive Training Programme**

A greater focus will be on member training and development during 2024/25 to enable members to undertake their role effectively.

# Overview & Scrutiny Committee Members - 2023/24



**Councillor Cathy Bayton**  
Dudley (Association of Black  
Country Authorities)  
Committee Chair



**Councillor Philip Bateman**  
Wolverhampton



**Councillor Naeem Akhtar**  
Coventry  
Committee Vice-Chair



**Councillor Ian Kettle**  
Dudley



**Councillor Andrew Burrow**  
Solihull



**Councillor Nigel Lumby**  
Shropshire



**Councillor Ewan Mackey**  
Birmingham



**Councillor Jamie Tennant**  
Birmingham



**Councillor Emma Marshall**  
Redditch



**Amanda Tomlinson**  
Business Voice - Black Country  
Housing Group



**Councillor Paul Moore**  
Sandwell



**Councillor Adrian Warwick**  
Warwickshire



**Councillor Lauren Rainbow**  
Birmingham



**Councillor Vera Waters**  
Walsall

# Transport Delivery Overview & Scrutiny Committee Members - 2023/24



**Councillor John McNicholas**  
Coventry  
Committee Chair



**Councillor Mary Locke**  
Birmingham  
Committee Vice-Chair



**Councillor Robert Alden**  
Birmingham



**Councillor Pervez Akhtar**  
Coventry



**Councillor Aqeela Choudhry**  
Sandwell



**Councillor Zaker Choudhry**  
Birmingham





**Councillor Carol Hyatt**  
Wolverhampton



**Councillor Amo Hussain**  
Walsall



**Councillor Timothy Huxtable**  
Birmingham



**Councillor Narinder Kaur Kooner**  
Birmingham



**Councillor Emma Marshall**  
Redditch



**Councillor Martin McCarthy**  
Solihull



**Councillor Barbara McGarrity**  
Wolverhampton



**Councillor Steve Melia**  
Sandwell



**Councillor Saddak Miah**  
Birmingham



**Councillor Ian Nellins**  
Shropshire



**Councillor Josh O'Nyons**  
Solihull



**Councillor David Stanley**  
Dudley



**Councillor Gurmeet Singh Sohal**  
Walsall



**Councillor Alan Taylor**  
Dudley



**Councillor Robert Tromans**  
Warwickshire



**Councillor Antony Tucker**  
Coventry



**Councillor Ian Ward**  
Birmingham

# Audit, Risk & Assurance Committee

## Focus in 2023/24

In addition to its work programme, a focus of the Audit, Risk & Assurance Committee this year has been to develop a relationship with the two scrutiny committees to share issues of common interest, particularly in respect of the recently published scrutiny protocol. Regular attendance at the West Midlands Audit Committee Chairs forum had also be beneficial to share best practice and issues.

## Internal Audit

Audit, Risk and Assurance Committee has a key role in the approval and monitoring of the delivery of the risk based Annual Internal Audit plan. This has been particularly relevant throughout the past year with the 2023/24 being a transitional year following management's decision to develop an in-house provision following this previously being delivered via an outsourcing model for a number of years.

Key items for consideration during the year have included:

- Review of the 22/23 Annual audit report including the Head of Internal Audit's annual audit opinion providing a 'Reasonable' assurance on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and internal control
- Approval of the 23/24 Internal Audit plan in April 2023
- Oversight of the structure and establishment of the new in-house audit team
- The monitoring of resource availability and capability to deliver the 23/24 plan
- Assessment of audit outcomes and the delivery of audit recommendations
- The monitoring of whistleblowing claims received by the WMCA and outcome of issues raised with, and investigated by Internal Audit

## Risk Management

The Strategic Risk Register was presented to committee periodically through the year in order for members to discharge their role in assessing the WMCA's ability to adequately identify and address key risks of the authority.

Audit members are satisfied there is demonstrable evidence that strategic risks are actively being managed with members focussing on individual risks where greater detail is required, including:

- The management of the risk pertaining to WMCA's external factors and financial due diligence
- Negotiations for the Single Settlement and ratification of the Trailblazer Devolution Deal
- To seek assurance that the authority has satisfactory due diligence arrangements in place when awarding contracts in response to a key supplier of the rail programme going into administration

## Financial Management

Audit, Risk & Assurance Committee continues to have oversight of the financial management arrangements in place for WMCA throughout the year, including the approval of the 2022/23 accounts in January 2024.

Key areas of financial management having been requested by audit members during this year has included:

- Oversight of the Treasury management arrangements in place including the borrowing and investments held by WMCA
- A presentation of WMCA's revenue and capital budgets to support members in their remit of financial monitoring
- The endorsement of the draft 2024/25 treasury Management Policy Statement and Treasury Management Strategy for onward approval by WMCA Board

- Receipt and consideration of the External Auditor's Annual Accounts report for the year ending 31st March 2022

## What is Assurance?

As a Combined Authority, the WMCA is obligated to have an Assurance Framework in place, approved by WMCA Board and the Department for Levelling Up, Housing and Communities. The WMCA has a Single Assurance Framework in place for this purpose, with the development and delivery of all projects and programmes being funded through an external source being required to follow this framework.

## Assurance activities

### Single Assurance Framework

Audit, Risk & Assurance Committee members continue to review on a quarterly basis the progress of all WMCA projects and programmes progressing through the Single Assurance Framework.

## Health & Safety

Members considered an annual report of the Health and Safety arrangements in place for WMCA in March by the Health and Safety manager.

## Information Security

Committee continue to have oversight of delivery of the audit actions arising from the 2022/23 internal audit of Information Security and Cyber Security with regular updates.

## Information Governance

During this year, members have focussed on the arrangements for Information Governance within the WMCA in meeting its obligations under the UK General Data Protection Regulation, the Data Protection Act 2018 and the Freedom of Information Act 2000.



## The Outcome

### Health & Safety

Members were content that satisfactory arrangements are in place and welcomed the organisation having maintained the ISO 45001 accreditation for Health & Safety.

## Arm's Length Companies

Audit members had requested a report from the Director of Law & Governance, to provide assurance that appropriate governance arrangements are in place for companies where WMCA has an interest.



## The Outcome

### Arm's Length Companies

Regular reports on the status of the WMCA's interest in all arm's length companies would now be submitted to the committee.

The WMCA to submit a detailed report on the monitoring arrangements for all of its arm's length companies at a future meeting for approval.

## Annual Governance Statement

The Annual Governance Statement for 2022/23 was approved by members in January 2024 alongside the presentation of the annual accounts for that year, with the draft Annual Governance Statement for 2023/24 being presented for consideration in March 2024.

### Terms of Reference

Audit members have undertaken a review of its Terms of Reference this year. It has been noted CIPFA guidelines recommends a minimum of two independent members are included within the membership of audit committees, with ARAC members supporting the recruitment of an additional member by WMCA.



## The Outcome

### Terms of Reference

CIPFA guidelines recommends a minimum of two independent members are included within the membership of audit committees. The recruitment of an additional independent member was supported by Audit, Risk & Assurance Committee members.



# What next - Looking forward 2024/25

## ARAC self-assessment

Internal Audit to support the introduction of annual self-assessment by members to determine the committee's training requirements

## Membership

A drive for committee members to be retained as members of ARAC for a period of 4 years

## Internal Audit service

The development of an in-house internal audit framework and service will improve the visibility of the risk and control environments within the WMCA.

## Single Settlement preparedness

Attention will be given to the monitoring of WMCA's preparedness for the commencement of the Single Settlement, due in April 2025.

## CIPFA Audit Committee guidelines

A review, and implementation where required, of the Audit Committee guidelines as set out by CIPFA, including private access to the Head of Internal Audit and External Audit.

# Audit, Risk & Assurance Committee Members - 2023/24



**Mark Smith**  
Independent Chair



**Councillor Ram Lakha, OBE**  
Coventry  
Vice-Chair



**Councillor Karen Ashley**  
Redditch



**Councillor Nick Bardsley**  
Shropshire



**Councillor Richard Baxter-Payne**  
Nuneaton & Bedworth Borough  
Council



**Councillor Dave Borley**  
Dudley



**Councillor Jaspreet Jaspal**  
Wolverhampton



**Councillor Brigid Jones**  
Birmingham



**Councillor Leslie Kaye**  
Solihull



**Councillor Rose Martin**  
Walsall



**Councillor Liam Preece**  
Sandwell



**Lisa Ritchie**  
Business Voice

## Connect with Scrutiny

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**West Midlands  
Combined Authority**