

 <b>Executive - 12<sup>th</sup> February 2020</b>		<b>Agenda Item No.</b>  <b>9</b>
<b>Title</b>	Review of Position in respect of the West Midlands Combined Authority	
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<b>Wards of the District directly affected</b>	All	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	6 February 2019, Minute Number 141	
<b>Background Papers</b>		

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	No
<b>Included within the Forward Plan? (If yes include reference number)</b>	No
<b>Equality Impact Assessment Undertaken</b>	No

<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive/Deputy Chief Executive	21.01.20	Chris Elliott, Andrew Jones, Bill Hunt
Heads of Service	21.01.20	
Section 151 Officer	21.01.20	Mike Snow
Monitoring Officer	21.01.20	Andrew Jones
Finance	21.01.20	Mike Snow
Portfolio Holder(s)	27.01.20	Cllr Andrew Day; Judith Falp
<b>Consultation &amp; Community Engagement</b>		
N/A		
<b>Final Decision?</b>	Yes	
<b>Suggested next steps (if not final decision please set out below)</b>		

## 1. **Summary**

- 1.1 This report reviews the Council's position in respect of membership of the West Midlands Combined Authority (WMCA) and proposes that it seeks Observer status for year following which it can either withdraw or proceed to become a Non Constituent Authority member.

## 2. **Recommendation**

- 2.1 That the Executive writes to seek Observer status of the West Midlands Combined Authority with the intention of reviewing its position by the end of 2020 and either withdrawing or becoming a Non Constituent Authority member.

## 3. **Reasons for the Recommendation**

- 3.1 When the WMCA was being set up in 2015/2016 this Council decided that it would not join as it was not convinced of the benefits of such membership. This Council is the only Council in the Coventry and Warwickshire Sub Region that is not an either a Constituent Member (Coventry) or a Non Constituent Member – all other sub regional Councils. However, in reaction to the last peer review, the Council agreed that it needed to formally review its position as circumstances may have changed.
- 3.2 A Combined Authority is a legal entity where Councils can collaborate to deal with strategic issues such a transport, economic development, regeneration, housing, skills and other matters such as elements of the environment and planning. It is not a unitary authority. The legal device has been used as the mechanism for the devolution of some powers and funding from Central Government and has with one exception been accompanied by the creation of a Mayoral post to provide a political focus for that devolution.
- 3.3 A Combined Authority has 2 categories of membership – Constituent Members (CMs) which in the WMCA's case are the Unitary Authorities of the West Midlands – Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton; and Non-Constituent Members (NCMs) which are the 2 tier areas involved; in this case Warwickshire County Council, all the Districts of that County except Warwick District; and Redditch; Tamworth; Cannock Chase from adjacent areas. Other Unitary Councils e.g. Telford, Shropshire and Herefordshire have also joined as Non Constituent Members or Observers as have some other organisations including the Local Enterprise Partnerships (LEPs) for Coventry and Warwickshire; Greater Birmingham and Solihull and the Black Country; joined more recently by the Marches LEP.
- 3.4 In democratic terms the Mayor only has authority over the Constituent Member areas even if the WMCA itself has wider coverage albeit that the primary area it focuses upon is the Constituent Members areas as required by law. Therefore, the forthcoming Mayoral elections do not have an impact on the District Council area not does the power for an additional precept. It is possible for a District Council to become a Constituent Member of a Combined Authority, this is the case in Cambridgeshire, but is dependent on either the County Council also becoming a Constituent Member or that it seeks the Transport powers of the County Council in order to be able to join. It cannot otherwise legally become a Constituent Member.

- 3.5 It is timely to review this Council's position as it is now a few years since the WMCA was established and the benefits accruing to NCMs can be considered; but also with a new Government in being a new Devolution white paper is to be published with the government having promised to devolve more especially to established Mayoralities. There is a 3<sup>rd</sup> area to consider and that is simply the ability to influence. This is important in the context of the Council's new priorities and especially Climate Change.

#### Benefits Accrued

- 3.6 As part of the WMCA's own work some evidence has been collected on the benefits accruing to NCM Councils. This is set out in the slides at Appendix 1. It shows for example that an early adopter, Nuneaton and Bedworth Borough Council, has received a significant amount of funding towards its town centre regeneration scheme. There are also benefits from the WMCA's transport card Sprint which has now been extended to Leamington. Given this Council's ambitions the ability to attract funds for some of its economic priorities e.g. Creative Quarter and for promoting public transport could be important. Ironically, this District has benefited from WMCA investment in the UKBIC site at Baginton but it cannot be promoted as being in WDC owing to the Council's formal position, instead it is promoted as being Coventry.

#### Devolution

- 3.7 The Government has made it clear that it will issue a new Devolution White Paper and that Mayoral Authorities should expect to receive enhanced powers and funding. Given that all the other Councils in the sub region are members in one form or another of the WMCA it is difficult to see another body which may exist or be created just referring to the Coventry and Warwickshire Sub Region. This was attempted previously without success. Therefore, being part of an established body more likely to receive devolved powers and funding could be crucial to achieving the Council's objectives especially around economic development, transport investment and Climate Change.
- 3.8 For example, involvement at this time could be highly timely to delivering improvements to the communities around the Coventry and Warwickshire Gateway if investment to re-direct traffic away from Stoneleigh village for example could be delivered; or, the Transport Strategy for the West Midlands identifies a need for a new rail station south of Coventry to serve the University which would be significant for traffic movements and to counter air pollution in Leamington if more movements could be moved to rail based journeys and away from diesel vehicles. As previously stated, a new rail station could also serve the proposed Kings Hill development. This could also be the opportunity to secure significant investment for the Creative Quarter and further investment on battery development. The WDC area has the opportunities and framework to make the most of the opportunities that WMCA involvement could offer, though it needs to be recognised that these may be medium/long term.

#### Influence

- 3.9 It is often the case that it is soft power and indirect influence rather than hard power of legal authority or financial muscle that is important in achieving ambitions. The Council is elsewhere on this agenda adopting an ambitious set of priorities for the next few years and especially around Climate Change. It will be important for the Council to be able to influence other organisations in a

variety of ways and to do that it has to be literally at the table for certain discussions in order to exercise influence. The WMCA has powers relating to transport and economic development; it has ambitions relating to Climate Change; and these are not at odds with this Council’s position and yet this Council is not able to draw upon those powers or funding; or, to help set the direction of that Authority as it might want, because it is not at the table. The consequence has been that the Council is marginalised by its own absence in regional discussions e.g. that UKBIC is related to Coventry than to WDC. This isn’t to say that the Council’s views would always be accepted and it will be one voice amongst many but it is very clear that non participation does nothing to enhance the Council’s position or its credibility. In fact, partners cannot understand why an ambitious Council is in this position.

3.10 However, recognising the Council’s previous reticence and recognising the legal process to joining the WMCA, it is suggested that a “suck and see” approach be adopted. It can ask to become an Observer which has not formal status but gives the Council a seat at the table and so the opportunity for influence. Drawing down funds would require NCM membership but that in any case will need at least a year to be undertaken. Consequently, this gives the Council an opportunity to participate and then either withdraw or become a NCM.

#### 4. Fit for the Future (FFF)

The Council’s FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things, the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal, if any in relation to the Council’s FFF Strategy.

<b>FFF Strands</b>		
<b>People</b>	<b>Services</b>	<b>Money</b>
<b>External</b>		
<b>Health, Homes, Communities</b>	<b>Green, Clean, Safe</b>	<b>Infrastructure, Enterprise, Employment</b>
<u>Intended outcomes:</u> Improved health for all. Housing needs for all Met. Impressive cultural and sports activities.  Cohesive and active communities.	<u>Intended outcomes:</u> Area has well looked after public spaces. All communities have access to decent open space. Improved air quality. Low levels of crime and ASB.	<u>Intended outcomes:</u> Dynamic and diverse local economy. Vibrant town centres. Improved performance/ productivity of local economy. Increased employment and income levels.
<b>Impacts of Proposal</b>		
The proposal is relevant to all aspects of the Council’s intended policy outcomes.		
<b>Internal</b>		

<b>Effective Staff</b>	<b>Maintain or Improve Services</b>	<b>Firm Financial Footing over the Longer Term</b>
<u>Intended outcomes:</u> All staff are properly trained. All staff have the appropriate tools. All staff are engaged, empowered and supported. The right people are in the right job with the right skills and right behaviours.	<u>Intended outcomes:</u> Focusing on our customers' needs. Continuously improve our processes. Increase the digital provision of services.	<u>Intended outcomes:</u> Better return/use of our assets.
<b>Impacts of Proposal</b>		
The proposal is relevant to all aspects of the Council's intended policy outcomes.		

#### **4.1 Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies and this proposal is particularly relevant to several of them but especially around planning policy; economic development; and climate change.

#### **4.2 Changes to Strategies**

This proposal does not represent a new Council policy or Strategy.

#### **5. Budgetary Framework**

- 5.1 Becoming an Observe will involve a fee of £25,000 per annum which is the same amount as being a NCM. This will not be recurring expenditure unless the Council becomes an NCM. If agreed, then this would need to be included within the budget.

#### **6. Risk**

- 6.1 There maybe a risk around damage to reputation. If the Executive does not wish to join in any capacity, it needs to have a clear explanation as indicated previously by the Peer Review.

#### **7. Alternative Option(s) considered**

- 7.1 The only other option the Council could consider is to not join as an Observer. Section 3 of the report considers this option but suggests the Council has more to lose by not adopting the recommended approach.