



WEST MIDLANDS
COMBINED AUTHORITY

Board Meeting

Date	17 March 2017
Report title	Membership and Voting rights of the WMCA Investment Board
Cabinet Member Portfolio Lead	Councillor Izzi Seccombe - Finance & Investments
Accountable Chief Executive	Keith Ireland, Managing Director, City of Wolverhampton and Clerk to the WMCA Email: keith.ireland@wolverhampton.gov.uk Tel 01902 554 405
Accountable Employee	James Aspinall, Director of Corporate Services, WMCA Email: james.aspinall@wmca.org.uk Tel: 0121 214 7600
Report to be/has been considered by	N/A

Recommendation(s) for action or decision:

The Combined Authority Board is recommended to:

1. Approve the revised proposal for membership and voting rights for the Investment Board.

1.0 Purpose

1.1 To inform the Board of the outcome of the Investment Board's proposal to consider the membership and voting rights of the WMCA Investment Board.

2.0 Background

2.1 The WMCA Investment Board was originally set up to be a Board of equal political and non-political membership. The original terms of reference for the Investment Board included membership and voting as follows:

- 1 Independent Chair
- 3 Councillors
- 3 LEP representatives
- 1 Finance Birmingham (Non-voting)

2.2 The expected membership for the three council seats was to be 2 from the Metropolitan Councils and 1 from the non-Metropolitan Councils. (Although this was not explicitly stated).

2.3 The 2 Metropolitan Councils were expected to be allocated as 1 from the Black Country and 1 from a combination of Solihull, Birmingham and Coventry.

2.4 Solihull, Birmingham and Coventry however submitted a member each and the Black Country, one.

2.5 This led to an unexpected change in the composition and hence proposed voting rights of the members such that the Metropolitan Councils ended up with 7 votes; being four for the Black Country member and 1 each for Solihull, Birmingham and Coventry.

2.6 This has meant that the voting entitlement of committee members has become politically dominated rather than equal weighting, as the Councillors now have a total of 8 votes (7 Metropolitan plus 1 Non-Constituent member) compared to the LEP and independent Chair with 4.

2.7 A sub-group consisting of Cllr I. Seccombe, N. Abel and J. Aspinall supported by David Carter (Head of Legal at Warwickshire County Council) met to look at alternative options.

2.8 The sub-group considered a number of alternatives ranging from increasing committee members to creative weighted voting arrangements.

2.9 The majority of these options were dismissed as being either unnecessarily complicated from a voting perspective or would increase the committee size unnecessarily and which would not meet the original reason for the board i.e. being a commercially focussed board making investment decisions based upon the viability of the project proposals.

2.10 Two options were then discussed with the Black Country representatives and following feedback on the proposals a final option was presented to the Investment Board for consideration and if appropriate recommendation to the main WMCA Board for approval.

2.11 The Investment board considered the proposal on 27th February 2017 and agreed to submit it for recommendation to the main WMCA board.

3.0 Proposal Recommendation

3.1 That weighted voting is adopted which will provide equality between the Council and LEP members.

Committee Structure	Number of Members	Votes per Member	Weighted Votes
Independent Chair	1	2	2
Finance & Investment Portfolio Holder	1	1	1
Councillors	7	1	7
LEP representatives	3	2	6
Total			16

3.2 There are only 4 changes in this proposal from the original remit which are:

- a) Inclusion of the Finance and Investments Portfolio holder as a member in their own right, which will always be a Councillor.
- b) All Constituent members will be represented
- c) The adoption of weighted voting ensures that there is equality between the Council and non-Council members i.e. a total of 8 votes each.
- d) Under this scenario it was proposed that the Chair would have a casting vote in the event of a split decision.

3.3 Quorum for the meeting will be 3 members but this must include at least one member from each of the LEP and Council representatives.

3.4 Substitutes; it was agreed that a named alternative would be allowed, and that members could nominate the same individual to represent a number of members.

3.5 It was felt that the above option best reflected the desire to maintain the commercial remit of the committee and the kept the numbers to an appropriate size.

4.0 Financial implications

4.1 There are no direct financial implications arising from this report.

5.0 Legal implications

5.1 Any changes to the terms of reference for the Investment Board will need to be approved by the main WMCA Board.

6.0 Equalities implications

6.1 There are no equality implications arising from this report.

7.0 Schedule of background papers

7.1 None.