

Public Document Pack



West Midlands Combined Authority

WMCA Board

Date: Friday 22 June 2018

Time: 11.00 am **Public meeting** Yes

Venue: Council Chamber, Council House, Birmingham City Council, Victoria Square, Birmingham, B1 1BB

Membership

Constituent Members

Andy Street (Chair)
Councillor Bob Sleigh (Vice-Chair)

Councillor Adrian Andrew
Councillor Peter Bilson
Councillor Mike Bird
Councillor Ian Courts
Councillor George Duggins
Councillor Steve Eling
Councillor Patrick Harley
Councillor Brigid Jones
Councillor Abdul Khan
Councillor Roger Lawrence
Councillor Pete Lowe
Councillor Paul Moore
Councillor Ian Ward

Appointing Authority

Mayor of the West Midlands Combined Authority
Solihull Metropolitan Borough Council

Walsall Metropolitan Borough Council
City of Wolverhampton Council
Walsall Metropolitan Borough Council
Solihull Metropolitan Borough Council
Coventry City Council
Sandwell Metropolitan Borough Council
Dudley Metropolitan Borough Council
Birmingham City Council
Coventry City Council
City of Wolverhampton Council
Dudley Metropolitan Borough Council
Sandwell Metropolitan Borough Council
Birmingham City Council

Non-Constituent Members

Councillor George Adamson
Jonathan Browning

Councillor Steven Claymore
Councillor Shaun Davies
Councillor Matthew Dormer
Councillor David Humphreys
Councillor Julie Jackson
Councillor Tony Jefferson
Councillor Peter Nutting
Tim Pile

Councillor Izzi Seccombe
Councillor Michael Stokes
Stewart Towe

Cannock Chase District Council
Coventry & Warwickshire Local Enterprise
Partnership
Tamworth Borough Council
Telford & Wrekin Council
Redditch Borough Council
North Warwickshire Borough Council
Nuneaton & Bedworth Borough Council
Stratford-on-Avon District Council
Shropshire Council
Greater Birmingham & Solihull Local Enterprise
Partnership
Warwickshire County Council
Rugby Borough Council
Black Country Local Enterprise Partnership

Observers Awaiting Membership

Councillor Jonathan Lester
Graham Wynn

Herefordshire Council
The Marches Local Enterprise Partnership

Co-Opted Member

Lee Barron

Midlands Trades Union Congress

Observer Members

Councillor John Edwards
David Jamieson

West Midlands Fire & Rescue Authority
West Midlands Police & Crime Commissioner

Quorum for this meeting shall be at least one member from five separate Constituent councils

If you have any queries about this meeting, please contact:

Contact Dan Essex, Governance Services Manager
Telephone 0121 214 7505
Email dan.essex@wmca.org.uk

AGENDA

No.	Item	Presenting	Pages
Items of Public Business			
1.	Apologies for Absence	Chair	None
2.	Declarations of Interest Members are reminded of the need to declare any disclosable pecuniary interests they have in an item being discussed during the course of the meeting. In addition, the receipt of any gift or hospitality should be declared where the value of it was thought to have exceeded £25 (gifts) or £40 (hospitality).	Chair	None
3.	Chair's Remarks (if any)	Chair	None
4.	Minutes - 25 May 2018	Chair	1 - 8
5.	Forward Plan	Chair	9 - 12
Governance			
6.	Appointment of WMCA Boards and Committees 2018/19	Chair	13 - 32
7.	WMCA Annual Plan 2018/19	Chair	33 - 88
Economic Growth			
8.	Culture, Creative Industries and Tourism	Councillor Ian Ward	89 - 116
Productivity & Skills			
9.	Productivity & Skills Commission and Regional Skills Plan	Councillor George Duggins	117 - 168
Transport			
10.	Midland Metro Ltd Business Plan 2018/19	Councillor Roger Lawrence	169 - 192
11.	Contactless Payment & Best Value Capping Update	Councillor Roger Lawrence	193 - 196
Minutes			
12.	Transport Delivery Committee - 14 May 2018	Councillor Richard Worrall	197 - 202

Date of Next Meeting

13.	Friday 20 July 2018 at 11.00am	Chair	None
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Public Document Pack Agenda Item 4



**WEST MIDLANDS
COMBINED AUTHORITY**

WMCA Board

Friday 25 May 2018 at 11.00 am

Minutes

Constituent Members

Andy Street (Chair)	Mayor of the West Midlands Combined Authority
Councillor Bob Sleigh (Vice-Chair)	Solihull Metropolitan Borough Council
Councillor Peter Bilson	City of Wolverhampton Council
Councillor Mike Bird	Walsall Metropolitan Borough Council
Councillor Ian Courts	Solihull Metropolitan Borough Council
Councillor George Duggins	Coventry City Council
Councillor Brigid Jones	Birmingham City Council
Councillor Syeda Khatun	Sandwell Metropolitan Borough Council

Non-Constituent Members

Councillor Matthew Dormer	Redditch Borough Council
Sean Farnell	Coventry & Warwickshire Local Enterprise Partnership
Councillor David Humphreys	North Warwickshire Borough Council
Councillor Julie Jackson	Nuneaton & Bedworth Borough Council
Councillor Tony Jefferson	Stratford-on-Avon District Council
Ninder Johal	Black Country Local Enterprise Partnership

Observer Members

Councillor John Edwards	West Midlands Fire & Rescue Authority
David Jamieson	West Midlands Police & Crime Commissioner

In Attendance

Anita Bhalla	Leadership Commission
Councillor Peter Hughes	Overview & Scrutiny Committee
Councillor Richard Worrall	Transport Delivery Committee

Item Title

No.

189. Apologies for Absence

Apologies for absence were received from Lee Barron, Jonathan Browning, Councillor Steve Eling, Councillor Patrick Harley, Councillor Roger Lawrence, Councillor Paul Moore, Tim Pile, Councillor Izzi Seccombe, Councillor Michael Stokes, Stewart Towe and Councillor Ian Ward.

190. Chair's Remarks (if any)

The Mayor welcomed Councillor Adrian Andrew (Walsall), Councillor Mike Bird (Walsall), Councillor Matthew Dormer (Redditch), Councillor Julie Jackson (Nuneaton & Bedworth), Councillor Tony Jefferson (Stratford-on-Avon) and Councillor Jonathan Lester (Herefordshire), who had been recently appointed as members of the WMCA Board, to their first meeting. He thanked Councillor Sean Coughlan (Walsall), Councillor Bill Hartnett (Redditch), Councillor Dennis Harvey (Nuneaton & Bedworth), Councillor Lee Jeavons (Walsall), Councillor Tony Johnson (Herefordshire) and Councillor Chris Saint (Stratford-on-Avon) for their contributions to the work of the WMCA during their time as members of the WMCA Board.

The Mayor also welcomed Dawn Baxendale, Birmingham City Council's new Chief Executive, to her first meeting and noted that this was the last meeting that Alan Franks, Nuneaton & Bedworth Borough Council's Managing Director, would attend before he retired. He thanked him for the support he had given to the WMCA during his time in post.

191. Minutes - 9 March 2018

The minutes of the meeting were agreed as a correct record.

192. Forward Plan

The forward plan of items to be considered at future meetings was noted.

193. Governance of West Midlands Fire Service Public Consultation Outcomes

Councillor Syeda Khatun presented a report on the outcomes of the public consultation on the scheme to enable the Mayoral WMCA to assume governance of the West Midlands Fire Service, including letters received in support of this direction from key stakeholders.

At its meeting on 3 March 2017, the WMCA Board supported the West Midlands Fire & Rescue Authority's broad proposals for the transfer of its functions to the Mayoral WMCA. A governance review had been undertaken, which examined the existing governance arrangements and proposed a new model under the Mayoral WMCA. A Scheme then detailed the roles, accountabilities and powers required by each individual and body in the proposed new governance model.

The report set out the results of the consultation exercise undertaken with constituent councils in October/November 2017 and a public consultation undertaken January - March 2018. The appendix to the report provided a detailed breakdown of the responses received to these consultations.

Councillor Peter Hughes, Chair of Overview & Scrutiny Committee, reiterated the view of his committee that there should be a clear split between the advisory/review responsibilities of the Mayoral Fire Advisory Committee and the statutory scrutiny responsibilities of Overview & Scrutiny Committee.

Resolved:

- (1) The outcomes of the public consultation be noted.
- (2) The constituent council responses to the public consultation outcomes be noted.
- (3) Consent to proceed with the submission of the Governance Review, Scheme and consultation outcomes to the Home Office be granted.
- (4) Authority be delegated to the Chief Executive of the West Midlands Combined Authority, together with the Monitoring Officer, to approve the draft order once received from Government, in consultation with the Chief Fire Officer and Chair of the West Midlands Fire & Rescue Authority.

194. Report of the Leadership Commission

Anita Bhalla, chair of the Leadership Commission, presented a report setting out the draft findings of the review into how opportunities could be improved for people from those communities and groups that were currently under-represented within the leadership of the West Midlands.

The remit of the commission was to undertake the first comprehensive audit of leadership in the West Midlands across public and private sectors. Its draft report outlined why inclusive leadership was critical to the health of the region, and presented new data to inform the understanding of the current profile of leadership across sectors. The recommendations contained within the commission's report drew attention to the actions it was considered were required to create conditions for long term change in inclusive leadership and how to support leadership aspiration through removing barriers to progress.

Councillor Brigid Jones welcomed the report and looked forward to seeing greater diversity amongst the membership of the WMCA Board. She stressed the need to ensure the upper age limit for the proposed Youth Combined Authority was set at a level that ensured younger people were actively participating. In respect of working with the business sector to develop inclusive leadership, Councillor Bob Sleigh stressed the need to ensure that this was undertaken in partnership with the organisations concerned. Ninder Johal noted that the business sector would have a key role in delivering the recommendations.

The Mayor expressed his thanks to everyone that had been involved in the Leadership Commission for the contribution they had made to this important piece of work.

Resolved:

The draft findings of the Leadership Commission report be endorsed and supported for publication in June 2018.

195. Financial Outturn 2017/18

The board considered a report from Sean Pearce, Director of Finance, providing an update on the WMCA's finances as at the end of March 2018. The report provided a summary of the final outturn for both revenue and capital spend against the reported forecasts, a summary of the Investment Programme along with current commitments, and a summary of the balance sheet.

Councillor Brigid Jones noted that a number of the schemes contained within the Investment Programme related to the Commonwealth Games 2022 and their delivery was therefore time critical.

Resolved:

The final outturn position for 2017/18 be noted.

196. Employment Support Pilot

Councillor George Duggins presented a report outlining the actions required to allow the Employment Support Pilot Contracts to be awarded to enable a June 2018 start date.

In August 2017, the Government announced an award of £4.7m funding to the WMCA for an innovative pilot to support those that were hardest to help into employment. A number of Employment Support Pilot awareness events were held throughout April to promote the opportunity to local stakeholders and potential applicants. The procurement process was scheduled to be completed by the end of May and the release of funding from the Department for Work & Pensions was dependent on delivery commencing by 29 June. To allow this, the contracts needed to be let before the WMCA Board next met on 22 June, and therefore delegated authority was sought for the Director of Productivity & Skills, in consultation with the Portfolio Lead for Skills & Productivity, to approve the award of the contracts for the delivery of the pilot.

Resolved:

Authority to approve the award of the Employment Support Pilot be delegated to the Director of Productivity & Skills, in consultation with the Portfolio Lead for Skills & Productivity.

197. Midland Metro Penalty Fares Order

The board considered a report from Tim Martin, Head of Governance, on the need for a second resolution to confirm the decision of the WMCA Board on 8 December 2017 to promote a Transport & Works Act Order for the Midland Metro (Penalty Fares) Order. This would provide the WMCA with the necessary powers to make changes to the penalty fares on the Midland Metro.

Resolved:

The resolution passed on 8 December 2017 to authorise the West Midlands Combined Authority to submit an application for the Midland Metro (Penalty Fares) Order to the Secretary of State for Transport be confirmed.

198. Midland Metro - Wednesbury to Brierley Hill

The board considered a report from Tim Martin, Head of Governance, on the need for a second resolution to confirm the decision of the WMCA Board on 8 December 2017 to promote a Transport & Works Act Order for the Midland Metro (Wednesbury to Brierley Hill Land Acquisition) Order. This would provide the WMCA with the necessary powers to extend the existing Midland Metro tramway system in Sandwell and Dudley. The proposed extension would connect with Midland Metro Line 1 at Wednesbury and run via the existing railway corridor to Dudley town centre and on to the Waterfront/Merry Hill and terminating at Brierley Hill.

Resolved:

The resolution passed on 8 December 2017 to authorise the West Midlands Combined Authority to submit an application for the Midland Metro (Wednesbury to Brierley Hill Land Acquisition) Order to the Secretary of State for Transport be confirmed.

199. West Midlands Bike Share Scheme

Councillor Bob Sleigh presented a report on the progress of the West Midlands Bike Share scheme and on the next stages of delivery.

The West Midlands Cycling Charter was adopted in September 2015 and outlined the key principles amongst partner organisations required to deliver a step change in cycling across the West Midlands. The West Midlands Bike Share scheme sought to procure a concessionaire to operate across the West Midlands on a zero cost basis, with no funding required by WMCA or constituent councils. Following the procurement exercise, Nextbike UK Ltd was contracted to provide 5,000 smart (non-electric) cycles within the West Midlands over a five-year term. Nextbike would provide the infrastructure and a high quality maintenance regime for the cycles and docking stations over this timeframe.

The scheme would have a headline sponsor appointed, which was currently being negotiated by Nextbike UK. Any sponsorship deal reached would adhere to the WMCA's existing sponsorship protocol.

Councillor Bob Sleigh thanked Stuart Everton, Black Country Director of Transport, and his team for all the work they had undertaken to deliver the scheme to date.

Resolved:

- (1) It be noted that Nextbike UK Ltd had been awarded as the preferred supplier for the West Midlands Bike Share scheme following the procurement exercise.

- (2) It be noted that the contract would be signed following the WMCA Board approval.
- (3) The mobilisation of the West Midlands Bike Share scheme be noted.

200. Housing & Land Delivery Board - 21 February 2018

The board received the minutes of the Housing & Land Delivery Board held on 21 February 2018.

In respect of the availability of land remediation funding for smaller sites, Gareth Bradford, Director of Housing & Regeneration, confirmed that discussions were being held with Homes England regarding this, and he would report to a future meeting of the Housing & Land Delivery Board on the outcome of these discussions.

Resolved:

The minutes of the meeting on 21 February 2018 be noted.

201. Investment Board - 13 March 2018

The board received the minutes of the Investment Board held on 13 March 2018.

Resolved:

The minutes of the meeting held on 13 March 2018 be noted.

202. Audit, Risk & Assurance Committee - 16 March 2018

The board received the minutes of the Audit, Risk & Assurance Committee held on 16 March 2018.

Resolved:

The minutes of the meeting on 16 March 2018 be noted.

203. Overview & Scrutiny Committee - 20 March 2018

The board received the minutes of the Overview & Scrutiny Committee held on 20 March 2018. Councillor Peter Hughes, chair of the committee, noted that the meeting had looked particularly at the scrutiny arrangements undertaken by local enterprise partnerships within the region.

Resolved:

The minutes of the meeting on 20 March 2018 be noted.

204. Investment Board - 26 March 2018

The board received the minutes of the Investment Board held on 26 March 2018.

Resolved:

The minutes of the meeting on 26 March 2018 be noted.

205. Transport Delivery Committee - 9 April 2018

The board received the minutes of the Transport Delivery Committee held on 9 April 2018.

Resolved:

The minutes of the meeting on 9 April 2018 be noted.

206. Strategic Economic Plan Board - 12 April 2018

The board received the minutes of the Strategic Economic Plan Board held on 12 April 2018.

Resolved:

The minutes of the meeting on 12 April 2018 be noted.

207. Overview & Scrutiny Committee - 16 April 2018

The board received the minutes of the Overview & Scrutiny Committee held on 16 April 2018. Councillor Peter Hughes, chair of the committee, noted that the meeting had reviewed the draft WMCA Annual Plan 2018/19 and had made a number of suggestion improvements to its content prior to its consideration by the WMCA Board.

Resolved:

The minutes of the meeting on 16 April 2018 be noted.

208. Wellbeing Board - 20 April 2018

The board received the minutes of the Wellbeing Board held on 20 April 2018.

Resolved:

The minutes of the meeting held on 20 April 2018 be noted.

209. Investment Board - 30 April 2018

The board received the minutes of the Investment Board held on 30 April 2018.

Resolved:

The minutes of the meeting held on 30 April 2018 be noted.

210. Friday 22 June 2018 at 11.00am

The date of the next meeting was noted.

The meeting ended at 11.45 am.

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WEST MIDLANDS COMBINED AUTHORITY FORWARD PLAN: JULY 2018 - JUNE 2019

Title of Report	Description of Purpose	Date of Meeting	Key Decision (Y/N)	Lead Portfolio Holder	Lead Officer	Confidential	Category
PSR/Inclusive Growth Dashboard	To receive a dashboard update relating to the PSR/inclusive growth portfolio area.	20 July 2018	No	Cllr Steve Eling	Henry Kippin	No	Delivery
State of the Region Annual Review	To consider a review report.	20 July 2018	No	Mayor	Julia Goldsworthy	No	Delivery
Budget Monitoring 2018/19	To review the latest budget monitoring position.	20 July 2018	No	Cllr Bob Sleigh	Sean Pearce	No	Finance
WMCA/PCC Governance Progress and Update	To provide an update on the latest position.	20 July 2018	Yes		Henry Kippin	No	Governance
Update on HIF Bids	To provide an update on the latest position.	20 July 2018	No	Cllr Mike Bird	Gareth Bradford	No	Housing & Land



Title of Report	Description of Purpose	Date of Meeting	Key Decision (Y/N)	Lead Portfolio Holder	Lead Officer	Confidential	Category
Business Compensation Arrangements for Metro Construction	To agree the compensation arrangements for forthcoming Metro works.	20 July 2018	Yes	Cllr Roger Lawrence	Laura Shoaf	No	Transport
Transforming Cities Fund	To agree the allocation of funding.	20 July 2018	Yes	Cllr Roger Lawrence	Laura Shoaf	No	Transport
Page 10							
Budget Monitoring 2018/19	To review the latest budget monitoring position.	14 September 2018	No	Cllr Bob Sleigh	Sean Pearce	No	Finance
Health & Safety Annual Report	To consider the annual report.	14 September 2018	No	Mayor	Laura Shoaf	No	Governance
Congestion Action Plan	To approve the West Midlands Congestion Action Plan	14 September 2018	Yes	Cllr Roger Lawrence	Laura Shoaf/Anne Shaw	No	Transport
Road Safety Memorandum of Understanding	To approve the signing of a road safety memorandum of understanding.	14 September 2018	Yes	Cllr Roger Lawrence	Laura Shoaf/Anne Shaw	No	Transport



Title of Report	Description of Purpose	Date of Meeting	Key Decision (Y/N)	Lead Portfolio Holder	Lead Officer	Confidential	Category
Budget Monitoring 2018/19	To review the latest budget monitoring position.	9 November 2018	No	Cllr Bob Sleigh	Sean Pearce	No	Finance
Treasury Management Strategy Mid-Year Report 2018/19	To consider a six-monthly treasury management report.	9 November 2018	No	Cllr Bob Sleigh	Sean Pearce	No	Finance
Budget Monitoring 2018/19	To review the latest budget monitoring position.	11 January 2019	No	Cllr Bob Sleigh	Sean Pearce	No	Finance
Draft 2019/20 Budget, Precept and Levy	To consider proposals for the 2019/20 WMCA budget, precept and levy.	11 January 2019	Yes	Cllr Bob Sleigh	Sean Pearce	No	Finance
WMCA 2019/20 Budget, Precept and Levy	To agree proposals for the 2019/20 WMCA budget, precept and levy.	8 February 2019	Yes	Cllr Bob Sleigh	Sean Pearce	No	Finance



Title of Report	Description of Purpose	Date of Meeting	Key Decision (Y/N)	Lead Portfolio Holder	Lead Officer	Confidential	Category
Budget Monitoring 2018/19	To review the latest budget monitoring position.	12 April 2019	No	Cllr Bob Sleigh	Sean Pearce	No	Finance
Budget Monitoring 2018/19	To review the latest budget monitoring position.	14 June 2019	No	Cllr Bob Sleigh	Sean Pearce	No	Finance



WMCA Board

Date	22 June 2018
Report title	Appointment of WMCA Boards and Committees 2018/19
Portfolio Lead	Andy Street - Mayor
Accountable Chief Executive	Deborah Cadman, West Midlands Combined Authority email: deborah.cadman@wmca.org.uk tel: (0121) 214 7200
Accountable Employee	Tim Martin, Head of Governance email: tim.martin@wmca.org.uk tel: (0121) 214 7435
Report to be/has been considered by	WMCA Programme Board - 8 June 2018

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Note the members nominated by constituent, non-constituent and observer member authorities to sit on the WMCA Board and its committees/sub-boards as detailed in appendix A.
- (2) Appoint the chairs of the Overview & Scrutiny Committee and Strategic Economic Plan Board.
- (3) Note the appointments made by the Mayor as Portfolio Leads.
- (4) Agree the timetable of meetings for 2018/19 as detailed in appendix B.
- (5) Give delegated authority to the Monitoring Officer approve any subsequent minor changes or subsequent notifications in respect of the individual appointments made to boards/committees.

1. Purpose

- 1.1 To note the appointments made by constituent, non-constituent and observer member authorities to the WMCA Board and its committees/sub-boards for 2018/19.
- 1.2 To agree the timetable of meetings for the WMCA Board and its committees/sub-boards for 2018/19.

2. Background

- 2.1 In addition to the WMCA Board meeting itself, there are a number of other committees and boards that meet throughout the year to discharge the authority that has been delegated to them by the West Midlands Combined Authority. Each constituent, non-constituent and observer member authority has made appointments for its representatives to sit on these meetings. The constitution adopted by the WMCA Board specifies the representation authorities have at each meeting.

3. Membership of Boards/Committees

- 3.1 Appendix A sets out all of the appointments made for 2018/19 by the constituent, non-constituent and observer members of the Combined Authority at their recent AGMs.

4. Appointment of Committee/Board Chairs

- 4.1 Along with agreeing the membership of its committees/sub-boards, the WMCA Board must also appoint the chairs of these meetings, specifically:

- Overview & Scrutiny Committee (2017/18 - Councillor Peter Hughes)
- Strategic Economic Plan Board (2018/18 - Jonathan Browning)

It has been advised that the Transport Delivery Committee will make its recommendation for Chair to the WMCA Board on 22 July.

- 4.2 In addition, a number of other committees/sub-boards are chaired by the appropriate Portfolio Lead, and it is intended to carry on these arrangements for 2018/19:

- Housing & Land Delivery Board (Portfolio Lead for Housing & Land)
- Investment Board (Portfolio Lead for Finance & Investments)
- Public Service Reform Board (Portfolio Lead for Cohesion & Integration and Public Service Reform)
- Wellbeing Board (Portfolio Lead for Wellbeing)

4. Portfolio Leads

- 4.1 The Mayor appoints the Portfolio Leads for the WMCA which are held by the seven leaders of the constituent councils and one non-constituent council, and the Mayor will work closely with them to deliver the priorities of the WMCA.

4.2 The Portfolio Leads have agreed their roles with the Mayor. The responsibilities for each lead member are shown below, with changes shown with asterisks (*):

Portfolio	Lead Member
Finance & Investments, HS2 (& Deputy Mayor)	Councillor Bob Sleigh*
Transport	Councillor Roger Lawrence
Skills & Productivity	Councillor George Duggins
Economic Growth	Councillor Ian Ward
Environment	Councillor Patrick Harley
Cohesion & Integration and Public Service Reform	Councillor Steve Eling
Housing & Land	Councillor Mike Bird*
Wellbeing	non-constituent member [TBC]*

4.3 The Mayor will confirm the appointment of the non-constituent member portfolio holder to the Board.

5. Timetable of Meetings

5.1 Appendix B sets out a timetable of meetings for the WMCA Board and its other committees/boards.

6. Outside Bodies

6.1 The WMCA is also directly represented on an outside body whose appointment is ratified at this meeting:

- **West Coast 250 Campaign**

This is a campaign for the modernisation of the West Coast Main Line railway, which links directly London to Birmingham, Holyhead, Liverpool, Manchester and Glasgow. 39 local authorities and 22 other organisations along the West Coast Main Line (WCML) currently support the campaign. Membership enables local authorities to keep informed on the progress of the WCML upgrade and on many other matters relating to the policy and service issues on the line.

Councillor Roger Lawrence represented the WMCA at meetings during 2017/18.

7. Financial implications

7.1 There are no direct financial implications arising out of the contents of this report.

8. Legal implications

8.1 There are no direct legal implications arising out of the contents of this report.

9. Equalities implications

9.1 There are no direct equalities implications arising out of the contents of this report.

Appendix A

WMCA Board

Representing	Nominee	Substitute
Birmingham City Council	Councillor Ian Ward Councillor Brigid Jones	Councillor Waseem Zaffir Councillor Jayne Francis
Coventry City Council	Councillor George Duggins Councillor Abdul Khan	Councillor Jim O'Boyle Councillor Kevin Maton
Dudley Metropolitan Borough Council	Councillor Patrick Harley Councillor Pete Lowe	Councillor David Vickers Councillor Judy Foster
Sandwell Metropolitan Borough Council	Councillor Steve Eling Councillor Paul Moore	Councillor Syeda Khatun Councillor Steve Trow
Solihull Metropolitan Borough Council	Councillor Bob Sleigh Councillor Ian Courts	Councillor Robert Hulland Councillor Ted Richards
Walsall Metropolitan Borough Council	Councillor Mike Bird Councillor Adrian Andrew	Councillor Christopher Towe Councillor Marco Longhi
City of Wolverhampton Council	Councillor Roger Lawrence Councillor Peter Bilson	Councillor Val Gibson Councillor John Reynolds
Black Country LEP	Stewart Towe	Ninder Johal
Cannock Chase District Council	Councillor George Adamson	Councillor Gordon Alcott
Coventry & Warwickshire LEP	Jonathan Browning	Sean Farnell

Greater Birmingham & Solihull LEP	Tim Pile	Chris Loughran
Herefordshire Council	Councillor Jonathan Lester	<i>tbc</i>
The Marches LEP	Graham Wynn	Frank Myers
North Warwickshire Borough Council	Councillor David Humphreys	Councillor David Wright
Nuneaton & Bedworth Borough Council	Councillor Julie Jackson	<i>tbc</i>
Redditch Borough Council	Councillor Matthew Dormer	Councillor David Bush
Rugby Borough Council	Councillor Michael Stokes	Councillor Heather Timms
Shropshire Council	Councillor Peter Nutting	Councillor Steve Charmley
Stratford-on-Avon District Council	Councillor Tony Jefferson	<i>tbc</i>
Tamworth Borough Council	Councillor Steven Claymore	Councillor Danny Cook
Telford & Wrekin Council	Councillor Shaun Davies	Councillor Lee Carter
Warwickshire County Council	Councillor Izzi Seccombe	Councillor Peter Butlin

Audit, Risk & Assurance Committee

Representing	Nominee	Substitute
Birmingham City Council	Councillor John O'Shea	Councillor Lisa Trickett
Coventry City Council	Councillor Sucha Bains	Councillor Naeem Akhtar
Dudley Metropolitan Borough Council	Councillor Steve Clark	Councillor Joe Roberts
Sandwell Metropolitan Borough Council	Councillor Kerrie Carmichael	Councillor Jackie Taylor
Solihull Metropolitan Borough Council	Councillor Michael Gough	Councillor Angela Sandison
Walsall Metropolitan Borough Council	Councillor Stephen Craddock	Councillor Christopher Towe
City of Wolverhampton Council	Councillor Craig Collingswood	Councillor Jasbir Jaspal
Shropshire non-constituent authorities	Councillor Alexander Phillips	Councillor Rob Sloan
Staffordshire non-constituent authorities	Councillor John Kraujalis	Councillor Colin Lea
Warwickshire non-constituent authorities	Councillor June Tandy	Councillor John Beaumont
Worcestershire non-constituent authorities	Councillor Tom Baker-Price	Councillor Craig Warhurst
LEP representative	Sean Farnell	Sarah Windrum
Independent member	David Lane	<i>n/a</i>

Housing & Land Delivery Board

Representing	Nominee
Housing & Land Portfolio Lead Member	Councillor Mike Bird
Birmingham City Council	Councillor Sharon Thompson
Coventry City Council	David Cockcroft
Dudley Metropolitan Borough Council	Councillor Shaun Keasey
Sandwell Metropolitan Borough Council	Councillor Paul Moore
Solihull Metropolitan Borough	Councillor Ian Courts
City of Wolverhampton Council	Councillor Peter Bilson
Cannock Chase District Council	Councillor George Adamson
Coventry & Warwickshire LEP	Bill Blincoe
Greater Birmingham & Solihull LEP	Simon Marks
North Warwickshire Borough Council	Councillor David Humphreys
Nuneaton & Bedworth Borough Council	Councillor Julie Jackson
Redditch Borough Council	Councillor Matthew Dormer
Shropshire Council	Councillor Nic Laurens
Stratford-on-Avon District Council	Councillor Darren Pemberton

Tamworth Borough Council	Councillor Steven Claymore
Telford & Wrekin Council	Councillor Richard Overton
Warwickshire County Council	Councillor Peter Butlin
Environment Agency	Roy Stokes
Housing & Communities Agency	Karl Tupling
West Midlands Housing Association Partnership	Kevin Rogers

Investment Board

Representing	Nominee
Finance & Investments Portfolio Lead	Councillor Bob Sleigh
Birmingham City Council	Councillor Sharon Thompson
Coventry City Council	Councillor Jim O'Boyle
Dudley Metropolitan Borough Council	Councillor Patrick Harley
Sandwell Metropolitan Borough Council	Councillor Steve Eling*
Solihull Metropolitan Borough Council	Councillor Robert Hulland
Walsall Metropolitan Borough Council	Councillor Mike Bird*
City of Wolverhampton Council	Councillor Roger Lawrence*
Non-constituent authorities	Councillor Peter Richards
Black Country LEP	Paul Brown
Coventry & Warwickshire LEP	Nick Abell
Greater Birmingham & Solihull LEP	Gary Taylor
Finance Birmingham	Sue Summers

* to be confirmed by the Association of Black Country Authorities

Overview & Scrutiny Committee

Representing	Nominee	Substitute
Birmingham City Council	Councillor Josh Jones Councillor Lisa Trickett <i>tbc</i>	Councillor Liz Clements Councillor John Cotton <i>tbc</i>
Coventry City Council	Councillor Tariq Khan	Councillor Joseph Clifford
Dudley Metropolitan Borough Council	Councillor Cathy Bayton	Councillor Rachel Harris
Sandwell Metropolitan Borough Council	Councillor Peter Hughes	Councillor Jackie Taylor
Solihull Metropolitan Borough Council	Councillor Joe Tildesley	Councillor Stuart Davis
Walsall Metropolitan Borough Council	Councillor Stephen Craddock	Councillor Rose Burley
City of Wolverhampton Council	Councillor Stephen Simkins	Councillor Jacqueline Sweetman
Joint Dudley/Sandwell/ Walsall/Wolverhampton representative	Councillor Angus Lees*	Councillor Steve Clark*
Joint Coventry/Solihull representative	<i>tbc</i>	<i>tbc</i>
Shropshire non-constituent authorities	Councillor Dean Carroll	Councillor Nathan England
Staffordshire non-constituent authorities	Councillor John Preece	Councillor Tony Johnson
Warwickshire non-constituent authorities	Councillor John Glass	Councillor Bill Hancox
Worcestershire non-constituent authorities	Councillor Mike Chalk	Councillor Julian Grubb

Black Country LEP	Paul Brown	Dr Chris Handy
Greater Birmingham & Solihull LEP	Mike Lyons	<i>tbc</i>
Coventry & Warwickshire LEP	Sarah Windrum	<i>tbc</i>

* to be confirmed by the Association of Black Country Authorities

Public Service Reform Board

Representing	Nominee
Portfolio Lead for Cohesion & Integration and Public Service Reform	Councillor Steve Eling
Birmingham City Council	Councillor Ian Ward
Coventry City Council	Councillor George Duggins
Dudley Metropolitan Borough Council	Councillor David Vickers
Solihull Metropolitan Borough Council	Councillor Bob Sleigh
Walsall Metropolitan Borough Council	Councillor Mike Bird
City of Wolverhampton Council	Councillor Roger Lawrence
Rugby Borough Council	Councillor Michael Stokes
Shropshire Council	Councillor Karen Calder
Greater Birmingham Chamber of Commerce	Paul Faulkner
University Hospitals Birmingham NHS Trust	Dame Julie Moore
Black Country Consortium	Sarah Middleton
NHS England	Alison Tonge
Public Health England	Sue Ibbotson
West Midlands Police	Jayne Weir

[PUBLIC]

Officer of the West Midlands Police & Crime Commissioner	Tom McNeil
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Strategic Economic Plan Board

Representing	Nominee
Constituent authorities within the Black Country LEP area	<i>tbc*</i>
Constituent authorities within the Coventry & Warwickshire LEP area	Councillor George Duggins
Constituent authorities within the Greater Birmingham & Solihull LEP area	Councillor Ian Courts
Black Country Local Enterprise Partnership	Stewart Towe
Coventry & Warwickshire Local Enterprise Partnership	Jonathan Browning
Greater Birmingham & Solihull Local Enterprise Partnership	Tim Pile
Non-constituent authorities within the Coventry & Warwickshire LEP area	<i>tbc**</i>
Non-constituent authorities within the Greater Birmingham & Solihull LEP area	<i>tbc</i>
Universities representative	Stuart Croft
West Midlands Growth Company	<i>tbc</i>

* to be confirmed by the Association of Black Country Authorities

** to be confirmed by North Warwickshire/Nuneaton & Bedworth/Rugby/Stratford-on-Avon/Warwickshire

*** to be confirmed by Cannock Chase/Tamworth/Redditch

Transport Delivery Committee

Representing	Nominee
Birmingham City Council	Councillor Robert Alden Councillor Phil Davis Councillor Mohammed Fazal Councillor Kath Hartley Councillor Tim Huxtable Councillor Chaman Lal Councillor Keith Linnecor
Coventry City Council	Councillor David Welsh Councillor Pervez Akthar
Dudley Metropolitan Borough Council	Councillor Les Jones Councillor David Stanley
Sandwell Metropolitan Borough Council	Councillor Keith Allcock Councillor Roger Horton
Solihull Metropolitan Borough Council	Councillor Diana Holl-Allen Councillor Ted Richards
Walsall Metropolitan Borough Council	Councillor Adrian Andrew Councillor Allah Ditta
City of Wolverhampton Council	Councillor John Rowley Councillor Celia Hibbert

Wellbeing Board

Representing	Nominee
WMCA Wellbeing Portfolio Lead	<i>tbc</i>
Birmingham City Council	Councillor Paulette Hamilton
Coventry City Council	Councillor Kamran Caan
Dudley Metropolitan Borough Council	Councillor Ruth Buttery
Sandwell Metropolitan Borough Council	Councillor Ann Shackleton
Solihull Metropolitan Borough Council	Councillor Ken Meeson
Walsall Metropolitan Borough Council	Councillor Marco Longhi
City of Wolverhampton Council	Councillor Paul Sweet
Nuneaton & Bedworth Borough Council	Councillor Barry Longden
Warwickshire County Council	Councillor Les Caborn
NHS England	Andy Hardy Dame Julie Moore Alison Tonge Andy Williams
Public Health England	Sue Ibbotson
Universities representative	Guy Daly

[PUBLIC]

WMCA Chief Executive Lead	Sarah Norman
West midlands Fire Service	Gary Taylor

West Midlands Combined Authority Meeting Schedule 2018/19

Meeting	June 2018	July 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019
WMCA Board (1100 - 1300)	-	20	-	14	-	9	-	11	8	8	-	24	28 (AGM)
Audit, Risk & Assurance Cttee (1000 - 1200)	-	-	-	21	-	12	-	14	-	-	15 (1400 - 1600)	-	21
Housing & Land Delivery Board (1000 - 1200)	-	5	-	6	25	-	20	-	21	-	18	-	-
Investment Board (1000 - 1200)	25	23	20	17	22	19	10	21	18	18	15	-	3
Overview & Scrutiny Cttee (1000 - 1200)	-	16	-	10	9	26	17	-	25	-	12	-	-
Public Service Reform Board (1300 - 1500)	-	-	-	6	-	-	-	-	-	-	11 (1000 - 1230)	-	-

[PUBLIC]

Strategic Economic Plan Board (1000 - 1300)	-	4	-	tbc	-	tbc	-	tbc	-	tbc	-	tbc	-	tbc
Transport Delivery Committee (1300 - 1500)	-	16	-	10	-	5	-	7	4	4	-	20	24	
Wellbeing Board (1000 - 1200)	-	13	-	-	31	-	-	18	-	-	5	-	-	

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WMCA Board

Date	22 June 2018
Report title	WMCA Annual Plan 2018/19
Portfolio Lead	Andy Street - Mayor
Accountable Chief Executive	Deborah Cadman, West Midlands Combined Authority tel: (0121) 214 7200 email: Deborah.Cadman@wmca.org.uk
Accountable employee(s)	Sean Pearce, Director of Finance tel: (0121) 214 7936 email: Sean.Pearce@wmca.org.uk
Report to be/has been considered by	WMCA Programme Board - 8 June 2018

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Approve the West Midlands Combined Authority (WMCA) Annual Plan 2018/19.
- (2) Delegate authority to the Director of Finance, in consultation with the Mayor, to finalise the Plan making any final amendments to take into account the decisions taken in respect of the other reports on the agenda for the WMCA Board on 22 June.

1.0 Purpose

1.1 To present the West Midlands Combined Authority Annual Plan 2018/19 for approval.

2.0 Background

2.1 The overarching ambition of West Midlands Combined Authority for 2018/19 is to embed the outcomes that were delivered last year and to deliver on targets set out in the Mayoral Renewal Plan and the Strategic Economic Plan, as well as driving forward devolution in order to positively transform the region.

2.2 The Annual Plan 2018/19 has been developed as part of the West Midlands Combined Authority annual business planning cycle. The Plan is attached at Appendix 1 and provides further details of its key priorities for 2018/19 and beyond. It also summarises the Authority's key achievements in 2017/18. The document also incorporates the Transport for West Midlands Annual Plan 2018/19.

2.3 The Plan has been informed by engagement with portfolio lead members, chief executives and other stakeholders including the West Midlands Combined Authority Programme Board and Overview and Scrutiny Committee.

2.4 The Plan is presented to Board for approval. Decisions made in respect of other reports on the West Midlands Combined Authority Board agenda on 22 June 2018 may require further amendments to the Plan. Delegated authority for the Finance Director, in consultation with the Mayor, to make any final changes to the Plan is sought accordingly including the appointment of Portfolio Leads.

2.5 Progress against the Plan will be monitored by the WMCA Leadership Team on a regular basis throughout 2018/19.

2.6 Financial implications

3.1 The priorities that are set out in the West Midlands Combined Authority Annual Plan 2018/19 have been reflected in the consolidated 2018/19 West Midlands Combined Authority budget that was approved by the West Midlands Combined Authority Board on 9 February 2018.

4.0 Legal implications

4.1 There are no legal implications as a direct consequence of this report.

5.0 Equalities implications

5.1 There are no equalities implications as a direct consequence of this report.

6.0 Appendices

Appendix 1: West Midlands Combined Authority Annual Plan 2018/19

The West Midlands Combined Authority

Annual Plan

2018/2019



West Midlands
Combined Authority

Page 35

Content

- 3 Foreword from the Mayor
- 4 Foreword from the Chief Executive
- 5 Foreword from WMCA portfolio lead for transport
- 6 Introduction
- 10 Political Leadership Team
- 13 Officer Leadership Team

Our priorities:

- 15 Economic Growth and Industrial Strategy
- 16 Local Industrial Strategy
- 17 Housing and Regeneration
- 19 Productivity and Skills
- 21 Health and Wellbeing
- 23 Public Service Reform, Inclusion and Cohesion
- 25 Environment
- 27 Investment Programme
- 28 How the organisation enables delivery: Corporate Services
- 33 Governance
- 34 TfWM Annual Plan
- 49 Appendix 1: Companies and Accountable Bodies
- 52 Appendix 2: Financial Summary

Foreword from the Mayor



“

Devolution provides a once in a generation opportunity to transform the area through a robust programme of change focused on economic growth, transport, housing, skills and jobs.

”

Welcome to the West Midlands Combined Authority's Annual Plan – a look ahead to the coming year and the exciting opportunities devolution and greater collaboration offer to our region.

Devolution provides a once in a generation opportunity to transform the area through a robust programme of change focused on economic growth, transport, housing, skills and jobs.

This document outlines how the West Midlands Combined Authority (WMCA) will work towards delivering its ambitious plans for driving inclusive economic growth in the West Midlands region and building a healthier, happier, better connected and more prosperous population.

Over the past year we have continued to develop strong and sustainable relationships with national Government, and in November a second devolution deal was agreed. The second deal demonstrates Government's continued commitment to devolution and the future of the West Midlands. The deal supports our ambitions to deliver growth through a local industrial strategy and improve the wellbeing of our citizens.

2017 also saw the region successfully bid for Birmingham to host the Commonwealth Games in 2022 and for Coventry to be the City of Culture in 2021. These events will provide the region with a golden opportunity to showcase a resurgent, diverse and confident West Midlands to the world. In 2018, we have already agreed a Housing Deal with Government, helping us to accelerate our plans for brownfield development and building 215,000 homes of all types across the region.

Our success has been rooted in collaboration across the leadership of the Combined Authority and beyond, and I would like to take this opportunity to thank colleagues from all sectors, and individuals whose efforts have contributed towards the WMCA's successes over the past year. I look forward to driving our ambitious plans forward over the year ahead.

Andy Street

Mayor of the West Midlands and Chair of the WMCA

Foreword from the Chief Executive



The year ahead provides an opportunity to embed the outcomes that we set out to deliver as part of last year's business plan, deliver on outcomes set out in the Mayoral Renewal Plan and the Strategic Economic Plan, as well as drive forward a new conversation with Government on what devolution can mean for the West Midlands. Having joined the WMCA in the

“

We aim to be the best performing region in terms of skills, increase in opportunities and delivery of infrastructure investment.

”

summer of last year I have now secured a team of executive directors, recruited to deliver the vision that has been set out for the region across housing, skills, local industrial strategy and public sector reform. The mix of service areas is intentional as we aim to establish the key levers to deliver sustained and inclusive growth for everyone across the

region that connects residents to opportunities that are created by this investment. They join an established and expert Transport for West Midlands (TfWM) team who have, at their core, the ability to change the face of the region for the benefit of all.

We are committed to making our mark along with our proud partners. We set out in our 2017/18 business plan an intent to implement a second devolution deal for the region. We have delivered on that, with over a quarter of a billion pounds of new investment into the region. More importantly, we have agreed to take forward our work with Government in a new and different way, through a constant conversation on where we can add value and accelerate the delivery of change on the ground, for the benefit of our residents.

My aim for 2018/19 is to demonstrate that we can deliver on key infrastructure, including developing transport and housing infrastructure and generating opportunities for new jobs and skills with partners across the region. Together with our Constituent and Non Constituent Authorities we have most recently

secured a landmark Housing Deal for the region that sees more than £350 million being invested into delivering new homes in our region. We are looking forward to creating a real opportunity for people to access new talents through our construction skills deal with Government, as well as working with partners to unlock key housing sites.

Our time is now. We aim to be the best performing region in terms of delivering infrastructure investment that provides more jobs and opportunities for all. I am looking forward to working with colleagues across the West Midlands to 'Make our Mark'.

Deborah Cadman
Chief Executive of WMCA

Foreword from WMCA portfolio lead for transport



Transport for West Midlands (TfWM), was established as part of the West Midlands Combined Authority (WMCA) a little over 18 months ago. In that time we have undergone an unprecedented period of change in the region - politically, socially and economically.

As part of the Devolution Deal with Government, our first democratically elected Mayor took office in May 2017. This year heralded even more devolved powers, meaning local decisions being made by the people who know the West Midlands best, another clear vote of confidence from Westminster for the potential and ambition of the region.

Transport has been - and will continue to be - at the heart of that change, a catalyst enabling residents, commuters and visitors to travel across the West Midlands using an integrated network that allows seamless connectivity between modes: bus, rail, Metro, cycling and walking. It will also play a crucial role in realising the future capacity benefits of High Speed 2 and the associated job creation that such unprecedented infrastructure investment brings.

It is vital we have an integrated public transport system fit for the 21st Century that addresses congestion, air quality and capacity and creates a vibrant and thriving region that people in the West Midlands can be proud of.

I believe that in the past year we have made great strides to achieve this goal.

The innovative West Midlands Bus Alliance was renewed for a further two years, with a recommitment from all major stakeholders, including private bus operators, councils and other partners to continue raising vehicle, emission, facilities and infrastructure standards, with direct passenger benefit the focus of all improvements.

The new West Midlands Trains franchise, jointly specified by the Department for Transport and the West Midlands Rail partnership of WMCA local authorities, was launched in December 2017. This will secure significant improvements until 2026, including more services, additional carriages, transformation of existing facilities and the development of new stations.

Funding was secured for Midland Metro extensions from Wednesbury to Brierley Hill (£207m) and Edgbaston (£60m) and the past year saw Metro record the biggest rise in passenger satisfaction (92%) in the UK. Patronage also reached eight million for the first time on the line between Wolverhampton and Birmingham city centres.

During 2018, TfWM will take over the day-to-day running of the Metro, enabling millions of

pounds of future profits to be put back into expanding the network which will triple in size over the next decade, with passenger numbers forecast to increase from around 6.5 million at present to more than 30 million.

Through the Swift smartcard, we are at the forefront of public transport ticketing technology with 94,000 regular customers testament to our forward-thinking approach to integrated solutions which this year will see Swift being used for other applications including hiring bicycles and fitness scheme memberships.

Being ahead of the curve, not just through technology, but also in providing new, innovative and practical ways of travel such as the bus-based Sprint rapid transit system being introduced in the coming years, will help the region become an exemplar of transport best practice.

This is more important than ever, and with Coventry being named City of Culture for 2021 and Birmingham hosting the Commonwealth Games the following year, we have a unique opportunity to showcase a world class public transport system the West Midlands can be proud of.

Councillor Roger Lawrence
WMCA Portfolio Lead for Transport

Introduction

The purpose of this Annual Plan is to:

- Set out the WMCA priorities for 2018/19 so that stakeholders and partners are clear on the key areas of focus and delivery for the year ahead
- Provide a strategic context for the WMCA as an organisation so that service plans and operational activity are aligned to the overall vision and priorities
- Enable the WMCA Board to articulate what is being delivered and why, and be able to oversee and review progress against priorities

About the WMCA

The WMCA has an overall ambition to enable a healthier, happier, better connected and more prosperous West Midlands. It can only do this in collaboration and partnership with others. One of the most important reasons for the creation of the WMCA was to build a strong partnership, based on voluntary collaboration, ready to take on key powers passed on from central Government. Some things can only be achieved through partnership working and the creation of the WMCA has enabled collective decision making across local authority boundaries. A great deal of hard work and a close working relationship between constituent and non-constituent authorities has made the WMCA a reality and this partnership will only develop further as the devolution agenda gathers pace.

The way we make decisions recognises the varied economic, political and geographical make-up of our constituent and non-constituent local authorities together with Local Enterprise Partnerships (LEPs) and other key stakeholders. The WMCA makes decisions by consensus through its formal Board, and also engages through a number of more informal groups including the Mayor and Metropolitan Leaders Liaison Group, Non-Constituent Authorities Group and maintains active links with the three LEPs on the Strategic Economic agenda and other issues of shared common interest.

The WMCA Constitution sets out the ability of the various different authorities and stakeholders to participate in decision-making. The Overview and Scrutiny and Audit, Risk & Assurance Committees provide challenge and oversight. A range of authorities and organisations participate in regular Programme Board meetings which function both as agenda-setting meetings and also policy development forums and briefing sessions for the work of the Combined Authority. All of this helps to shape and inform policy development and decision-making in a collaborative and inclusive way.

Our Devolution Journey

Devolution provides the WMCA with greater freedom to direct resources to address all those key local needs that we understand better than anyone and plan public spending as a whole to deliver more and better jobs and homes, improved transport links, better skills, training and public services.

Government invited the West Midlands, along with nine other areas, to negotiate with them for powers and functions that can be devolved. The West Midlands has participated enthusiastically in the process to date, rapidly becoming an exemplar for taking this agenda forward.

Two devolution deals have been secured through energetic lobbying. The first devolution deal opened

the door to dialogue with Government and built significant momentum for the devolution agenda in the West Midlands.

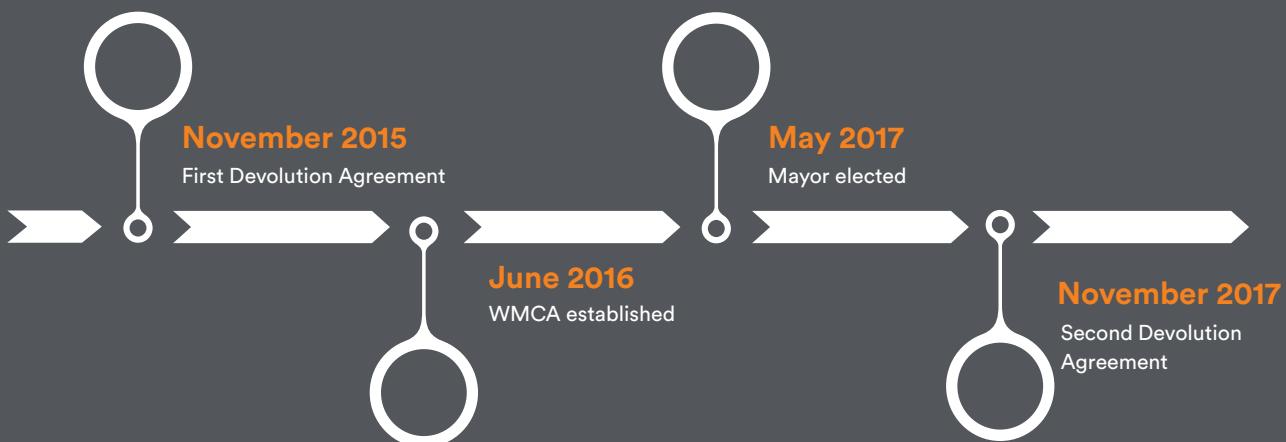
Since the first agreement was signed the need for an effective industrial strategy delivered through strong local leadership has become even greater, as we seek to prepare the UK for a successful post-Brexit economy.

A second devolution deal was secured in 2017. The second agreement reflects this changing context and recognises the need for the WMCA to develop a local industrial strategy to shape the long-term vision for growth in the area.

The national context of devolution has also shifted in the past year. In May 2017 six new metro mayors were elected in combined authorities across England. In the same year it was announced Mayoral Combined Authorities (MCAs) will take on more responsibility to deliver quality adult education in their local areas from 2019 when adult funding is devolved. The West Midlands, alongside the other MCAs, is planning how it can best make use of these funds through partnership working.

The WMCA has forged a mature partnership with Government, demonstrated by the second devolution deal which outlines a commitment from them to engage in future devolution conversations. The WMCA plans to build on this momentum by continuing to work with Government to strengthen relationships and champion further devolution in the years ahead.

The second agreement reflects this changing context and recognises the need for the WMCA to develop a local industrial strategy to shape the long-term vision for growth in the area.



Partnership Working

Partnership working sits at the heart of the WMCA. The WMCA is led by the Mayor and the leaders of the seven constituent local authorities, which have full voting rights.

Non-constituent authorities, which include three LEPs and 10 local councils from across the wider West Midlands region, have reduced voting rights but play a crucial role at board level, helping to inform policy and drive forward the WMCA's agenda.

There are also observer organisations who include other councils, LEPs, and bodies awaiting non-constituent membership, as well as non-voting observers.

Constituent Authorities



Non - Constituent Authorities and member organisations



Observer organisations



west midlands
police and crime
commissioner

WEST MIDLANDS FIRE SERVICE

As the West Midlands grows the number of organisations the WMCA works with is also expected to increase. Partnership working is particularly strong within the private, transport, educational, health, faith and voluntary sectors and is key to achieving the WMCA's vision.

Key partnerships



Partnership working sits at the heart
of the WMCA.

Political Leadership Team

Leadership of the WMCA comes from the Mayor, the seven constituent local authority leaders, plus the chairs and directors of the LEPs.

Elected members and officers lead on key portfolio areas, working in partnership with LEP colleagues.

Non-constituent authorities, as well as the West Midlands Fire Service and the Police and Crime Commissioner, have a significant role to play at board level, contributing policy and ensuring that WMCA is moving in the right direction.



WMCA Board Chair and Mayor

Andy Street

Andy combined a career with John Lewis, Britain's most successful workers' co-operative, with a host of high-profile economic development roles, working with local and national Government. Starting on the John Lewis graduate scheme, Andy rose through the ranks to become managing director, overseeing one of the most successful periods in the company's history.

He was also chair of the Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP) between 2011 and 2016, helping to build the relationships that have underpinned the economic growth of the region.

Additionally, he has been lead non-executive director for the Department for Communities and Local Government as well as a member of the Prime Minister's Business Advisory Group.

Portfolio lead for wellbeing

The portfolio lead member for wellbeing and HS2 and chairs the Public Service Reform Board and Wellbeing Board.

WMCA portfolio lead for housing and land

The portfolio lead for housing and land – covering the land commission, land remediation fund, housing delivery and one public estate and chairs the WMCA Housing and Delivery Board.

WMCA portfolio lead for cohesion and integration and public sector reform

The portfolio lead for public service reform and chairs the Public Services Reform Board – covering troubled families, criminal justice, welfare reform, shared services and social inclusion.

WMCA portfolio lead for the environment

The portfolio lead for the environment covering overall sustainability reporting and clean growth opportunities, including air quality, energy, waste, the natural environment, and green businesses and buildings.

**WMCA portfolio lead
for transport**

The portfolio lead member for transport – overseeing delivery of the Strategic Transport Plan, Midlands Connect, HS2 Connectivity and West Midlands Rail.

**WMCA portfolio
lead for finance and
investment**

The portfolio lead for finance, overseeing delivery of the WMCA investment agenda and chairs the Investment Board.

**WMCA portfolio lead
for economic growth**

The portfolio lead for economic growth, which covers the critical work on the Local Industrial Strategy, the West Midlands Growth Company, and important economic growth sectors such as digital, automotive, life sciences and energy.

The portfolio is also concerned with the economic contribution that culture makes to the region and works closely with the transport, skills and productivity, and housing and land portfolios, which all have an important role to play in delivering growth.

**Chair of WMCA
Overview and Scrutiny
Committee**

Chairs the Overview and Scrutiny Committee, responsible for reviewing and examining the decisions and actions of the WMCA to ensure they help make the region a better place to live, work, study and do business. The committee meets quarterly and has the power to call in decisions made by the Board and other committees of the WMCA and refer them back.

Officer Leadership Team

Over the past year the Mayor has built a leadership team by appointing executives to key roles.



Chief Executive of the WMCA
Deborah Cadman, OBE

Deborah works with the Mayor and Leadership Team to deliver the commitments and priorities contained in the Strategic Economic Plan (SEP), devolution deals and the Mayor's commitments for the WMCA.

Deborah works with staff across the WMCA to collectively create a culture and organisation that delivers for the residents of the West Midlands and one that we can all be proud of. By working together accelerated, sustainable and inclusive growth for the residents of the region will be achieved.

Director of Public Service Reform
Dr Henry Kippin

Henry's role is to build collaboration across services and sectors by creating a culture of inclusive growth and public services innovation at the WMCA to help deliver place-based change for our people and places.

Director of Strategy
Julia Goldsworthy

Julia oversees the delivery of the Strategic Economic Plan, the Local Industrial Strategy and an £8 billion investment programme to deliver jobs and stimulate growth over the next 30 years.



Managing Director of Transport for West Midlands
Laura Shoaf

Laura leads a team of dedicated transport professionals who work hard every day to deliver an integrated transport network which enables a positive change in the lives of millions of people.



Director of Productivity and Skills

Julie Nugent

Julie's role is to oversee collaborative partnerships to drive up West Midlands' employment, skills and productivity by helping the region's employers source the workforce development and talent they need to succeed and grow and providing individuals with access to skills training and employment opportunities that enable them to benefit from the region's economic growth.



Director of Housing and Regeneration

Gareth Bradford

Gareth works in partnership with the public, community and private sectors to oversee implementation of the WMCA's plans to increase the supply of land for housing and employment to help meet growth levels set out in the Strategic Economic Plan. Gareth works with other policy areas such as skills, industrial strategy, transport and public service reform to ensure there is a joined-up approach.



Head of Governance

Tim Martin

Tim is responsible for legal and governance issues in the WMCA. He ensures that the WMCA and the Mayor have the advice and support they need to ensure their exciting programmes can be delivered without significant risk or problems.



Director of Finance

Sean Pearce

Sean's role is to oversee corporate services. He works closely with the Mayor to deliver on a number of initiatives including the delivery of a capital investment programme of at least £8 billion as part of the devolution deal.



Chief of Staff Mayor's Office

Andrew Browning

Andrew works with the Mayor, council leaders and staff across the WMCA to ensure that the Mayor's Renewal Plan is delivered as promised.



Chief Executive of West Midlands Growth Company

Neil Rami

Neil leads the West Midlands Growth Company (WMGC). A company which helps to create new jobs, expand existing businesses and attract new companies, investment and tourists to the region. Aligned to the West Midlands Combined Authority's Strategic Economic Plan, the WMGC work with hundreds of public and private sector organisations across the region to deliver WMCA targets.

Economic Growth and Local Industrial Strategy

The West Midlands' growth priorities and ambitions are set out in the 2015 Strategic Economic Plan. The investments and actions the WMCA makes and takes are focussed on delivering this plan, working with Local Enterprise Partnerships and other partners including the West Midlands Growth Company.

Despite these successes there are a number of important challenges the WMCA must work to address:

- The GVA across the three LEPs which make up the WMCA is currently £98.2bn and is increasing at a faster rate than the UK average. However, the productivity output gap has increased from £16.5bn to £16.9bn. To reduce the output gap, the WMCA will continue to focus on raising skills levels, increasing the employment rate with more local people in jobs and promoting the growth and innovation of the business base.
- The proportion of WMCA residents with no qualifications decreased from 14.5% (365,600) in 2015 to 13% (329,400) in 2016, but still remains over 5 percentage points higher than the national average of 7.8%.

Key priorities in 2018/19 and beyond

- Local Industrial Strategy – WMCA will lead the development of an evidence based strategy, focused on boosting productivity, earning power and competitiveness in the region. Initial proposals will be developed with government by July 2018, and more detailed plans finalised later in the year
- Funding for Growth – building on the work in 2017-18, the commission will focus its next phase of activity on projects to secure resource from both the public and private sector that will support delivery of the WMCA investment priorities.
- Economic Performance Reporting – WMCA will update the annual economic review so that it is consistent with the emerging Local Industrial Strategy, and will incorporate inclusive growth metrics in development by the Inclusive Growth Unit. A suite of dashboards will be created to provide an overview of performance across each portfolio's area of policy responsibility.



Key achievements in 2017/18

- There are 1.84m jobs across the WMCA and that number is increasing faster than the rest of the UK. Over the last year the West Midlands has seen 2.73% growth compared to 2.67% across England.
- The number of apprenticeships is also growing faster than the UK average, with 1% growth over the past year in new apprenticeships, compared to a national decline of 2.9%. Importantly, there has also been significant growth in Advanced Apprenticeships (+11.9%) and Higher Apprenticeships (+18.3%).
- Business births across the WMCA have continued to grow at a faster rate than the rest of the UK, with 27,550 additional business births (67 per 10,000 population) in 2016, a 22.8% increase on 2015 compared to 8.2% across the UK. Since 2013 business births across the WMCA have grown by 46.5%, more than double the UK rate (19.6%).
- The Black Country was second only to London in the proportion of UK businesses founded in 2013 that went on to generate at least £1m in revenues after three years. The proportion of existing firms (businesses born before 2013) with a turnover of £1-2m per annum in 2013 growing to at least £3m turnover in 2016 was higher in the Coventry and Warwickshire LEP (7.1%) than the rest of
- Inclusive Growth – WMCA will develop a delivery plan for inclusive growth that makes it a cross cutting agenda in all areas of Combined Authority activity.
- Exiting the European Union – WMCA will establish a working group to develop a regional proposal for the Shared Prosperity Fund (the successor programme to EU Structural Funds) that supports WMCA economic priorities and objectives.
- Devolution – building a sustained dialogue with central government on the additional powers and resources required to further our economic ambitions for the region.

Local Industrial Strategy

The second devolution deal confirmed the West Midlands as one of the first regions to develop a Local Industrial Strategy, following the Government publishing its Industrial Strategy in November 2017.

The Local Industrial Strategy will build on the SEP by demonstrating how the region's global strengths and competitive sectors will continue to contribute to the West Midlands' success in a post-Brexit economy and create opportunities for residents and businesses through genuinely inclusive growth.

The West Midlands Industrial Strategy will be developed collaboratively between LEPs, businesses, universities and local authorities, led by the WMCA and the Mayor.

The Strategy will be evidenced-based and focussed on the actions needed to boost productivity, earning power and competitiveness.

Nationally it will make the case for ongoing investment and funding in the West Midlands as post-European Union funding systems are developed.

The WMCA is working to develop initial proposals with Government by July 2018, and a more detailed Local Industrial Strategy and evidence base will be produced later in the year.



18,337

new businesses were registered in Birmingham in 2014, the highest in any UK city outside London.

Key strengths:

- Start-up Britain recently reported that 18,337 new businesses were registered in Birmingham in 2014, the highest in any UK city outside London.
- The economy of the West Midlands grew faster than the national economy between 2010 and 2013.
- Calculated to be the most prosperous area outside of London and South East.
- In 2014/15 the Greater Birmingham and Solihull LEP had the highest number of Foreign Direct Investment (FDI) successes and the highest number of new jobs arising from FDI of all LEPs.

Key challenges:

- Productivity levels in the West Midlands are below the national average; taking the UK figure of GVA worked per hour as 100, the average for the West Midlands area is 89.7.
- The West Midlands must become a net contributor to the UK exchequer. The three LEPs have an estimated net deficit of £3.96 billion.
- Only 56% of companies in the area are innovation active.
- Across the area there is a higher than average proportion of people with no skills and a lower than average proportion with degree level skills. If the skills profile matched the England average the annual GVA of the area would increase by £22 billion.

Housing and Regeneration

The WMCA is committed to enabling the towns and cities of the West Midlands to fulfil their economic potential and support inclusive growth. Housing and comprehensive regeneration activity are critical to achieving these strategic goals. The WMCA aims to accelerate the delivery of new housing and increase the quantum, mix and quality of housing across all tenures aligned to new jobs, transport and infrastructure.

Key priorities in 2018/19 and beyond

Housing

The SEP and Land Delivery Plan estimate that to accommodate the growing population, the West Midlands will need to deliver at least 215,000 additional new homes by 2031. To deliver this the WMCA will work:

- With partners across the public and private sectors to secure an increase in the supply of land for housing and employment.
- To submit a housing deal implementation plan to Government by end of May 2018, including updated business cases for key housing infrastructure fund bids and a programme for the new housing deal land fund.
- To bring redundant and contaminated land back into productive economic use. This will require upfront investment in infrastructure, land remediation and site acquisition.
- To become a market leader in modern methods of construction, land remediation and brownfield development supported by an effective skills and talent programme.
- To establish a new joint delivery team between WMCA and Homes England to strengthen the expertise and resource available to unlock key sites, identify new opportunities and secure new investment.
- To implement robust programme management and governance processes that builds upon arrangements with constituent and non-constituent authorities



Key achievements in 2017/18

- The WMCA secured the first major housing deal with Government at the Spring Statement in March 2018 providing significant new funding for infrastructure, land remediation and acquisition to support the delivery of 215,000 homes by 2031. The WMCA also secured Government commitment to a new joint delivery team and coordinated investment programme with Homes England.
- The second devolution deal outlined a commitment from Government to provide £6 million of funding to support additional housing delivery capacity and new funding for the Brierley Hill metro extension.
- Plans have been approved to facilitate 803 new housing units across the region from the Brownfield Land and Property Development Fund secured in the first devolution deal.
- In last year's Annual Plan the WMCA set out a commitment to develop an action plan in response to the Land Commission's recommendations. There was unanimous WMCA Board approval in September 2017 for the Land Delivery Action Plan providing the context, agreement and shared endeavour through which we were able to negotiate a landmark housing deal. Work has begun in earnest to implement this ambitious Plan as outlined below:
 - Creation of a comprehensive pipeline of key housing and employment sites across the region with local partners and Homes England.
 - Establishment of clear governance and accountability through the Housing and Land leaders Board.
 - Development of a West Midlands Investment Prospectus with local partners to secure significant new private sector investment in infrastructure, residential and commercial opportunities. This was launched on 14 March 2018 and identifies 20 strategic investment opportunities.
 - Securing new funding for infrastructure to unlock significant housing and employment opportunities.

to secure a step change in the quantum, pace and quality of housing provision aligned with employment provision.

- To improve the quality and standard of housebuilding in the West Midlands, setting out key design and development principles in the Spatial Plan.
- With housing associations and Homes England to agree a new supply agreement which will seek to significantly increase affordable housing supply.

Spatial plan

- Over the next year the WMCA will work to develop with local partners a Spatial Investment and Delivery Plan which will set out an overarching housing and employment ambition, plans for major growth areas and corridors, quality standards for development, and bring together investment in transport, skills, employment, social infrastructure and housing to drive inclusive growth.

Pipeline development

- To support site delivery the WMCA will maintain a consolidated and dynamic evidence base of the pipeline of sites that can be brought forward for development and key barriers and constraints facing delivery on each site.
- The WMCA, with local partners and Homes England, will develop a list of prioritised key sites for intervention to accelerate supply in 2018/19.

Regeneration and Skills

- Over the next year the WMCA will work with higher education institutions, Central Government, LEPs and local councils to secure the launch of the new Centre of Excellence for land remediation and modern construction methods based in the Black Country to put the region as a market leader in this field.
- The WMCA will explore the provision of serviced sites and wider support for new factories for modern methods of construction. This will generate local employment and a local supply chain contributing to economic growth and housing delivery.
- The WMCA will work to create new delivery vehicles, and support existing ones, focused around major growth and regeneration projects such as the Black Country Garden City and Solihull Urban Growth Company.
- The WMCA will work with the Department for International Trade, Homes England and local partners to secure the delivery of comprehensive regeneration schemes identified in the West Midlands Investment Prospectus.

West Midlands will need
to deliver at least

215,000 
new homes by **2031**



Productivity and Skills

The WMCA is committed to improving the region's productivity and skills levels to support inclusive growth. Significant progress has been made in 2017/18 and a firm foundation for future activity has been established.

Key priorities in 2018/19 and beyond

The WMCA is committed to helping more people access high quality training and employment opportunities, increasing skills levels in priority growth sectors, and creating a responsive regional skills system that drives improvements in productivity.

Help more people access good jobs and employment

The SEP and Land Delivery Plan estimate that to accommodate the growing population, the West Midlands will need to deliver at least 215,000 additional new homes by 2031. To deliver this:

- The Work and Health Programme will help people find and keep a job and is focused on supporting people with health conditions or disabilities, as well as the long-term unemployed.
- The Employment Support Pilot will run from June 2018 through to 2020 and will support 4,500 WMCA residents into employment. The pilot is aimed at supporting whole communities and will provide support not only to the unemployed, but those already working on low incomes.
- The WMCA will establish an expert review of employment support provision to understand how the offer can be improved. A new Employment Support Framework will be developed for those out of work and/or in low paid work. The review will build on best practice and harness the expertise of DWP, JobCentre Plus, Local Authorities and other key local stakeholders.
- The WMCA will provide mentoring opportunities for young people in the West Midlands as part of the 'Mayor's Mentors' scheme to raise and support levels of aspiration across the region.



Key achievements in 2017/18

- In last year's annual plan, the WMCA outlined a commitment to develop a pilot for employment support for the hardest to help. In 2017/18, £4.7 million funding was secured from the Department for Work & Pensions (DWP) to launch an innovative three-year employment support pilot aimed at supporting more residents to progress into and within work.
- The WMCA has taken forward a commitment to co-design the Work and Health Programme with DWP. The Programme was launched in the West Midlands in January 2018.
- The WMCA established a Productivity and Skills Commission, chaired by Dr Andy Palmer, Chief Executive and President of Aston Martin Lagonda Ltd. This has brought together a powerful collective of business leaders, productivity and skills experts and senior academics, with a clear focus on better understanding the needs of key sectors in the West Midlands economy.
- The second devolution deal recognised the importance of the Productivity and Skills Commission and agreed to take forward its recommendations through dialogue with Government.
- The second devolution deal secured £5 million additional funding, over a three-year period, to deliver a construction training programme.
- The second devolution deal also saw the Government commit to working with the WMCA to deliver the careers strategy, ensuring careers provision will be informed by local priorities.

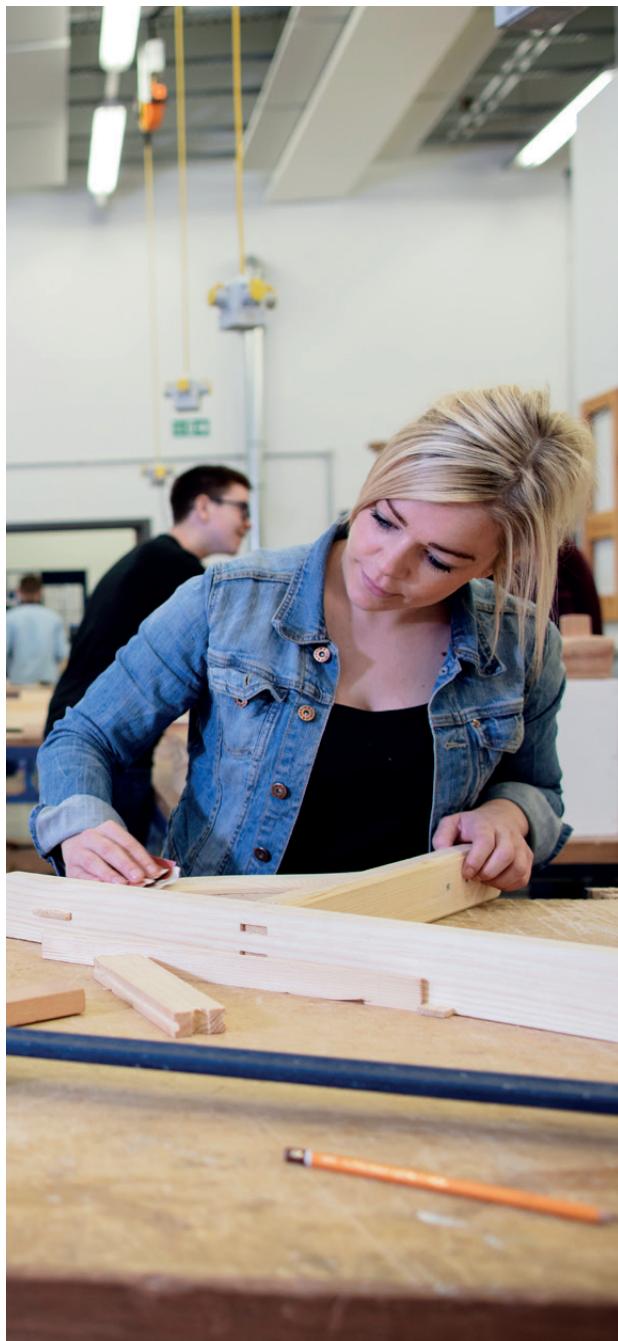
Increase levels of skills in priority growth sectors

- In 2018/19 the WMCA will work towards delivering the recommendations of the Productivity and Skills Commission. This will include taking forward targeted action for the Automotive, Construction and Digital sectors – early prototypes for wider system-wide skills delivery.
- The WMCA will work with the region's colleges and adult and community learning providers to influence Adult Education Budget (AEB) funded provision in the West Midlands from September 2018, in advance of full devolution to the WMCA from 2019/20.
- The WMCA will continue to design and develop a new technical education offer for 16-18 year-olds, working with DfE, the Gatsby Charitable Foundation, local employers, colleges and providers. Over the next year the focus will be on engaging employers and identifying how best to support teaching capacity.

Create a responsive regional skills system that drives improvements to productivity and addresses current and future needs

- Building on the Productivity and Skills Commission the WMCA will work with Government to develop an approach to Skills Advisory Panel (SAP) analysis. A new and expert partnership between the WMCA, local employers, skills providers and central Government will be established. The SAP will have a key role in strategic planning for post-16 skills provision to ensure colleges, training providers and universities have plans in place to meet local labour market needs.

- The WMCA will publish a Regional Skills Plan which will build on existing evidence and articulate a regional vision for skills, underpinned by partner commitment, new delivery models and expanded provision.
- The WMCA will design and deliver a new Career Learning Pilot, aimed at helping low-skilled, low-paid employees to access careers information and training support that will enable them to progress in the labour market and boost their overall skills and earning potential.



The second devolution deal secured

£5m

additional funding to deliver a construction training programme



Health and Wellbeing

The WMCA is committed to providing a system leadership role to support efforts to unlock productivity, manage demand and address health inequalities across the West Midlands.

Key priorities in 2018/19 and beyond

The WMCA will work to unlock the economic premium generated by a healthy population to support inclusive growth. Efforts will be focussed on areas where radical action can help close the health and productivity gap in our communities. To support this the WMCA will provide a system leadership role to strengthen collaboration between health, care and other sectors within public services.

Productivity and health

- A UK-leading population intelligence hub will be developed as part of the Inclusive Growth Unit in partnership with Public Health England.
- Over the next year the WMCA will work to develop the One Public Estate Programme which aims to convert unused public sector office space into co-working spaces for local tech entrepreneurs. Alongside developing the Programme wellbeing and transport hubs will be piloted, and a set of investment principles for health and housing will be introduced.



Key achievements in 2017/18

- The Mental Health Commission published 'Thrive West Midlands' - an action plan, developed with a range of partners, to drive better mental health and wellbeing.
- In last year's annual plan the WMCA set out an ambition to recruit employers to sign up to a wellbeing charter and in 2017/18 the WMCA launched a West Midlands wellbeing commitment. Some of the region's biggest employers have agreed to take part, including Jaguar Land Rover and the West Midlands Fire Service.
- The 2017/18 annual plan set out a commitment to support the first West Midlands 'Walking out of Darkness' event. The walk took place on 6th May to raise awareness about mental health and suicide prevention.
- The WMCA published 'West Midlands on the Move' – a strategic framework for physical activity which was developed with local authorities, Public Health England and the County Sports Partnerships.
- The WMCA developed a forward plan with health partners, which outlined the role the WMCA can play in supporting system collaboration and adding value through strengthening the links between health and productivity improvements in the region.
- The WMCA has developed a shared approach to the prevention of cardiovascular disease (CVD) which focusses on improving physical activity in adults and children and strengthening the ability of local authorities to take health and wellbeing into account in planning and licensing decisions.

- The WMCA will carry out in-depth research into resilience and ALTAR, and host a Best Start conference for young people in autumn/winter 2018.

Radical prevention

- The WMCA will focus on further developing delivery initiatives outlined in 'Thrive' and will recruit three new programme managers to support the roll out and delivery of these initiatives.
- The WMCA will focus on turning 'West Midlands on the Move' into a delivery plan to mobilise social movement in the run up to the Commonwealth Games. This year the focus will be on rolling out the 'West Midlands Good Gym' - a platform connecting physical activity with social activism.
- During 2018/19 the WMCA will work with NHS England to develop a robust business case for innovation in preventing CVD and diabetes. To support delivery a public health dashboard will be developed which will help the WMCA understand where resources should be prioritised.

Leadership and workforce

- In 2018/19 the WMCA will support collaborative leadership development with NHS partners – including working with NHSE and partners on regional workforce collaboration, and supporting STPs in areas where we can add value.
- The WMCA will focus on delivering digital innovation in wellbeing projects via the Urban Challenge competition. Innovations are likely to focus on self and remote care, and digital solutions to social isolation.



Public Service Reform, Inclusion and Cohesion

The WMCA is committed to driving a model of inclusive growth that benefits all of its residents and makes a real difference to communities.

Key priorities in 2018/19 and beyond

The WMCA will work to promote a model of economic growth that impacts positively on all of our residents and communities. As part of this the Public Service Reform portfolio will develop radical new ways of preventing social problems that are entrenched within the region and which block the potential of communities. The WMCA will provide system leadership to drive change through collaboration, working with members and partners on public service innovation to connect communities and unlock their potential.

Inclusive growth

- The WMCA commenced the establishment of the PSR Unit. Over the next 12 months the Unit will be tasked with developing a delivery plan for inclusive growth linked to the Industrial Strategy and other WMCA agendas, for example, transport and housing.
- The WMCA will also work to commission a blueprint for 'sharing economic growth' for key policy areas. This will provide an evidence base that will complement and add to the measures already set out in the SEP.
- The WMCA has established a Social Economy Taskforce. Over the next year the Taskforce will look specifically at the role the WMCA can play in recognising and promoting charities, social enterprises and community organisations to address some of the region's most pressing problems.
- The WMCA is committed to celebrating diversity and supporting community cohesion. The WMCA will commission a report which explores community cohesion at a city-region and WMCA level, identify a high-level cohesion champion, and develop a communications approach to ensure consistent messaging.



Key achievements in 2017/18

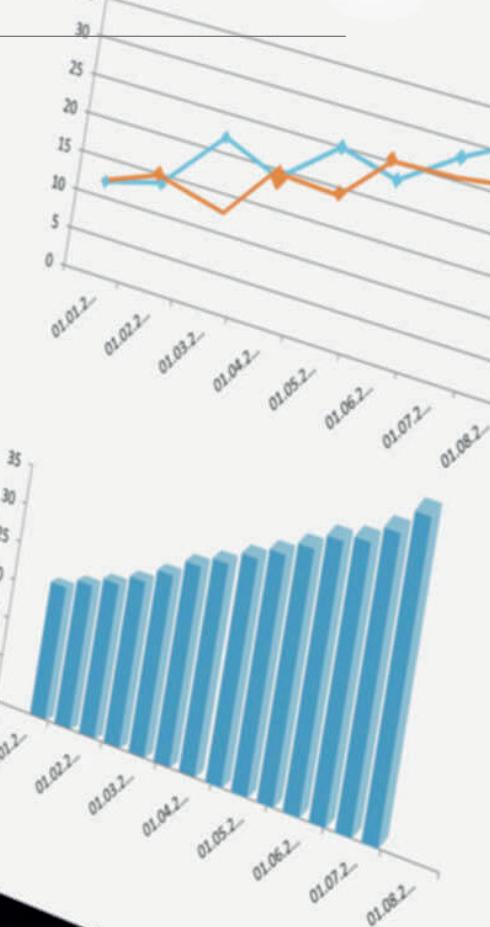
- Successful initiatives have been delivered to improve community cohesion including the Mayor's Faith Conference, the launch of the Mayor's Cohesion Prize and Diwali on the Square.
- Policy agendas and pilot work has been developed to promote innovation within offending, criminal justice and the devolution of youth justice, and for people with multiple complex needs.
- Scoping work for a future Public Service Reform programme has been conducted, including analysis looking at Public Service Reform priorities and the underpinning cost case across the constituent councils.

Radical prevention

- To support those with multiple complex needs the WMCA will continue to support the Homelessness Taskforce. Alongside this the WMCA will roll out a 'Pathfinder' pilot which will support pupils in school with social, emotional and mental health issues with wrap around multi-agency support.
- The WMCA will work with Government, the Police and Crime Commissioner (PCC) and West Midlands Fire and Rescue Service to agree a detailed governance model and a legislative timetable for incorporating the role and powers of the PCC and the Fire Service governance into the mayoralty (and according to specified timetables and criteria). As part of this options for co-designing preventative services will be explored.
- In 2018/19 the WMCA will further develop its research into the experience of young people within the justice system and the potential for new models of region-wide youth justice devolution – including improving research on the underlying factors driving youth offending.

System collaboration

- The WMCA will build capacity to support system transformation by recruiting a Chief Digital Officer. This post will work with partners to develop a GovTech agenda, and will oversee the establishment of the Office of Data Analytics as set out in the second West Midlands devolution agreement.
- A West Midlands 'Public Impact Lab' will be developed and the WMCA will explore developing public value pilots, in partnership with local authority and public service partners.
- The Public Service Reform Director and team will continue to play a role supporting better inclusive growth and public service outcomes across the WMCA's policy agenda, including housing, health, skills, transport and economic growth.



Environment

The WMCA is committed to the delivery of clean, inclusive and resilient growth. To achieve this we seek to take a longer-term and integrated approach of delivering jobs, homes, and transport that will also improve our environment and communities.

In practice this means a mixture of activities including overall sustainability reporting on economic, social and environmental progress built into the WMCA SEP and Performance Management Framework led by our strategy team, maximising the overall impacts of all programmes led by the programme team, and the operations led by the assets team. The WMCA also commission specific programmes to address clean growth gaps and opportunities.

To help provide independent advice, monitoring, and coordination and engagement with a diverse range of local networks and partners, the WMCA works with Sustainability West Midlands (SWM) - the government recognised regional sustainability champion body – as our sustainability delivery partner.

Key priorities in 2018/19 and beyond

- The Environment Delivery Board will publish an action plan and report progress on moving the WMCA to become ‘best in class’ within two years. The WMCA will address capacity gaps identified within the organisation and partners to deliver the plan.
- The WMCA will improve internal and external communication on WMCA activities around sustainability to help identify and promote good practice, enable constructive challenge and help local partners to engage and work together more effectively.
- The WMCA will work to ensure local strengths in clean growth sectors of transport, buildings and energy, as well as the importance of the natural environment, form a key part of the new Local Industrial Strategy, with the ambition to become the UK’s first Combined Authority Clean Growth Industrial Strategy.
- The WMCA will work with natural environment partners, businesses, and Government to develop a long-term natural capital investment strategy to help coordinate and attract investment to improve the state and use of natural assets.



Key achievements in 2017/18

- Overall good progress on clean growth with the latest monitoring for the period (using a 2010 baseline) showing a 21% increase in economic productivity whilst achieving a 14.5% decrease in carbon emissions.
- The UK’s first annual benchmark of Combined Authorities on overall sustainability performance around areas such as leadership, strategy and delivery by SWM ranked the WMCA second. The WMCA has committed to become ‘best in class’ within two years.
- The creation of a new Environment Portfolio lead and agreed set of priorities, developed at a summit with the Mayor and the Climate Change Committee, supported by an Environment Delivery Board of local partners coordinated and monitored by SWM.
- Working with SWM business club networks and other partners, the WMCA has improved the coordination of existing business support and funding, promoting over £510m of accessible low carbon funding for local businesses and communities.
- The West Midlands Science and Innovation Audit launched by the Mayor identified international strengths in low carbon transport, buildings, and energy. This was reflected later in the year within the UK Government Clean Growth and Industrial Strategies and a successful bid to host the £80m UK battery research centre in Warwick.
- The second devolution deal contained a commitment to recognise the existing regional Energy Capital partnership, support a WMCA-wide energy strategy, and support a regional energy commission to explore potential innovation zones to pilot new regulation and investment in order to stimulate new energy companies, products and services.
- The WMCA held a roundtable with industry and local partners on air quality to begin to develop a longer-term roadmap to go beyond short-term compliance on a single pollutant, and tackle a wider range of pollutants to meet the SEP 2030 targets and stimulate local economic opportunities.
- Research was commissioned by the Sustainable Housing Action Partnership and the West Midlands Housing Officers Group to identify good sustainability practice for new build standards for housing, planning policies, and methods of construction.

- The WMCA will work towards a longer-term roadmap supported by business and local partners to tackle overall air quality issues within the next 10 years, while working with local authority partners on shorter-term priorities.
- The WMCA will consider recommendations from Energy Capital and the Regional Energy Commission on innovation zones.
- The WMCA will promote key sustainability opportunities within WMCA key investment sites to lever local partners' expertise and innovation opportunities to maximise benefits.
- The WMCA will review, and if required, update current sustainability criteria within WMCA funding and monitoring system and building standards.

Investment Programme

The WMCA has a portfolio of high-profile externally delivered investment projects which will contribute to the WMCA's primary regeneration and economic growth goals outlined in the SEP.

Coventry City Centre Regeneration

There is a significant opportunity to deliver improved retail and office space in one of the region's proudest cities. A grant agreement has been signed which will enable the land acquisition process to progress for the Coventry City Centre regeneration scheme to take place. This redevelopment programme includes a new department store, retail units, food and beverage units, a cinema, bowling alley, residential space, a hotel and car park. The £361m planned investment scheme is predominantly private sector driven and funded (£262m), with WMCA funding the viability gap (£99m) enabling the scheme to go ahead. The scheme is expected to secure 1,528 additional permanent jobs and an extra £1.1 billion GVA.

Friargate

The WMCA has committed funding of £51.2 million to accelerate delivery of Friargate – an ambitious new business district which will bring prime new office space, hotels, homes, shops, restaurants and public space, all next to Coventry railway station and a five minute walk from the city centre. The first phase of construction which saw the creation of One Friargate, a new 13-storey office block, home to Coventry City Council staff, has been completed. The scheme is expected to secure 4,708 additional permanent jobs and an extra £3.8 billion GVA.

Solihull UK Central Infrastructure

Outline business cases are in development for 14 different individual projects which will improve and extend the Solihull transport infrastructure to connect people to the HS2 Interchange Hub. This will involve improving connectivity within the Solihull area and from the M42 to the Interchange Hub, including highway, junction and cycle path improvements. The planned funding for this new transport infrastructure includes £288m from the WMCA Investment Programme.

Midland Metro Wednesbury to Brierley Hill Extension

The Outline Business Case for the Metro Wednesbury to Brierley Hill extension has been approved to enable design and development of the scheme to progress. This scheme forms parts of the Metropolitan Rail and Rapid Transit Network which is outlined in the West Midlands Strategic Transport Plan – Movement for Growth. The proposed route will operate between Wednesbury and Brierley Hill through the Metropolitan Boroughs of Dudley and Sandwell. The Metro extension supports a broad range of policies including national objectives, regional and sub-regional strategic visions and local district centre aspirations.

Solihull UK Central Hub HS2 Interchange

The outline business case and funding for the UK Central Hub HS2 Interchange has been approved and detailed design work has commenced. The WMCA has committed £397.6 million to the Interchange which will provide a world class integrated transport hub in readiness for connectivity and interchange with HS2, and will act as a catalyst for economic development in the hub area.

Coventry UK Central Plus

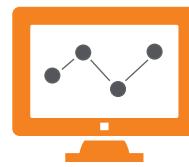
The WMCA has committed £273.6 million to the Coventry UK Central Plus programme which will deliver a step-change in transport connectivity to remove barriers to growth and improve connectivity to HS2. More detail on the specific components of the programme is provided below:

- A full business case has been completed and approved for the redevelopment of Coventry station with a new platform providing connections to Nuneaton and Leamington.
- An outline business case is being developed for Very Light Rail (VLR) – a new rapid transit facility which will improve HS2 connectivity.
- An outline business case is being developed for improvements to Tile Hill station with an expanded park and ride facility to cater for growth in rail passenger numbers.

- Scheme proposals have also been developed for improvements to the M6, Junction 3 and to develop the Keresley link road.

Business innovation

The WMCA is committed to developing the Consortium for the Demonstration of Intelligent Systems (CDIS) programme alongside university partners. An outline business case has been developed for the programme which aims to develop and apply intelligent and smart system technology to solve challenges faced by the public and private sector to improve productivity. The initial focus will be on application in the mobility, health and energy sectors. A Digital Strategy will also be developed to transform the Midlands into the UK digital centre of excellence.



Aim is to develop and apply intelligent and smart system technology to solve challenges faced by the public and private sector to improve productivity

How the organisation enables delivery

Corporate Services work to support the WMCA to deliver sustained and inclusive economic growth. Corporate Services offer a joined-up solution and provide a range of services including Communications, Finance, Governance, Human Resources, Information Technology, Legal, Risk Management, Property, Programmes and Project support that help turn ideas into outcomes.

The role of corporate services is to work collaboratively to deliver robust organisational support services that add value and help teams deliver outcomes that make a real difference to the people of the West Midlands.

Supporting the transition to the WMCA

The establishment of the WMCA in June 2016 saw the creation of a new organisation responsible for the delivery of transport services to support the dramatic change to the political framework of the region, and TfWM was created as the transport arm of the WMCA. Upon its creation, TfWM absorbed the functions, responsibilities and staff of two former organisations: the West Midlands Integrated Transport Authority and Centro.

Corporate services has played a fundamental role in supporting this transition and has worked to standardise business processes and policies across the newly established organisation.



Continuous improvement

The sections below set out how corporate services have improved the service offer in 2017/18 and the key priorities for the year ahead.

Information Technology

Key priorities in 2018/19

- Launch a medium-term strategy for the WMCA.
- Improve functionality for customers to services through websites.
- Meet the requirements of new Data Protection regulations to ensure customer data continues to be protected.



Key achievements in 2017/18

- Launched Workwise Online offering free public transport tickets and journey planning advice to jobseekers.
- Refreshed customer facing TfWM and WMCA websites.
- Provided partners and suppliers with access to real time, timetable and stop data to improve transport services and access.

The Investment Programme, Programme Management Office and Projects

Key priorities in 2018/19

- Review the Investment Programme's governance, reporting and assurance arrangements to support timely and effective escalation of risks and issues.
- Identify and develop further funding for growth sources, including the potential for a Supplementary Business Rates scheme, Business Rates growth and use of new borrowing powers.
- Review the Investment Programme to support the effective sequencing and ranking of projects in accordance with available funding, and accelerated delivery of schemes that will improve the Commonwealth Games offer.
- Increases the capacity and capability within the project delivery team in order to provide support to emerging TfWM and West Midlands Rail projects.



Key achievements in 2017/18

- Developed and implemented the WMCA assurance process and planning tool across the WMCA Investment Programme.
- Worked with key stakeholders across the WMCA to provide support in the use and application of Programme Management Office processes and tools.
- PMO team structure reviewed and adjusted to meet the current and future needs of WMCA.

Corporate Assurance

Key priorities in 2018/19

- Ensure effective on call procedures are in place across corporate services and the WMCA Leadership Team.
- Review internal governance structures, including delivery boards, Terms of Reference and internal reporting structures.
- Develop a testing and training programme to support the Incident Management Team to test Business Continuity Plans to ensure they remain valid.



Key achievements in 2017/18

- Supported the implementation of the WMCA Assurance Framework.
- Reviewed internal governance to improve the appraisal and approval processes for minor works projects.
- Updated the WMCA Business Continuity Plan following an extensive business review exercise.

Human Resources and Organisational Development

Key priorities in 2018/19

- Streamline and automate transactional processes to free up team capacity.
- Develop a corporate learning and development plan driven by analysis of strategic priorities and themes emerging from Personal Development Plans.
- Prototype the Wellness Toolkit being developed by the Mental Health Commission and launch an annual wellbeing week.



Key achievements in 2017/18

- WMCA named one of the best 100 companies to work for by the Sunday Times Best Companies survey.
- Introduced Manager Forums.
- Launched an Employee Volunteer Scheme.

Finance

Key priorities in 2018/19

- Ensure the early development of the 2019/20 Revenue Budget.
- Develop a Commercial Strategy in consultation with the Director of Strategy.
- Ensure our interactions with suppliers and customers are efficient and effective by developing KPIs for transactional services.



Key achievements in 2017/18

- Published 2016/17 audited financial accounts earlier than before, improving transparency.
- Delivered the first combined WMCA Budget.
- Awarded 'Not for Profit Finance Team of the Year' at the West Midlands Finance Awards.

Procurement

Key priorities in 2018/19

- Fully embed the WMCA Social Value Policy within procurement processes.
- Develop electronic and automated procurement processes.
- Remove duplication and streamline processes and activities within the procurement lifecycle.

In 2017/18 procurement spend totalled £67M, of which £45M was spent locally in the West Midlands.



Key achievements in 2017/18

- Developed paperless processes, for example, an electronic process for requesting new suppliers and products.
- Established task force groups to support communication and collaboration between procurement representatives from across the WMCA.
- Step-by-step guides have been developed to help all team members add new products and new contracts to the procurement system to maintain consistency.

Legal

Key priorities in 2018/19

- Support the legal and governance processes to complete the devolution of new powers to the WMCA.
- Provide support and leadership in the processes to transfer the Governance of West Midland Fire and Rescue Service to the WMCA, and the merger of the Police and Crime Commissioner and Mayoral functions.
- Continue to develop an excellent and professional legal service that can support the WMCA's objectives in an agile way.



Key achievements in 2017/18

- Supported the workstreams leading to the establishment of Midland Metro Limited.
- Provided detailed legal advice to support the budget process and consideration of questions of vires around precept and process.
- Shortlisted for the Local Government Legal Team of the Year and a team member won Young Lawyer of the Year.

Governance

Key priorities in 2018/19

- Establish an in-house scrutiny support capability.
- Support work to review and improve governance processes within the WMCA.
- Undertake an annual review of the Constitution.



Key achievements in 2017/18

- Assumed responsibility for servicing and supporting WMCA Board meetings.
- Rolled out and implemented ModernGov - an IT system for publishing details of all documented meetings for the WMCA.
- Ensured that the statutory budget setting process was completed and supported full overview and scrutiny of the budget process, including a public 'Mayor's Question Time'.

Asset management

Key priorities in 2018/19

- Develop and deliver an upgraded asset management system and deliver accurate and complete asset inventory data in line with regulatory requirements.
- Develop and implement a new Environmental Strategy and support WMCA's delivery of the SEP environmental technologies objective.
- Support the rollout of Electrical Vehicle Charging across the region, ensuring that sustainable vehicles are promoted to tackle air pollution.



Key achievements in 2017/18

- Completed an options review of the best future plan for WMCA office space.
- Strengthened the sustainability checklist to ensure that sustainable design is considered, embedded and supported throughout the Gateway process.
- Undertook an environmental management review with TfWM and the Corporate Leadership board.

Communications

Key priorities in 2018/19

- Implement a Lead Role for Communications at WMCA.
- Deliver a Communications Action Plan following review by the Local Government Association.
- Develop a medium-term Communications Strategic Plan.



Key achievements in 2017/18

- The team supported their first mayoral election campaign, using a variety of media, including the 'media eyes' electronic billboards at Birmingham New Street station.
- Awarded 'City-Region Transport Authority of the Year' at the National Transport Awards for the second year running.
- Launched the Thrive Mental Health Commission Awards which aim to shine a light on good practice and encourage more people to share ideas and innovation.

Governance

This Annual Plan will be approved by the WMCA Board. Delivery against the Plan will be reviewed on a half-yearly basis by the Board. Internal delivery plans including measurable deliverables will be used to monitor delivery against the Plan.

Transport for West Midlands

Annual Plan
2018/2019



Transport for
West Midlands

Strategic Context

Our overarching ambition is to deliver an integrated transport network which enables a positive change in the lives of millions of people. We aim to build a healthier, happier, better connected and more prosperous West Midlands.

There is a collective desire from all partners and stakeholders to deliver a transport system that will bring both economic rewards through the Midlands Engine for growth, and social benefits, including better quality of life through cleaner air and improved health.

The West Midlands Strategic Transport Plan ‘Movement for Growth’ sets out our vision and commitment to build a world class, sustainable infrastructure system. The plan is routed in two overarching principles: (1) Ensuring all parts of the West Midlands are ‘plugged-in’ to the two High Speed Rail stations in the West Midlands and the significant growth and development that is already happening at their locations (2) Steering transport investment into priority corridors for new jobs and homes, to ensure a joined-up approach to support the aims of the Combined Authority’s Strategic Economic Plan (SEP).

In line with this plan, the WMCA has an agreed Devolution Deal with Government which, amongst other things, is focussed on making the most of the opportunities High Speed Rail Two (HS2) provides for the West Midlands.

The past year has seen a number of important strategic developments. In May 2017, a Metropolitan Mayor was elected to lead the WMCA. The joint West-East Midlands inter-regional Midlands Connect transport strategy was also published, and a new rail franchise took over the running of West Midlands trains.

The SEP sets out the overarching vision for the region which will be delivered through an aspirational and robust programme to drive and accelerate improvements in productivity and enable the West Midlands to become a net contributor to the UK exchequer, whilst improving the quality of life for everyone who lives and works in the area.

An efficient and resilient transport system as described in the SEP will underpin future economic success – enabling wider labour markets, providing access to skills, education and training, unlocking high-value growth clusters and supporting regeneration and place making initiatives.

Our transport system needs to better serve existing demands and handle future pressures generated through growth and regeneration. Developments across the system must be planned in such a way that network resilience is ensured whilst improvements are delivered. Importantly our transport system must be ready to cope with the increased demand expected in 2021 when Coventry will become the City of Culture for 2021 and when Birmingham hosts the Commonwealth Games the following year.

Network Resilience

The West Midlands transport infrastructure needs to be made more resilient if increased capacity and connectivity is to be delivered effectively and efficiently through HS2 and the highways investment programmes. These major infrastructure works are expected to have a significant impact on the West Midlands Key Route Network (WM-KRN).

New devolved powers mean that the Mayor is now responsible for the WM-KRN – a 592km network of key highways across the region. The WM-KRN was defined in 2016 in consultation with the seven West

Midlands Metropolitan Authorities and neighbouring highway authorities. It represents 7% of the non-trunk road network in the West Midlands and carries 50% of car, public transport and freight movements.

Major infrastructure investment is expected to bring many significant benefits to the region and unlock regeneration and growth opportunities. However, there is a risk during the delivery period that uncoordinated delivery undertaken by different agencies working in silos could generate significant disruption.

If poorly coordinated, as well as impacting on the ability for the labour market to move freely around the area, it has the potential to affect the manufacturing and logistics operations that underpin the regional economy.

Key priorities in 2018/19

TfWM will continue to work towards maximising the capacity and efficiency of the WM-KRN by developing an integrated road network. Its ambition is to improve the performance of the highway through better management and to encourage collaboration by forming a single view of highway improvement investments across our region's local authorities. Key priorities which will support TfWM to deliver this ambition are outlined below:

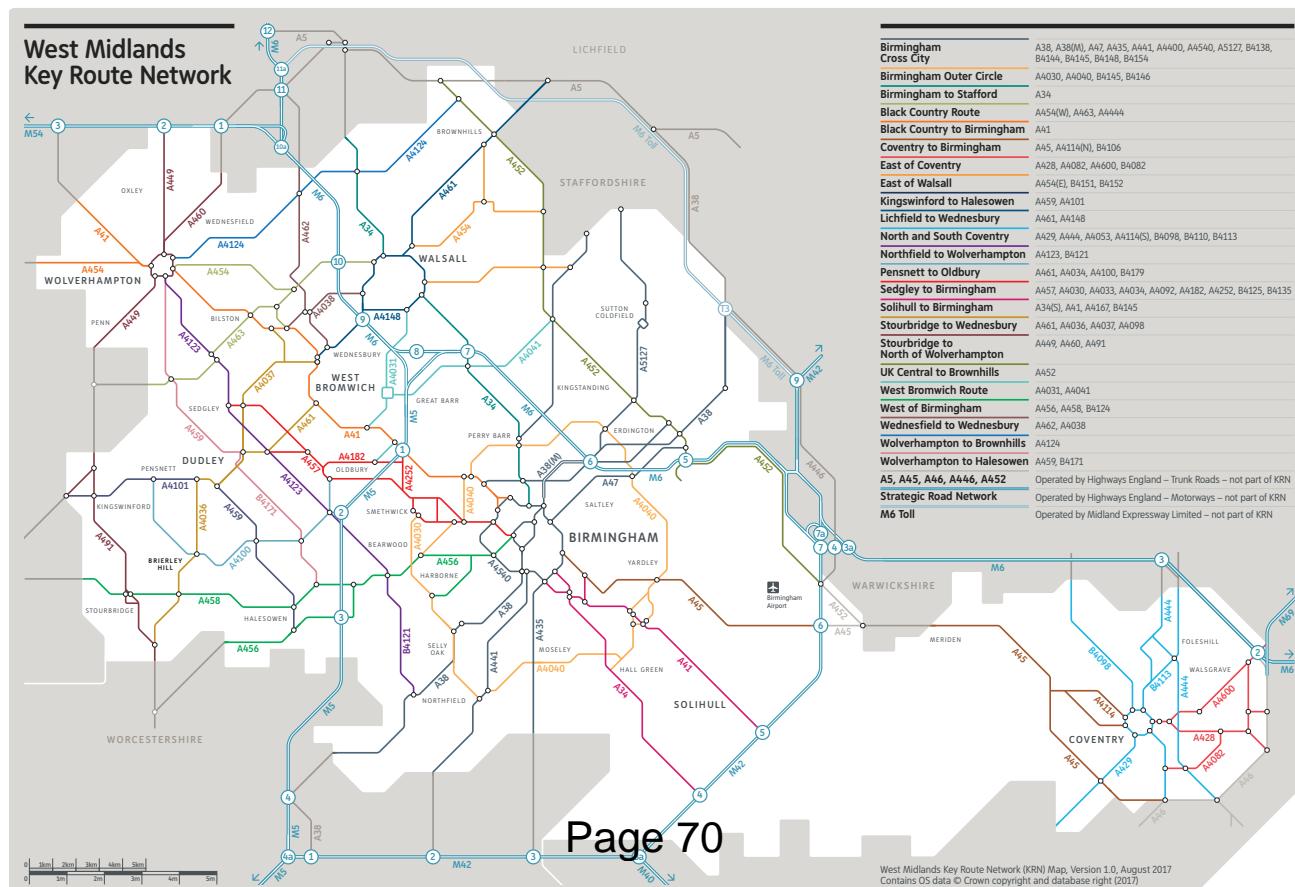
- TfWM will publish a Congestion Action Plan in 2018/19 which will help inform the investment programme and outline key tasks to tackle congestion over the next three years.
- TfWM will develop a Highways Investment Package for those schemes which are not funded through the National Highways Investment Plan e.g. HS2 Connectivity Packages. The delivery of this package will support improvements in capacity and inclusive economic growth by connecting our residents to housing and employment opportunities.



Key achievements in 2017/18

Government, the WMCA and TfWM are committed to delivering co-ordinated infrastructure improvements and ensuring our network remains resilient during the construction period. Our key achievements over the past year in delivering this agenda are set out below.

- The WMCA secured a second devolution deal which outlines Government's commitment to work in partnership with the WMCA (through TfWM) in leading a formal multi-agency collaboration including the Department for Transport, Highways England, Network Rail, HS2 Ltd and other key agencies. This will work to keep the West Midlands open for business and supporting growth during the extended construction period.
- The second devolution deal also secured funding to develop a business case to create a Regional Integrated Control Centre to improve resilience on the road, rail and tram networks.
- Carried out a comprehensive baseline assessment of operational performance and road safety across the region which showed that across the KRN during the calendar years 2014-2016, a total of 8,125 collisions were recorded and these resulted in 1,398 people being killed or seriously injured. This assessment will inform the highways investment programme.
- TfWM signed up to a Memorandum of Understanding with the Midlands Expressway/ M6 toll to support joint working on ways to secure wider use of these roads.



- TfWM will develop its operational capabilities over the next 12 months to further support the management of the highways and investment programme. This will involve building a Network Resilience Team and developing staff through training and development opportunities.
- A new road safety strategy will be launched next year. This strategy will set out an ambitious target to reduce the number of road traffic accidents which lead to a fatality and/or serious injury by 40% within 10 years and will inform the WM-KRN investment programme.
- The network emergency plan will be updated to include the WM-KRN.
- During periods of disruption public communications will be highly sensitive and need to be handled clearly and consistently across all partners. Over the next 12 months a robust communications plan will be developed and put in place.
- The WMCA will ensure there is a joined-up approach to planned works by third parties across local authorities through collaborative permit schemes.
- Explore options to provide CCTV services to other local authorities within the region. Where TfWM is already providing CCTV functions to local authorities it has improved safety, reduced crime and reduced costs.
- TfWM will work to ensure the WM-KRN is equipped for the Coventry City of Culture 2021 and the Commonwealth Games in 2022 in terms of temporary capability and capacity.
- M6 optimisation study will be completed and work will continue with central Government over potential ways to secure wider use of the M6 toll.

Rail

TfWM aims to deliver rail services that provide the connectivity and capacity to drive economic growth, and support future rail and wider investment programmes, particularly HS2, whilst meeting current and future market needs. TfWM aims to create a

structure for the delivery of rail services that is truly centred on the needs of the West Midlands, promotes partnership working across all authorities with strong local accountability, and allows the benefits of rail to be spread across the whole region.



Key achievements in 2017/18

2017/2018 has been a landmark year for rail as demonstrated by the achievements set out below.

- The commencement of the new West Midlands rail franchise in December 2017 marked a key milestone for West Midlands Rail (WMR) and its partner authorities. The creation of the WMR partnership will enable local authorities from across the wider West Midlands region to have a significant influence on the specification and delivery of local train services.
- Following the establishment of the franchise, a great amount of work has gone into creating a joint TfWM and WMR team. This has involved pulling all rail initiatives together to create one strong rail team and publishing a Single Network Vision for rail covering the passenger experience, all operator stations and services across the region to support collaborative working.

- A new 'West Midlands Railway' brand has been developed by the WMR partnership to create a tangible regional identity and an instantly recognisable brand. Over the next 12 months further work will be completed to develop the WMR brand and it will be rolled out across the WMR network.
- 2017/18 saw the beginning of feasibility studies for new stations at Moseley, Kings Heath, Hazelwell, Brierley Hill and West Midlands Safari Park.
- 2017/18 also saw the establishment of the West Midlands Station Alliance (WMSA) between Network Rail, WMR and the train operator in 'shadow' form. The partnership will work together to develop stations so that they better serve communities and support the wellbeing and development of the areas they serve.

Key priorities in 2018/19

- Over the next year the WMR Rail Investment Strategy will be refreshed. This will be an all-encompassing document to focus rail investment and development in the region, and will reflect the Midlands Connect strategy, which is focused on both highway and rail connectivity linkages across the East and West Midlands.
- Feasibility studies regarding the introduction of rail services for Camp Hill, Willenhall and Darlaston will be completed during the summer of 2018.
- Work will continue on the scheme to redevelop University Station. This is now one of the region's busiest stations, with over 3 million passengers a year, and growth is set to continue alongside the continued expansion of Birmingham University and the adjacent Queen Elizabeth Hospital.
- Work will continue to develop a proposal for a new entrance to improve access to Birmingham's Snow Hill station and connection with the Metro by 2019.



- Following Birmingham's successful bid to host the 2022 Commonwealth Games work will begin to develop much needed enhancement at Perry Barr station, which will serve the athletes' village and nearby stadium. In future years we will work to develop enhancements at the nearby Aston and Witton stations.

Bus and Bus Alliance

Over eight out of ten trips made on public transport in the West Midlands are made by bus, accounting for over a million journeys each weekday. The bus plays an indisputable role in supporting inclusive economic growth in the region by connecting employers and businesses to labour markets and local people to essential services and facilities, as well as to other transport modes. During 2017/18 significant progress has been made in terms of developing and upgrading the bus network as demonstrated by the key achievements outlined below.

Key priorities in 2018/19 and beyond

Reviewing bus policy delivery options

In 2017 the Government passed new legislation through the Bus Services Act providing new powers and opportunities for the way in which bus services are operated in England.

The legislation strengthens the arrangements for partnership working between local authorities and bus operators, introduces new enhanced partnership arrangements, and allows bus franchising powers for areas with an elected Mayor.



Key achievements in 2017/18

- The Bus Alliance has been refreshed to ensure it is structured in a way to deliver future objectives aligned with the wider economic goals for the region.
- Robust emergency planning processes are now in place and final testing and delivery of the Network Emergency Plan was completed, working with the regional resilience teams.
- A proposal was developed for a Park and Ride facility at Longbridge which provided limited expansion with a limited budget. Through a visionary review of the proposal a scheme has now been developed and approved for a 644 space facility which supports regional resilience, increased train capacity, and supports modal shift and congestion reducing measures.
- The scheme has received policy support for charging customers to offset the cost of the build. This bold scheme is unlike any other that has been delivered through the public sector in the West Midlands to date.

TfWM will be working with all district transport teams, bus operators and the West Midlands Bus Alliance to review the delivery options available for improving bus services across the region to achieve the Bus Alliance targets for passenger increases. The review will look at the methods and cost of delivery, and assess the benefits and risks associated with each option, exploring if different options might work better for different services.

Ring and Ride review

Accessible transport and community transport have long been an essential and pivotal part of ensuring access to health, retail and community services for many people across our region through Ring and Ride. This service provides a lifeline to many who cannot access mainstream transport.

TfWM commissioned a review of Ring and Ride services as the market and needs of residents have evolved. This review will look for opportunities for growth, synergies for further integration of the transport network, and ensure that the residents of the region continue to get value for money from the accessible transport network. The work will be undertaken in partnership with the Accessible Transport Group and the districts over the next year.

Review of tendered network and contracts

TfWM tenders over 10% of all bus services across the Combined Authority area at a total cost of around £8m per annum. There is increased pressure on the subsidised network because of the commercial bus network reductions in patronage, increased journey times and the cost of improving emission standards. There are also increasing demands to review the bus network to see where it can assist with competing effectively with the private car.

The tendered bus network will be reviewed against the current access standards –providing residents in built-up areas with access to a minimum of an hourly bus service to a main centre between 7am and 7pm Monday to Saturday subject to minimum passenger numbers – and against the commercial bus network, rail and Metro to see if the investment of the WMCA provides the best possible passenger outcomes in helping to meet access to jobs, health and education at the right destinations.



Bus contracts review

During 2018 we will review our tendered bus contracts to ensure they reflect the current operating environment and legislative changes. This will include such elements as improved monitoring and data provision, vehicle standards, improved safety and security and incorporation of branding requirements.

Bus station review

The WMCA operates 12 bus stations in the region, many of which are owned by the Authority. Some of the stations have been upgraded to provide world class transport interchanges such as Wolverhampton, Stourbridge and Cradley Heath, whilst others have recently, or are in the process of scheme development, such as Bearwood and Dudley.

Additional reviews of facilities are being undertaken in Coventry with the city council, and a mid-life refurbishment will be carried out this year in Walsall.

The review will additionally look at commercial opportunities across all of the sites, operational management procedures and customer interface, as well as considering how effectively bus station procedures could be applied to some on-street facilities, where local authorities are seeking greater management of bus operations such as Solihull and Sutton Coldfield.

Estate delivery plan

TfWM manages a large estate on behalf of the WMCA including 12 bus stations, 39 Park & Ride sites, two travel centres and a substantial infrastructure estate across the bus and Metro network, including 5,000 bus shelters and 12,200 bus stops. During 2018/2019 TfWM will develop its first estate delivery plan to support the direction of future strategies in the region.

In more recent times travel shops and travel centres have reduced in number around the country as more services switch to online and digital. As these centres come under threat of closure, TfWM will review its wider customer delivery plan to see how it can best use its people and resources to deliver the most extensive customer service across the network.

Customer experience will be improved as the shelter estate is renewed across the network and sites are upgraded to digital. This will also help to stabilise the income stream.

The delivery plan will look to align this investment to the Bus Alliance and ensure that as investment is made in infrastructure, it supports the improvements in customer experience that the Bus Alliance is seeking.

Asset management review

The transport assets of TfWM (excluding Metro) are a part of a wide ranging portfolio including stops, shelters, Real Time Information, CCTV, car parks, bus stations, information boards, travel shops and other infrastructure.

The system required to manage and maintain the assets needs to be reviewed to ensure that it provides an easy-to-use management tool which also links to works order requirements and fulfils the necessary processes of a 21st Century asset management and monitoring tool.

Options for asset management packages will be considered and procured through this process.

Health and Safety

A new WMCA Health and Safety Strategy will be launched to support the growing WMCA functions and to progress improvements in health and safety performance, and promote a holistic approach to organisational health and safety.

The strategy will engender a culture whereby health and safety is integrated into all WMCA operational activities where all employees actively participate in and support the advancement of our health and safety practices, shared aims and objectives.

A core aim is to ensure that high standards of health and safety management are achieved and that health and safety is integral to the WMCA's wider objective of building a healthier, happier, better connected and more prosperous West Midlands.

However, a key challenge for 2018 will be to understand the implications of the wider WMCA agenda in order to ensure that appropriate governance, management systems and critically, resources, are sufficient in respect to health and safety.

Improving the environment

One of the Bus Alliance's key objectives is to improve bus emission standards. This includes additional levels of investment by local operators in environmentally friendly vehicles, piloting zero emission buses on at least two corridors and using the powers in the Bus Services Act (2017) to implement local action to tackle air quality issues.

In 2018/19, a number of deliverables will be achieved, which will realise air quality benefits across the region. Buses are an integral part of the solution to local air pollution. Our award-winning West Midlands Low Emission Bus Delivery Plan sets out the framework for effectively driving that ambition forward.

The delivery of 468 bus retrofits to Euro VI emission standards across four local bus operators will see 20% of the bus fleet emission standards improved. Zero-emission hydrogen buses will take to Birmingham roads, with at least 20 new vehicles to be delivered by March 2019 through a £13.4 million funding commitment. TfWM has also increased the engine standard for buses through tendered bus services, which covers roughly 10% of the entire bus network, requiring all operators to comply with a minimum of Euro VI engine standards on tendered bus services. This requirement on fleets will help to push operators towards increased standards across the network, and will fall into line with AQPS standards and CAZ requirements where Euro VI engines are required.

Park and Ride

We will work to deliver an expansion in Park and Ride facilities in the region supporting an objective to add a further 3,000 spaces to the Park and Ride estate by 2021.

During 2018-2019 the expansion of Longbridge Park and Ride will be delivered and opened, and further schemes will be developed in partnership with local authorities, rail, bus and Sprint.

New Park and Ride sites will be investigated across the WMCA region in partnership with relevant organisations and temporary Park and Ride facilities for major events and links will also be developed.

Metro

2017 saw the Midland Metro carry over eight million passengers in a 12-month period for the first time ever, demonstrating how crucial developing the Metro network is to public transport in the region. Over the past 12 months significant progress has been made in terms of developing the network as demonstrated by the key achievements outlined below.

Key priorities in 2018/19 and beyond

- Very Light Rail (VLR) utilises lightweight technology to create a low-cost, lightweight tram that is capable of on-street running and negotiating tight corners. Coventry will be the initial area of exploration for a publicly operating modern system and the first application will be tested and developed over the next year. We are looking at options to accelerate the scheme so that VLR will be operational by 2021 in time for Coventry City of Culture.
- Work will progress to accelerate the Wednesbury Brierley Hill extension with a view to becoming operational in time for the Commonwealth Games in the summer of 2022. This will involve structural investigation, utility diversion work, preparing for the public enquiry and developing proposals for the transfer of ownership of the South Staffordshire Line from Network Rail to the WMCA.
- Construction work in Birmingham will continue on the Westside extension with a view to opening the first phase to Centenary Square in 2019. Utilities and enabling works will be progressed on the second phase between Centenary Square and Hagley Road, including works to strengthen the canal bridge on Broad Street.
- Phase 2 of the Wolverhampton Interchange Programme will commence in 2018 with work due to be completed within 12 months. Phase 3 will take place once the reconstruction of Wolverhampton station has sufficiently progressed to allow the Metro infrastructure to be installed in the new station forecourt.



Key achievements in 2017/18

- A new wholly-owned subsidiary, Midland Metro Ltd has been established to take over the day-to-day operations of the Midland Metro light rail system from National Express. This will allow profits to be reinvested back into the network providing better value for tax payers.
- In a first for the UK, the West Midlands will introduce trams capable of running on batteries and not using overhead lines. The first modified tram was delivered to Metro's depot in Wednesbury and the upgrade of the remaining 20 trams will take place over the course of 2018/19 in time for the modified vehicles to go into service on the 'catenary free' Wolverhampton and Centenary Square extensions in 2019.
- The WMCA secured £250m over four years from the Transforming Cities Fund to be spent on local transport priorities. This will enable the WMCA to fund the Wednesbury to Brierley Hill Metro extension. This extension will integrate with the new Dudley bus station and proposed Canal Street extension and part of its route will run along the former South Staffordshire Railway. Talks have begun with Network Rail over the possibility of transferring the redundant sections of the railway that are required for the Metro extension to WMCA ownership.
- The WMCA committed to providing funding for the Wolverhampton Interchange project. The Interchange will create a new railway station connected to an extended tram network via new stops outside the railway and bus stations. Alongside improving transport links the programme will support the regeneration of Wolverhampton City Centre.
- The Birmingham City Centre extension works have been completed and the access between St Chad's tram stop and Queensway is now open to the public.
- Track replacement and upgrade work on Bilston Road in Wolverhampton, to ensure the track is ready for the modified 'catenary free' trams in 2018, has been completed on time and to budget.

- Over the next year we will progress the detailed design work for the Digbeth Eastside Metro extension and we will submit a Final Business Case to the Department of Transport. Further work will be completed to investigate the integration of the Metro, bus and coach facilities and we will continue to liaise with HS2 around the design of the interface with Curzon Street station.
- TfWM will continue to develop the preliminary design work and outline business case for the East Birmingham Solihull Metro extension. As part of this Development and Delivery team will progress the economic case for the East Birmingham to Solihull tramway to reflect the wider regeneration and development opportunities along the corridor.
- This extension will link growing residential areas and key community destinations such as St Andrews, Bordesley Green and Heartlands Hospital with existing and new growth areas including Curzon HS2, Paradise Circus and Brindleyplace. The scheme will link people in the east of the city to major centres for employment and the future jobs and growth hubs in the Birmingham City Centre Enterprise Zone and UK Central.
- In order to operate the extended Metro network TfWM will need to increase its fleet size by approximately 50 trams. During 2018 we will launch the procurement of the new, third generation trams with a view to awarding the tram supply contract in 2019.
- To operate the trams additional depot facilities will be required together with upgraded control and communications systems. These will need to be procured, delivered and commissioned in parallel with the procurement of the trams. TfWM will launch the procurement of the systems and depot facilities upgrades in 2018 with a view to awarding the new systems supply and depot upgrade contracts concurrently with the award of the tram supply contract.
- Midland Metro Limited will take over responsibility for the operation and maintenance of the Midland Metro network from National Express. This will see staff TUPE across from National Express to Midlands Metro Ltd and support, in the medium-term, profits being reinvested back into the network providing better value for tax payers.

With the transfer of operation of the network to Midland Metro Limited, TfWM will relaunch the network under the new customer-facing brand of West Midlands Metro.

- The first phase of the Wolverhampton City Centre extension work was completed on time ensuring that the rest of the extension can be completed with minimal disruption to the operation of Line One.
- Government funding of £59m was secured for the Birmingham Westside extension that will take Metro from its existing terminus at Grand Central in stages via Victoria Square, Centenary Square and Five Ways to the Hagley Road. Construction of the main tramway works has commenced between Pinfold Street and Centenary Square.
- The Public Inquiry into the Birmingham Eastside extension, a short street running tram route between Bull Street and Digbeth was successfully held with all objections addressed before the Inquiry.
- The Midland Metro Alliance's Development Team won Team of the Year at the prestigious Global Light Rail Awards.



Customer experience

Public transport is a consumer choice as much as any other product and in order to support the delivery of a healthier, happier, better connected and more prosperous West Midlands we must work tirelessly to provide a customer experience that meets the expectations of citizens.

The Combined Authority and TfWM are committed to creating an integrated transport network that enables a positive change in the lives of millions of people. A critical element of this is the use of intelligent transport systems to give people the right information to enable them to make the right decisions. The West Midlands has the largest Real Time Passenger information (RTPI) outside London and this is just one element that is helping to improve the customer experience.

Key priorities in 2018/19 and beyond

TfWM will continue to work towards delivering an integrated intelligent transport system that will enable a positive change in the lives of millions of people. Key priorities which will support us to deliver this ambition are outlined below.

Defining an integrated transport system

TfWM will continue to work with all stakeholders to define and deliver an integrated transport system and support the economic growth and prosperity of the region. TfWM aims to improve journey times by delivering high-quality, reliable local bus services, integrated frequent rail and rapid transit lines with hassle-free interchange and ticketing. This will transform the ability of people to access a wide range of job opportunities and enable a thriving economy.

TfWM's ambition for an integrated transport network will incorporate connectivity between different transport modes, integrated timetabling and connections, smart ticketing supported by contactless and best value capping with easier access to travel information especially when things go wrong.



Key achievements in 2017/18

2017/18 has seen significant progress made against ambitions to improve customer experience, and some of the key achievements are highlighted below:

- As part of efforts to support young people and encourage use of public transport, 2017/18 saw the launch of the Apprentice Scheme. This offers 16 to 18 year-olds not in full time education a 50% fare reduction across rail, bus and tram services.
- At the request of customers the 'Baby On Board' scheme was launched which supports pregnant women travelling by public transport by providing a badge that encourages other passengers to offer them a seat. This demonstrates TfWM's ability to listen to customers and deliver solutions quickly.
- 2017/18 has seen the wider rollout of Swift onto the rail network with all nTrain and nNetwork direct debit customers now using a Swift card, including those travelling from as far away as Shrewsbury and Northampton. Through these enhancements we now have over 16,000 regular Swift card holders using the railway.
- The introduction of child ticketing onto Swift means children now have access to secure ticketing that can easily be replaced if lost and access to a much wider network of retail opportunities, including online. This has been hugely popular and has helped to significantly grow Swift in terms of take-up and usage, with 94,000 customers now regularly using Swift and undertaking around 3.6 million journeys per month.
- The introduction of Swift vending at Wolverhampton bus station has allowed people to obtain a Swift card and purchase Swift tickets outside of the usual opening hours of the Travel Information Centre. This has been a significant technical and commercial success and will be rolled out to a further 20 sites across the network.

Brand roll out

Commencing in 2018 TfWM will roll out the largest regional transport brand outside London and begin the process of building trust and confidence in TfWM as a customer-centric organisation. This will further support the ambition to deliver an integrated transport system.

Improving access to information

TfWM will develop the next generation of the website to allow customers to have a single view of the network and use this to keep them informed of any changes to the network as the significant investment in the region evolves.

As part of this, TfWM will look to further enhance the availability and reliability of real time information and makes this consistent with all other channels of customer communication.

Transport is a key aspect of delivering the future vision for the region and to support our increasing commitment to the customer TfWM will develop a single integrated customer contact centre for the Combined Authority. As part of this TfWM will improve access to information for customers. This will involve the better utilisation of available technologies such as machine learning to ensure the information available online to customers is the most relevant it can be. This will support the Mayor's ambition to be as transparent as possible.

Swift

Over the course of 2018/19 TfWM will further develop Swift by working towards a comprehensive West Midlands-wide enhanced contactless 'Oyster' style ticketing and payments scheme on the bus network which will introduce fare capping to ensure customers always pay the optimum fare.

Through West Midlands Trains, there will be significant investment in smart infrastructure on the local rail network that will see each station equipped with Swift-enabled validators and ticket vending machines. This will allow us to roll out more rail tickets onto the Swift system including season tickets for those not using the direct debit scheme and potentially Pay-As-You-Go.

Swift will also diversify into different modes and sectors with 2018/19 likely to see Swift as a payment method to hire bikes, pay for parking and also a pilot for Swift taxi payments. Furthermore, Swift will be merged with other cards provided by local authorities such as the WV Active leisure card in Wolverhampton which will mean that customers will be able to access leisure with the same card they use on public transport.



Development and Delivery

TfWM is committed to utilising an evidence-based approach to developing transport projects, which ensures alignment with strategic direction as established with 'Movement for Growth' and its associated 10 year delivery plan. TfWM work collaboratively with partners to take forward the development and delivery of transport projects which provide an integrated and sustainable transport network which meets the needs of those who live, work, invest in and visit our region.

Key priorities in 2018/19 and beyond

TfWM has a number of key priorities for 2018/19 which focus on taking priority transport projects through the development and delivery lifecycle. A number of the transport projects being progressed are of a significant scale and therefore work will continue on these beyond 2018/19 and into future years.



- TfWM will deliver the 2018/19 Capital Programme including asset maintenance and upgrades to the network which support capacity enhancement and network resilience.
- TfWM will continue to progress the business cases through the development and approvals for priority Sprint routes that will support the Commonwealth Games so that the projects can advance to the design stage. As part of this TfWM will explore the operator and commercial models required for the successful delivery of Sprint routes.
- TfWM will progress the detailed design of Dudley Interchange to support the wider regeneration and growth objectives of Dudley town centre through the provision of a world class interchange with Metro.
- TfWM will continue to work with our partners on developing the proposals within the HS2 Growth Strategy including the HS2 Connectivity Package which will ensure that the benefits of HS2 and associated growth are maximised within the West Midlands.
- TfWM will progress with local authority partners a delivery approach to ensure that TfWM can respond to the scale and pace of required infrastructure delivery across the West Midlands.
- TfWM will develop the Local and Cycling Infrastructure Plan (LCWIP) in conjunction with local authority partners.
- TfWM will deliver the second Managing Short Trips (MST) initiative for improving cycling infrastructure in the Black Country following the successful delivery of the initial investment programme.
- TfWM will implement the very first West Midlands-wide Bikeshare scheme which will be integrated with Swift ticketing for seamless integration onto transport networks.



Key achievements in 2017/18

Significant progress has been made over the past 12 months, highlights of our achievements are outlined below:

- Work was completed to define the region's Key Route Network and studies were carried out for the 23 corridors across the West Midlands Metropolitan Area.
- Work has progressed to define the Sprint network and develop the provision of 18 metre street-running vehicles. Sprint is a bus-based rapid transit mode which will deliver improved public transport journey times, greater reliability, a higher-quality and greener public transport environment and easier access to transport for our communities.
- A joint proposal has been developed to upgrade Dudley bus station to include a Midland Metro interchange, as part of the Metro extension to Merry Hill. This will integrate the Wednesbury to Brierley Hill Metro Extension and Dudley town centre regeneration proposals.
- The award-winning WorkWise project has moved to an online platform to continue supporting people back into employment. The scheme offers free public transport tickets and expert journey planning advice to jobseekers.
- A common approach for a West Midlands Bikeshare scheme has been developed and agreed for the West Midlands Metropolitan Area.
- A number of walking and cycling programmes have been delivered in partnership with Cycling UK and Living Streets.
- Successful delivery of the 2017/18 Minor Works Programme including asset management projects.

Policy, Strategy and Innovation

TfWM is committed to ensuring its policy and strategy are routed in a strong evidence base, alongside ensuring the performance management of the transport system is data-driven. TfWM works to ensure that developments in technology and innovation are encouraged and harnessed effectively to ensure the West Midlands develops a transport system which is fit for the future.

Key priorities in 2018/19 and beyond

TfWM has a number of key priorities for 2018/19 which focus on improving intelligence, intelligent mobility, air quality, and policy and strategy development as outlined below. Due to the scale of the work programmes it is unlikely full delivery of these priorities will be achieved in 2018/19 and work will continue to be progressed through to 2020/21.

Improving our intelligence

- TfWM will complete the successful in-housing and relevant procurement of the transport, planning and environment Joint Evidence and Data Initiative. The contract encompasses local transport plan surveys, traffic surveys, accident data, planning development, the spectrum system and the PRISM model. PRISM is a strategic transport model that helps inform transport policy and related decisions in the metropolitan area. Data collection, whilst focussed on transport modelling and analysis, is already collecting planning, transport, demographic, infrastructure, safety and economic data, and will be increasingly used to inform the wider policies and strategies of the WMCA over the coming years.
- A single framework will be developed to enable monitoring and evaluation practices to be undertaken centrally in a cost effective best value service. This will support evidence based decision making moving forward.



Key achievements in 2017/18

Significant progress has been made over the past 12 months, highlights of achievements are outlined below:

- The first 10-year delivery plan of the long-term strategy - 'Movement for Growth' has been approved and published. This sets out our transport investment plans which have been worked up with local authorities.
- Transport performance dashboards have been established covering the Mayor's Renewal Plan commitments and to support delivery.
- The strategic case and evidence base for the devolution of Moving Traffic Contraventions has been developed and presented to Government. Local enforcement of moving traffic contraventions will enable TfWM to better combat dangerous manoeuvres, improve road safety and reduce congestion.
- TfWM successfully bid for grant funding from Government to support a £31 million project to upgrade testing infrastructure for Connected and Autonomous Vehicle (CAV) technology. This will help ensure that the West Midlands operates as a major hub for CAV development and the supporting technology.

Government grant to support

31m

project to upgrade CAV testing infrastructure

Intelligent Mobility and Connected Autonomous Vehicles

- TfWM will continue to develop and trial Mobility as a Service (MaaS). MaaS allows customers to have all of their comprehensive transport services available through an app. We will work with Government to develop standards and tools to support the exploitation of MaaS systems.
- TfWM will complete an exercise to scope where the largest potential markets are for Demand Responsive Transport (DRT). DRT is a bus or, more often, a minibus service that varies its route in response to pre-arranged customer demands. This scoping exercise will look at how DRT might impact existing transport provision and potential exploitation strategies.
- TfWM will continue to focus on delivering the UK Central CAV Testbed. This will involve building on existing planned infrastructure developments, the region's innovative manufacturing base and the wealth of research and development capabilities within the academic sector. First steps will be to develop an operating model and ensure there is ongoing research and development support in place.

Air quality and low emissions

- Poor air quality is a major issue in the West Midlands with most of the region designated an Air Quality Management Plan. TfWM will work with others to develop a Joint Air Quality Transport Action Plan which will focus on reducing transport's impact on the environment and cutting carbon emissions.

- TfWM will develop a clear single view of what infrastructure investment and other actions are needed to ensure the West Midlands has the appropriate skills, infrastructure and energy supply available to support the exploitation of new low emission vehicle technologies.

Policy and Strategy Development

- A review of the current provision of accessible transport has been undertaken. Over the next 12 months TfWM will develop a collaborative approach with existing suppliers and potential new suppliers to improve outcomes for all who are not able to access conventional private or public transport services for access to employment, services and training.
- TfWM will carry out a collaborative piece of work to explore unified approaches to taxi licencing through a single set of standards which reflects current and future operational, commercial and vehicle issues.
- TfWM will complete a social policy review which will inform updates to the WMCA's policies for transport and young people, inclusion, health and social need.
- TfWM will work towards developing a detailed case for a third devolution deal. This work will focus on developing the case for new asks and better evidenced cases for requirements which have previously failed.



Governance

This Annual Plan will be approved by the WMCA Board. Delivery against the Plan will be reviewed on a half-yearly basis by the Board. Internal delivery plans including measurable deliverables will be used to monitor delivery against the Plan.

Appendix 1

Companies and Accountable Bodies

Accountable bodies

Midlands Connect

WMCA acts as the accountable body for the Midlands Connect partnership, which brings together 23 Local Authorities, nine LEPs, Birmingham and East Midlands airports, the chambers of commerce from across the Midlands, along with Highways England, HS2 Ltd, Network Rail and our sponsor, the Department for Transport, and is a core pillar of the Midlands Engine ‘Vision for Growth’. The key objective of the partnership is to determine what transport infrastructure is needed to boost the region’s economy. 2017/2018 has been a landmark year for the partnership which saw major achievements and development as set out below.

Key priorities in 2018/19

1. Develop the strategic outline business case for the Midlands Rail Hub network capacity assessment.
2. Further development of east/west rail corridor studies.
3. Commence investigation work into Birmingham/Worcester/Hereford rail corridor.
4. Costs/benefits analysis of increasing rail capacity between Coventry and Leamington.



Key achievements in 2017/18

- Costs/benefits analysis of increasing rail capacity between Coventry and Leamington.
- Launched the first Midlands transport strategy ‘Powering the Midlands Engine’.
- Accelerated strategic projects and studies including the Midlands Rail Hub, A46 Strategic Study, East Midlands Gateways Connectivity Study, the Pan- Midlands Rail Corridors and Hereford Bypass.

Collective Investment Fund

The WMCA Collective Investment Fund (CIF) has an initial pool of £60 million to invest and provide capital for developing property projects where securing other funding sources is proving difficult. The Fund will commit capital to eligible commercial, light industrial and residential regeneration opportunities. A number of schemes have been approved by the CIF which intend to:



Brownfield Land and Property Development Fund

The £50 million Brownfield Land and Property Development Fund (BLPDF) is deployed through grant funding to regenerate brownfield sites across the WMCA's geography to ensure supply of land to meet the needs of expanding businesses and inward investment. A number of schemes have been approved by the BLPDF which intend to:



Companies

West Midlands Growth Company

The West Midlands Growth Company (WMGC) is a company limited by shares and is an economic development and investment body which works to support the WMCA and its partners deliver the SEP targets for job creation and GVA growth.

The Company promotes the West Midlands as a premier location to do business in and invest in, and manages a pipeline of major inward investment propositions and investor development initiatives.

WMGC also acts as a destination management organisation, working in partnership to promote the region in order to boost visitor numbers and visitor spend in the region's economy. In 2017 the WMGC developed its own Business Plan, approved by the WMCA Board in November 2017.

West Midlands Development Capital

West Midlands Development Capital (WMDC) is the fund manager for the WMCA's £60 million Collective Investment Fund and the £50 million element of the Land Remediation Fund. It acts as the vehicle to advise and arrange investments on behalf of the WMCA.

Midland Metro Limited

A new wholly-owned subsidiary, Midland Metro Ltd has been established to take over the day-to-day operations of the Midland Metro light rail system from National Express. This will allow profits to be reinvested back into the network providing better value for tax payers.

WMDC is the fund manager
for the WMCA's

 £60m

Collective Investment Fund

 £50m

element of the Land Remediation Fund

Appendix 2

Financial Summary

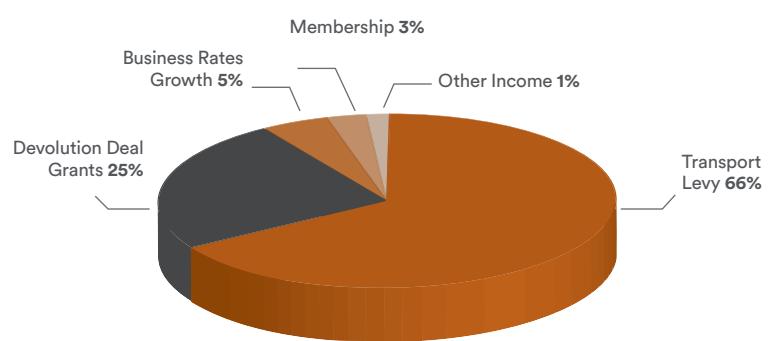
WMCA Budget 2018/19

Where the money comes from

Table 1: Funding sources 2018/19

	£m
Transport Levy	114.7
Devolution Deal Grants	42.5
Business Rates Growth	8.1
Membership	5.0
Other Income	2.6
Subtotal	172.9

Where the money comes from

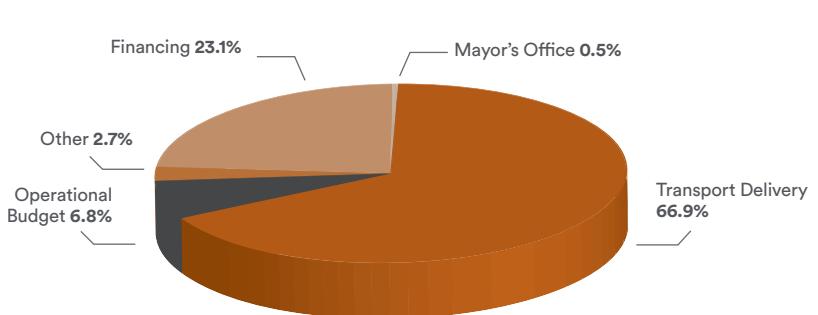


Where the money goes

Table 2: Consolidated Expenditure
Budget 2018/19

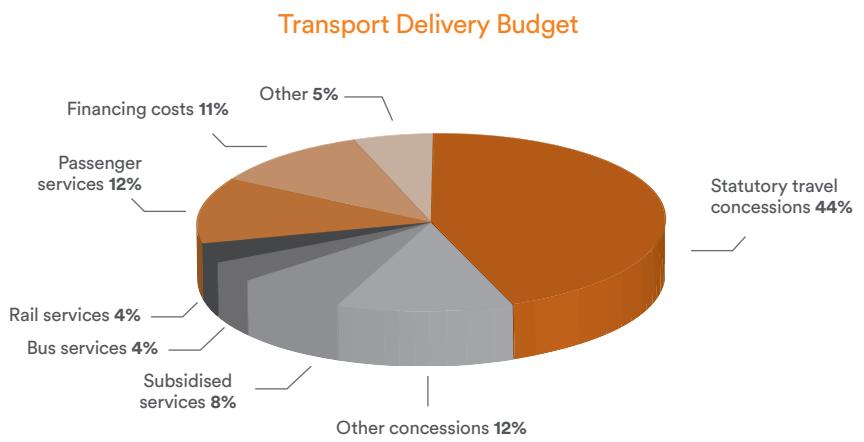
	£m
Mayoral Office	0.8
Transport Delivery	115.7
Operational Budget	11.8
Other	4.6
Capital Expenditure Financing	40.0
Subtotal	172.9

Where the money goes



**Table 3: Transport Delivery Budget
2018/19**

	£m
Statutory travel concessions	51.4
Other concessions	14.0
Subsidised services	9.1
Bus services	4.5
Rail services	4.0
Passenger services	13.8
Financing costs	12.7
Other	6.2
Total	115.7



**Table 4: WMCA Operational Budget
2018/19**

	£m
Economic Growth	1.8
Housing & Land	1.1
Health & Wellbeing	0.7
Public Service Reform	0.8
Skills & Productivity	4.7
Leadership & Support	2.7
Total	11.8

WMCA Operational budget

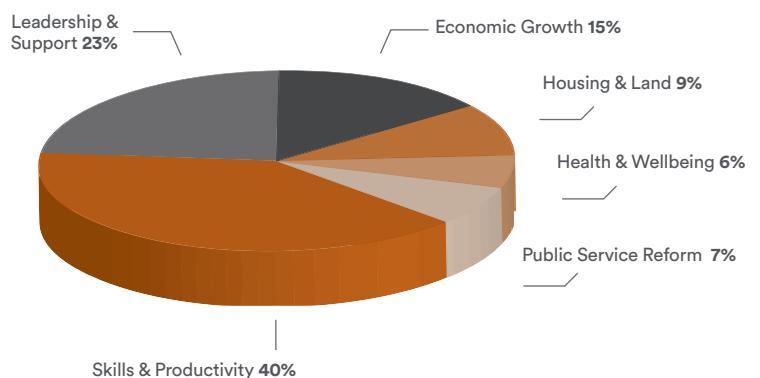
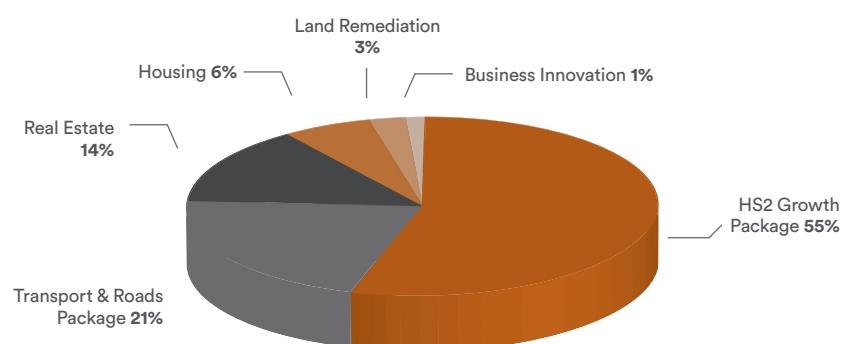


Table 5: WMCA Investment Programme

	£bn
HS2 Growth Package	4.4
Transport & Roads Package	1.7
Real Estate	1.1
Housing	0.5
Land Remediation	0.2
Business Innovation	0.1
Total	8.0

WMCA Investment Programme





West Midlands
Combined Authority

wmca.org.uk

Page 88



WMCA Board

Date	22 June 2018
Report title	Culture, Creative Industries and Tourism
Portfolio Lead	Councillor Ian Ward - Economic Growth
Accountable Chief Executive	Dave Webb, Stratford-on-Avon District Council email: dave.webb@stratford-dc.gov.uk tel: (01789) 260100
Accountable employee(s)	Dave Webb, Stratford-on-Avon District Council email: dave.webb@stratford-dc.gov.uk tel: (01789) 260100
Report to be/has been considered by	Programme Board - 8 June 2018

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Establish a Culture, Creative Industries and Tourism Advisory Group.

1.0 Purpose

1.1 The purpose of this report is to set out a proposal for establishing a Culture, Creative Industries and Tourism Advisory Group (CCTAG) that covers the whole of the WMCA geography (four LEP areas).

2.0 Background

2.1 By way of a re-cap, the current Culture, Creative Industries and Tourism Group (CCT) sits under the WMCA governance framework as a means to delivering economic growth. The CCT has been meeting since the establishment of the WMCA work streams. The remit of CCT covers the development of the cultural sector, creative industries and tourism. The view being that there are clear points of overlap in these sectors, and together they comprise a major and rapidly developing area of the economy.

2.2 Following a significant amount of research, including development of an action plan, aligned to the remit of other elements of the WMCA (e.g. The Growth Company), a report was presented to the Programme Board on the 10 November 2017 proposing the following: -

- **Cultural economy** – To extend the existing Cultural enquiry to cover the entire Combined Authority geography.
- **Creative Industries** – this is a priority sector and that this should become the responsibility of the SEP Board. This could encompass setting up a creative industries or creative economy group convened by this Culture, Creative Industries and Tourism Group.
- **Tourism** – the Growth Company are best placed to take the lead with the task of producing a business case to take forward actions in relation to this sector.

2.3 Although these proposals were supported and the rationale for change acknowledged, the Programme Board were of a view that more work needed to be undertaken to establish whether a group, which coordinated work undertaken by the individual sectors, would add value. Consequently it was agreed that a further report should be compiled to make the case.

3.0 Progress update

3.1 This report makes the case for setting up an Advisory Group which would coordinate and maximise the opportunities arising from the work being undertaken by the three sectors Culture, Creative Industries and Tourism (CCT).

3.2 The CCT sectors form a significant part of the WMCA economy. The Gross Value Added (GVA) contribution is 4.6%, 8.6% of jobs are in the CCT sectors and 7.3% in businesses. The WMCA has the highest number of CCT businesses when compared to other Combined Authority Areas.

3.3 Within the West Midlands region there are 6,860 creative businesses. The number of jobs in this sector is predicted to increase to 101,471 by 2030, an increase of 40.2% from 2013.

- 3.4 The attached proposal (Appendix 1) "A business case for Culture, Creative Industries and Tourism", re-enforces the importance of the sectors and makes the case for an interrelated and coordinated approach to support investment across the whole WMCA geography (four LEP areas) helping to generate economic growth, social improvement and make the region an even greater place to live in, visit and invest in. The report sets out a role for a CCT Advisory Group to coordinate and facilitate a joined up sector approach.
- 3.5 In addition to the significant number of creative businesses (3.1 above) the WMCA geography also has a significant number of cultural and tourism attractions. By way of illustration, the business case provides a few examples.
- 3.6 As stated in 3.1 above, the establishment of a CCT Advisory Group would ensure the three sectors work together. It would: -
- Share best practice on effective policy and investment tools which nurture growth and competitiveness via the CCT sectors.
 - Identify a set of shared WMCA-wide opportunities and priorities for the growth of the CCT sectors. This focuses on 'big ticket' items which can have a transformational effect for the WMCA if positioned as shared opportunities.
 - Present a shared prospectus of CCT opportunities for lead and partner agencies to deliver on.
 - Delivering a targeted programme of interventions which strengthen cross-WMCA working and cement the interconnectedness of CCT sectors as a collective opportunity for every local authority.
- 3.7 In addition, it would provide an opportunity to explore and progress opportunities arising from the collective impact of four big ticket items as well as the specific support set out below: -
- Work with Coventry City of Culture 2021 to commission a shared strategy and prospectus which sets out the goals and building blocks for Coventry 2021 as a regional opportunity.
 - Work with Birmingham Commonwealth Games 2022 – to establish and then Commission a shared plan for a 'Games Ready' CCT sector: focusing on skills, market and commissioning and opportunities to grow and CCT capacity.
 - Roll out the Birmingham Investment Enquiry - To develop a Brief for the WMCA Cultural Investment Enquiry and operate as the steering group overseeing research and action pilots across the region.
 - Develop a regional Creative Industries Bureau to connect up the regional clusters, engage industry leaders, raise awareness and inform strategy.
- 3.8 Also it would help support work being undertaken by the West Midlands Growth Company who is progressing regional tourism initiatives (£3 million secured to support promotion of the regions cultural scene) and creative investment work strands.

4.0 Local Industrial Strategy

- 4.1 The Industrial Strategy sets out a vision for the future economy and states the need to do more to embrace opportunities of the future. The CCT sectors are significant within the WMCA economy and provide a strong basis for generating further growth and jobs. It is therefore essential that in developing a Local Industrial Strategy, these sectors are recognised as key components.
- 4.2 A CCTAG would be available to support the development of the Local Industrial Strategy helping to formulate key actions. This could include making the case for a submission to devolve funding to the region, for example exploring options to secure a greater allocation of Arts Council funding through the Cultural Development Fund.

5.0 Culture, Creative Industries and Tourism Advisory Group

- 5.1 In summary a CCTAG would add value to the WMCA by providing the support to maximise opportunities for investment, effective collaboration and joint working between sectors covered in more detail in Appendix 1 to this report.
- 5.2 It is essential that the CCTAG takes a focused and manageable approach. Consequently, it would develop a prioritised costed action plan which would be the mechanism for monitoring the progress of the group, ensuring it meets the objective of adding value to the WMCA.
- 5.2 If supported, it is proposed that the core membership of the CCTAG should include representatives from organisations who play a key role in one or more of the CCT sectors. It is proposed that the core membership consist of the following: -
 - Constituent WMCA members (7)
 - Non Constituent member (1)
 - WMGC (1)
 - Local Enterprise Partnerships (4)
 - Culture Central (1)
 - Creative Industries Organisations (2)
 - Commonwealth Games – Birmingham 2022 (1)
 - Coventry City of Culture Trust (1)
 - Cultural Organisations (2)
 - West Midlands Combined Universities (1)

- 5.3 The terms of reference would be flexible enough to ensure other representatives could be invited to attend meetings if the need arises. A copy of the draft terms of reference are attached at Appendix 2.
- 5.4 It is envisaged that the Group would continue to report through the Programme Board and meet on a quarterly basis.

6.0 Financial Implications

- 6.1 The current CCT Group had a budget of £246,000 for 2017/18 of which c£100,000 was clawed back as savings. For 2018/19 a budget of £160k has been agreed which includes £100,000 match funding for Film and Convergent Media Development.

- 6.2 If the proposal is supported, the CCTAG will develop a costed action plan to support a budget request for 2019/20.

7.0 Legal Implications

- 7.1 There are no legal implications associated with the proposals contained in this report.

8.0 Equalities implications

- 8.1 There are no equality implications arising from the proposals contained within this report.

9.0 Other implications

- 9.1 None.

10.0 Schedule of background papers

- 10.1 None.

11.0 Appendices

Appendix 1 – A business case for Culture, Creative Industries and Tourism

Appendix 2 – Draft Culture, Creative Industries and Tourism Advisory Group Terms of Reference

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Building a healthier, happier, better connected and more prosperous West Midlands

A business case for Culture, Creative Industries and Tourism

Proposal by the the Culture, Creative Industries and Tourism Advisory Group (CCTAG)

June 2018

CULTURE, CREATIVE INDUSTRIES AND TOURISM
IN WMCA AREA

6860

Creative Businesses



38

National Portfolio
Organisations (NPOs)

£2.8 million

Grants for the Arts
(April - December 2017)



82.3 million
visits to the West Midlands (Visit Britain
2016)



£3.2 billion
generated in expenditure

72,373
(2013)

40.2%

101,471
(2030)



Predicted growth in number of jobs in the Creative and Digital Sector

Culture, Creative Industries and Tourism: Driving Prosperity

This paper sets out why culture, creative industries and tourism are interrelated and interdependent and how a coordinated approach to investment and support across WMCA led by the Culture, Creative Industries and Tourism Advisory Group (CCTAG) will bring economic growth, social improvement and make the region an even greater place to live in, work in, visit and invest in.

It shows how the three sectors are:

- Major contributors to the economy, providing significant employment and delivering high growth. WMCA has more culture, creative industries and tourism businesses than any other combined authority with 10,570 firms, 7.3% of total businesses. This has grown by 15.8% from 2010-2017. It accounts for 170,716 jobs, 7.6% of the total workforce and delivers £4bn in GVA per year 4.6% of the region's total (source: Black Country Economic Intelligence Unit).
- Driven by innovative practice – as early adopters of new technology and catalysts for new ways of working – from augmented reality to the rise of crowd-funded enterprise.
- Place-makers: with creative businesses, cultural organisations and cultural tourism activities impactful for making distinctive places attractive to investment.
- Collaborative and convergent, with cultural organisations key anchors and catalysts for the creative economy; digital businesses such as in gaming dependent on the arts for inspiration and talent; and tourism increasingly fuelled by personalised, interactive cultural experiences.

It describes how the CCTAG made up of a core of representatives from local government, supported when necessary by sector representatives, the wider public and private sector, will help to drive prosperity for the region, delivering spillover effects across the economy and helping to shape distinctive, attractive and dynamic places through coordinating investment and maximising strategic opportunities. It shows how CCTAG will work with the West Midlands Growth company in growing inward investment, tourism and raising the region's profile nationally and internationally.

The CCTAG, which was formed by local Council officers aware of the critical importance of sharing information and ideas, will ensure the three sectors work together, contribute to and benefit from the new regional strategy, vision and scale given by WMCA. It will:

- Share best practice on effective policy and investment tools which nurture growth and competitiveness via the CCT sectors.
- Identify within the strategic landscape a set of shared WMCA-wide opportunities and priorities for the growth of the CCT sectors. This focuses on 'Big Ticket' items which can have a transformational effect for the WMCA if positioned as shared opportunities.
- Present a shared prospectus of CCT opportunities for lead and partner agencies to deliver on.
- Delivering a targeted programme of interventions which strengthen cross-WMCA working and cement the interconnectedness of CCT sectors as a collective opportunity for every local authority.

This paper presents the overarching business case for a joined-up approach to investment in the CCT sectors as a vital ingredient for prosperity built on a portfolio of distinctive places offering inclusive growth. It provides an overview of three 'Big Ticket' transformative projects which require a shared approach via the CCTAG and its partnership with lead agencies. This includes its priority projects for 2018-19.

CCTAG's vision for culture, creative industries and tourism in WMCA

A region where culture, creative industries and tourism working together are recognised for the transformative power they have on people, places and the economy. It will achieve this by ensuring that:

1. Culture, creative industries and tourism are central to delivering quality of life, quality of place and the economic growth aspirations of the West Midlands Strategic Economic Plan.
2. All areas benefit from the economic, social and cultural dividends that investment in culture, creative industries and tourism brings.
3. Culture, creative industries and tourism benefit from major physical infrastructure transformation.

It will deliver this through acting as the strategic coordinating body which ensures for the first time that the three sectors are considered at a regional level. It will concentrate on the strategic landscape for investment and opportunities and within this ensure that the four 'Big Ticket' opportunities deliver for their individual lead cities/authorities and the region as a whole. It will also coordinate research, networks, action pilots and strategic intervention across a range of smaller projects which will help support the SEP.

Without the CCTAG opportunities for collaboration will be missed, the benefits from the big opportunities will not be maximised across the region, information exchange will be harder and the opportunity given by the establishment of combined authority to transform the role the sectors play in growing the economy will not be fully realised.

Strategic Landscape - Four Big Ticket Opportunities CCTAG will ensure deliver for the whole region

1. Coventry City of Culture 2021 - commission a shared strategy and prospectus which sets out the goals and building blocks for Coventry 2021 as a regional opportunity.
2. Birmingham Commonwealth Games 2022 - commission a shared plan for a 'Games ready' CCT sector: focusing on skills, market and commissioning and opportunities to grow and CCT capacity.
3. Creative Industries Local Industrial Strategy – support its development including the alignment of it to the ambitions of the region-wide cultural inquiry.
4. Develop a regional Creative Industries Bureau to connect up the regional clusters, engage industry leaders, raise awareness and inform strategy.

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CULTURE

WORLD CLASS CULTURAL OFFER



Culture - Improving quality of life and quality of place

CCTAG's work for arts and culture, will deliver a set of strategic outcomes which will support the WMCA SEP. Through focussing on the strategic landscape for investment it will ensure that opportunities deliver for their lead city/authority as well as for the whole region. Two 'Big Ticket' opportunities - Coventry City of Culture 2021 and Birmingham Commonwealth Games 2022 will be more successful if there is coordination and support across the region. The role out of the Birmingham Investment Enquiry across the region will ensure that cultural organisations region wide can pilot new forms of public and private investment. CCTAG will also ensure that the region benefits from the new £150 Million Creative Industries Sector Deal including the new £20 million Cultural Development Fund for places to boost their sectors. CCTAG's work will:

00

- Boost resilience and sustainability of the arts and culture sector ensuring it can continue to deliver high quality, high-skilled jobs supporting the SPE target of a growth of 44% in jobs in the culture and sports sector.
- Ensure that culture is central to improving physical and digital connectivity across the region - improving productivity and access through growing the sector's role to support innovation.
- Further culture's ability to drive-up aspirations, improve skills and encourage lifelong learning by maximising the potential it has to deliver educational, social, health and wellbeing outcomes.

What's holding back arts and culture in the region?

While cultural organisations are thriving across the region there are collective and individual challenges which prevent them achieving even more:

- **Audiences:** growing the ability and capacity of all organisations to reach out to new audiences in new ways.
- **Infrastructure:** fit-for-purpose, efficient and sustainable infrastructure in the right location.
- **Resilience:** building the ability of organisations to thrive in an increasingly mixed and competitive economy.
- **Private and alternative forms of investment:** poor regional track record in leveraging in private investment – worst performing region in the UK (relative to public investment).
- **Diversity:** growing the talent pool - so that more people from more backgrounds can achieve their creative potential.

Culture – Improving quality of life and quality of place

The region is home to one of the richest and most diverse cultural ecologies in the UK. Arts and culture are valued across the WMCA area for the intrinsic benefits they bring individuals and communities, as well as the wider impact they have on places, economies and quality of life. In the cities and major urban areas, they are central to regeneration, growth and improvement; in smaller towns and rural areas – as epitomised by organisations such as Black Country Touring – they strengthen communities, diversify economies and draw visitors.

Birmingham and Stratford-upon-Avon are two world-class cultural clusters, while Wolverhampton is home to three nationally significant arts organisations. Birmingham has the strongest and deepest cultural infrastructure of any city in England outside of London; Stratford is home to one of the UK's most important cultural institutions in the RSC and one of the most visited cultural tourism destinations. However, beyond these two clusters arts and culture is increasingly positioned as vital to the region's future dynamism and prosperity, as evidenced by GBSLEP including a quality of life measure to assess its performance and the scale of Arts Council's investments across the region.

For CCTAG the strategic landscape for investment includes three 'Big Ticket' opportunities which will benefit from regional coordination and delivery: Coventry, UK City of Culture 2021, Commonwealth Games Birmingham 2022 and the roll out of the Birmingham Investment Enquiry. Coventry will be the place to go to for culturally active audiences from across the country and beyond. It will generate significant profile and investment for the city and region. Birmingham in 2022 will be the largest sporting event in the UK since the 2012 Olympics and are expected to deliver over £1.1bn to the economy. They will include a large cultural programme in the build up and for the duration of the games. The Birmingham Investment Enquiry provided ground-breaking research into new forms of investment and support for culture – by rolling it out across the region through action research pilots it will help grow resilience and sustainability for the sector by leveraging in new forms of investment.

How CCTAG will make a difference

- Through focussing on the strategic landscape for investment it will coordinate, support and amplify the three 'Big Ticket' opportunities to ensure they deliver for the region.
- Supporting pilot projects that use the larger WMCA footprint and potential of big data to develop new ways of reaching new audiences.
- Raising the scale and profile of cultural activity through coordinated events, marketing and activity.
- Transforming the delivery of culture in new ways through technology, collaboration and innovation through connecting culture to the region's digital and research strengths.
- Better connect culture to the wider economy through spillovers, innovation and collaboration through increased networking and opportunities for cross-sector collaboration.

Big Ticket Opportunity

Coventry, UK City of Culture 2021

Coventry, as UK City of Culture 2021, will be the place to go to for culturally active audiences from across the country and beyond. It will generate significant investment for the city and region. Hull, as UK City of Culture in 2017, saw an uplift of £50m in cultural infrastructure, with £250m secured as a legacy plan. Over £60m was directly generated for the local economy in 2017, with 3.5m visitors attracted to the city.

Coventry, unlike Hull, is not 'out on a limb', but to the very heart of the UK with 6m people living within a one hour drive time to the city. The city also has very dynamic neighbours, with burgeoning CCT sectors. The WMCA has a collective offer which will enable Coventry to deliver a programme of globally significant scale, diversity, excellence and innovation. In turn, Coventry, as UK City of Culture, can drive creative and culture-led development for the WMCA, as a hotbed of creative programming that shines a light on the incredible talent, energy and identity of this part of the UK.

Role of CCTAG

- ✓ Identifying shared opportunities for cultural investment attracted by UK City of Culture – e.g. in cultural infrastructure, creative workspace and test beds for creative economy innovation and growth.
- ✓ Co-designing and connecting development activities – e.g. a coordinated approach to creative and cultural skills provision which services Coventry 2021 and catalyses workforce development across WMCA.
- ✓ Developing innovative approaches to combined visitor offer
- ✓ Taking Coventry's lead and working with the Birmingham Marketing Company CCTAG can ensure Coventry 2021 – including the process which leads up to it and its legacy – is impactful across the WMCA economy.



First Steps

- Commission a shared strategy and prospectus which sets out the goals and building blocks for Coventry 2021 as a WMCA Big Ticket opportunity. This will be a publicly facing document which can be used for partnership and fund-raising.
- Present a shared opportunity (based on this strategy) to major investment partners such as Arts Council England, British Film Institute and Heritage Lottery Fund - to ensure an infrastructure uplift across the WMCA.
- Develop with Coventry 2021 options for joint marketing activities which promote tourism and inward investment to the WMCA.
- Align approaches from the LEPs and West Midlands Growth Company with regard to the role of Coventry 2021 in delivering culture-led investment and growth.

Ask of WMCA

- Investment for development of a shared strategy and prospectus: £80k.
- Advocacy to coincide with its launch.
- Guidance to delivery agencies to take the strategy and prospectus forward.

Big Ticket Opportunity

Birmingham Commonwealth Games

Hosting the Commonwealth Games in Birmingham could generate over £1.1bn to the UK economy, with over half invested in the WMCA area. Played right, it could generate over 4,500 jobs in Birmingham each year until 2022 as well as see training opportunities in areas like construction, engineering, sport and tourism. As the largest sporting event held in the UK since the 2012 London Olympics, the Commonwealth Games will also have a major CCT element:

- As a cultural showcase for the city and region, incorporating an opening and closing event and a wider cultural programme.
- As a generator of content: requiring services from creative and digital businesses and cultural organisations, with major opportunities to drive growth across the WMCA creative economy.

Page 103

As a driver for innovation: for creative and digital firms working to make the sporting occasion more immersive, interactive and participatory.

- As a catalyst for investment and tourism: providing accessible narratives for place-branding and coordinated approaches to destination management which connect across the city and region's cultural landscape.

Role of CCTAG

✓ Identifying shared opportunities for CCT sectors – notably ensuring a WMCA network approach to generating creative business through the Games; aligning the goals of cultural strategies towards the opportunities of the Games; and shaping a shared narrative and offer for the tourism sector.

✓ Developing innovative approaches to combined visitor offer

✓ Ensuring CCT skills programmes are tailored to the opportunities of the Games.



First Steps

- Commission a shared plan for a 'Games ready' CCT sector: focusing on skills, market and commissioning and opportunities to grow and CCT capacity.
- Present a shared opportunity (based on this plan) to the local organising committee, major investment partners such as lottery distributors and UK Government.

Ask of WMCA

- Investment for development of a shared plan: £50k.
- Advocacy to deliver on this plan – ensuring the Games is positioned as a City of Birmingham proposition supported by the WMCA.

CREATIVE INDUSTRIES

ACROSS WMCA REGION

- £3.7bn GVA for Creative Industries



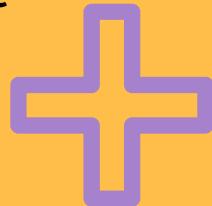
6,860 Creative businesses



£224m GVA for Games industry - with 80% and 50 firms based in Leamington Spa

GBSLEP AREA

£4.1bn GVA for Creative Economy, employing 50,000 people (5.6% of total)



£1.9 bn Creative services value chain

£1.4bn creative content value chain across the GBSLEP



Potential to add 30,000 new jobs and 3,000 new creative businesses across the GBSLEP alone

Creative industries - supporting a world-class creative region

CCTAG's work for the creative industries will deliver a set of strategic outcomes which will support the WMCA SEP. Through coordination of delivery and targeted programmes CCTAG will help remove existing barriers to growth and ensure the sector's future contribution to:

- Strengthening the economy, growing jobs and GVA: helping deliver the SEP target to increase digital and creative jobs by 40.2% by 2030.
- Making the region more desirable for Inward Investment – by growing the profile and visibility of clusters and increasing the sector's contribution to the wider economy.
- Increasing the region's profile as a 'World Class Creative & Cultural Region' – by coordinating more collaboration, innovation and cross-sector working.
- Improving the level of skills of local people (life-long learning) – through better connecting schools, universities and further education to business.
- Improving quality of life and the wellbeing of its citizens – through driving up productivity and contributing to the reform of public services.

What's holding back the creative Industries in the region?

At a regional level there are significant barriers to growth for the sector:

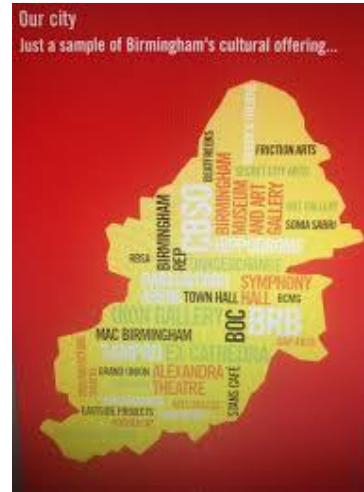
- **Networks and connectivity:** research shows that businesses from the region's urban areas are not as closely connected as in other areas in the UK meaning that collaboration, innovation and connections to the wider economy are weaker than they should be.
- **Skills shortages:** Creative businesses across the region cite the challenge in recruiting highly skilled staff as a significant challenge, despite the region's strengths in further and higher education, the skill levels of workers is lower.
- **Lack of suitable workspace and broadband connectivity:** in some growing urban areas there is a lack of suitable creative workspace, while some rural areas are held back by poor broadband connectivity.

Big Ticket Opportunity

WMCA Creative Industries Local Industrial Strategy

A cross-regional group are currently working up the Creative Industries Local Industrial Strategy, which includes consulting with this CCT group. Some of the likely highlights of the current early draft include:

- Invest in world class **Creative & Cultural infrastructure across the region**, for example, incubator spaces and film studios.
 - Launch a region-wide '**Creative Super Cluster**' – a virtual network that **connects businesses, ideas, clusters and culturally diverse groups across the region** that currently operate in silos.
 - Launch a region-wide '**Talent Platform**' – that **disCOVERS, DEVELOPs AND SHOWCASES new creative content and diverse talent** in broadcasting, arts, games and social media, enabling West Midlands creatives to reach the globe and the globe to connect with the West Midlands.
 - Launch a '**Digital Market Place**' - A new online platform of **especially commissioned high end content** that includes *exhibiting* streamed content and *experiencing* immersive VR shorts and gaming experiments.
 - Stimulate creative business growth and scale up across the region by **extENDING cross-sectoral initiatives like STEAMhouse**, setting up a **Creative Angel Hub**, running an **IP test-bed** for creative ideas across the network and working with the Department of International trade to **increase export support for creatives** enabling them to sell, for example, at MIPCOM, the global content production market (Cannes October 2018).
 - **Launch a region-wide central Skills Hub** – that allows creatives from across the region to train in new digital skills, add to their learning, meet and collaborate, joining together initiatives like the National Institute of Coding with specialist creative sector programmes.
 - Run a **creative & digital 'Inspiration' Programme** that engages children and their parents in the potential of creative and digital work. Beyond these highlighted 'asks' is a fuller **skills and talent development programme** and considerable **cultural industries ambition to be confirmed**.
 - In addition, provide leadership at CCT to **develop a region-wide Cultural Enquiry** that builds on the work currently being done at a Birmingham and GBSLE level.



Role of CCTAG

- ✓ To engage and help develop the region-wide Creative Industries Industrial Strategy, ensuring it reflects and exploits the opportunities that CCT can see between the silos of culture, creative industries and tourism.
 - ✓ Develop a Brief for the WMCA Cultural Investment Enquiry and operate as the steering group with a wider advisory group to include Arts Council England, Culture Central, Coventry 2021, at least one university and CCT organisations and businesses.
 - ✓ To support the Mayor in his role as Chair of the Enquiry.
 - ✓ To coordinate the Enquiry process via a designated task and finish group with lead officers and consultancy support.
 - ✓ To develop and facilitate detailed feasibility work on headline investment priorities. This will set out clear business plan for a portfolio of CCT interventions. This will be similar in scale and aspiration to the **Thames Estuary Production Corridor** – where local authorities and partners in the CCT sector have formed an investment partnership to develop a corridor of major cultural clusters from central east London to the Kent and Essex coasts. http://www.southeastlep.com/images/uploads/resources/TEPC_VISION.pdf

Ask of WMCA

- Investment for development of the WMCA Culture Enquiry: £150,000.
 - Advocacy to deliver on this plan – a major investment programme for WMCA.

Creative industries – a growing regional success

The region's creative industries and wider creative economy is critically important to the future economic prosperity in its own right and in the way it supports other vital sectors including advanced manufacturing. The region is home to nationally nationally and internationally significant clusters: Birmingham and Solihull's IT, Software and Computer services cluster, employing 15,000 people (while the region as whole employs over 25,000). Leamington Spa's computer game cluster is home to 130 businesses employing 3,500 people, second only to Dundee and London. Advertising, Marketing and PR has grown massively across the region with workers increasing by 93% in the Black Country and 114% in Coventry and Warwickshire.

Across the WMCA area, there is increasing impact of Augmented and Virtual Reality tools, born out of the games industries, in vital sectors including engineering, accelerating the growth of high value digital manufacturing. Design is growing in significance across the region with employment up by 238% to over 1,500 jobs between 2010 and 2015 in Birmingham and Solihull. The number of designers in the creative industries has also increased in the Black Country LEP (235 % increase between 2010 and 2015) and Coventry & Warwickshire LEP (239% between 2010 and 2015).

High-end content production is also increasingly significant, with 22,000 jobs in content production in Greater Birmingham, generating £1.859 Billion through the production of television, gams and other creative content. When linked to the games cluster in Leamington Spa this is nationally significant. The potential move of Channel 4 to the region would provide a massive boost to the sector. The production of creative originals – especially crafts in the Jewellery quarter in – is more densely clustered in GBSLEP than any other LEP in England.

As well as the significant growth in the creative industries, growth in creative occupations in the wider economy is large and growing. In Greater Birmingham, the creative economy as a whole employs 50,000 people generating £4.1 Billion GVA per year - 9.5% of the total.

How CCTAG will make a difference

- CCTAG will ensure that the region as whole benefits from the forthcoming Sector Deal for the Creative Industries by co-ordinating the work of the LEPS and local councils and establishing the Creative Industries Bureau.
- Champion the best practice examples of skills and apprenticeships, such as Creative Alliance's 'Multi-Employer Model' and 'Micro-Module Model' across the region to ensure the region's diversity is better leveraged.
- Champion diverse leadership development programmes to develop creative and cultural leaders with 'high-flying' potential from diverse backgrounds. Increase cultural exchange to open up job opportunities.
- Promote and develop creative workspace in hot and cold spots to balance demand and needs across the region.
- Strengthen our creative clusters and the enterprise and innovation ecosystems that surround them, connecting to the priorities of Government's industrial strategy and the forthcoming sector deals.
- Champion a cross-regional network that enables businesses, cultural organisations and innovative businesses from across the region.
- Support the regional roll-out of targeted Business Support linked to cluster growth.

Big Ticket Opportunity

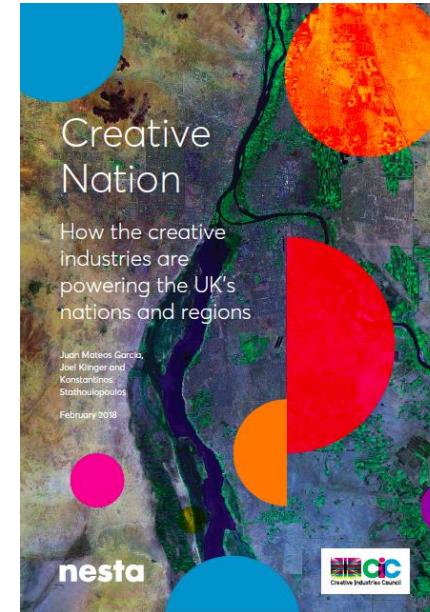
WMCA Creative Industries Bureau

Lack of connectivity between the regional creative industry clusters holds back the growth of the sector. With nationally significant clusters in Birmingham and Solihull's IT software and computer services cluster and Leamington Spa's computer Games Cluster as well as regional strengths in advertising, marketing and PR in the Black Country, the region is a powerhouse for the creative and digital economy.

This is backed-up by new research from Nesta which identifies the West Midlands as one of the region's where Creative Industries are growing fastest. Birmingham as a 'Creative Challenger', a place with a diverse creative ecosystem, with some high growth firm presence and a recent specialisation. Leamington is identified as a creative conurbation and relatively stable location where creative firms have high survival rates. High-growth firms play a stronger role in job creation than in other clusters, and churn rates are generally low. This report identifies Birmingham as having 4988 creative industry businesses employing 19,315 people; Leamington Spa is identified as having 1635 businesses employing 7400 people. The report, using Travel to Work areas (TTA), points out the West Midlands is one of the regions dominated by a single TTA, in this case Birmingham.

In its eight facts about a creative nation, this report makes several points which are highly applicable to WMCA and the establishment of this group. Namely that the Creative Industries are a motor for growth; Creative neighbours grow together not at each others expense; the wider creative economy is stronger in clusters; creative communities are interconnected and the diversity of connections increases over time; creative research collaborations are taking place locally and nationally.

The role of the Bureau will be to ensure that these effects and others are multiplied across the region, working closely with the three LEPs and councils to ensure that opportunities and models for support, networks, inward investment, research and development are maximised. This includes support for the forthcoming Local Industrial Strategy. It will be the role of the Bureau to make recommendations on whether initiatives such as the STEAM house in Birmingham should be rolled out to more areas. It will also advise the three LEPs on areas of policy and strategy related to creative industries.



Role of CCTAG

- ✓ To develop a terms of reference for the Creative Industries Bureau.
- ✓ To arrange and manage quarterly meetings.
- ✓ To coordinate the Bureau's activities – which will include input on LEP and Council strategy, events, sector research, and pulling together existing creative clusters, that currently work in silos, to open up new opportunities
- ✓ To present to the Mayor regular updates from the group and to invite the Mayor to large scale events.

Ask of WMCA

- Investment for events and pilots: £100,000.
- Advocacy and support for the Bureau as an advisory group.

TOURISM

Key Driver of Economic Growth

Visitor Economy across Greater Birmingham and Black Country generates £7bn and supports 80,000 jobs



£3.3bn in expenditure from overseas visitors and those visiting friends and family

76 million visits to the region (2014)



Top 3 attractions by visitor numbers:

1. MAC, Birmingham (1,130,030)
2. Drayton Manor Theme Park, Tamworth (1,054,102)
3. Birmingham Museum and Art Gallery, Birmingham (750,559)

£7 million investment in Wolverhampton Civic Halls will substantially increase the £4.3 Million GVA that Culture and Entertainment currently brings

4.9 million a year visit the RSC and Shakespeare Birthplace Trust spending £336 million

292,000 visitors to Black Country Living Museum contributing £4 million to local economy

Tourism – Connecting up a transformative sector

CCTAG's strategic outcome for tourism is to boost the economic performance of the region and support place-making by growing the visitor economy. It will do this by:

- Working closely with the West Midlands Growth Company (WMGC) as they progress regional tourism initiatives and secure new funding (including the £3 million they have secured for promoting the region's cultural scene from the Discover England Fund and ACE), its work on internationalisation (recently commissioned) and the forthcoming Regional Tourism Strategy. It will help role out the regional brand development work the WMGC has undertaken more widely across CCT.
- Spreading the benefits of international, national and business tourism across the region bringing income, investment, jobs and infrastructural improvements through supporting the Birmingham Marketing Company and Destination Management Organisations across the region to deliver a joined up approach.
- Ensure that the importance of the visitor economy and visitor experience is recognised in the development of high-quality places and is recognised for its contribution to the quality for life for all through ensuring that tourism, culture and creativity are strategically connected.
- Support the development of a WMCA – wide brand for tourism development and inward investment which will increase coherence and legibility, regionally, nationally and internationally and ensure that this is supported across cultural and creative sectors.

- Ensuring that the huge opportunities presented by the Commonwealth Games and City of Culture are properly realised through a coordinated approach.

What's holding back tourism in the region?

Skills and careers: urgent need for a higher skilled, more productive workforce with long-term careers across tourism and hospitality sectors, made more pressing by Brexit.

Infrastructure: increased supply of fit-for-purpose, well located modern tourism infrastructure, with particular focus on business tourism and growing markets, including in experience tourism.

Connectivity: weaknesses in joined-up transport planning and marketing means visitors ability to travel to destinations is impaired.

Marketing and branding: region's tourism hotspots are well known but not joined in a coherent brand which connects the gateway of Birmingham to the rest of the region.

Tourism – Culture and Creativity helping drive a vibrant visitor economy

Across the WMCA region culture and heritage are massive drivers of national and international visitors. Visit Britain 2014 figures show there were over 76 million visits to the region in total with over £3.3 billion in expenditure generated in total from overseas visitors and those visiting friends and family. Other figures show the Visitor Economy across Greater Birmingham and the Black Country generates £7 billion and supports 80,000 jobs.

The region outperforms all other regions in the UK in business visitors, driven in large part by the gateway effect of Birmingham and Birmingham Airport - accounting for over half of all business trips and a third of all day visits. Business, conference and exhibition tourism is a particular strength for Greater Birmingham in absolute terms and compared with other city regions. Birmingham is ranked 2nd in the UK after London on volume of business tourism trips.

Shakespeare's England, centred on Stratford is one the UK's largest cultural tourism draws with around. Around 4.9 million people, with a spend of £336m, visiting the RSC and Shakespeare Birthplace Trust each year. Tourism is one of the key drivers of economic growth to the South Warwickshire economy and surrounding areas. It generates a total business turnover to the area of £547 million annually and supports 9,588 jobs.

Wolverhampton and the Black Country have regional and national assets which draw large visitor numbers. The Black Country Living Museum attracted 292,000 visitors in 2015 and contributed £4 million to the local economy. While the £7 million investment in Wolverhampton's Civic Halls will substantially increase the £4.3 million that culture and entertainment brings in additional GVA to the town.

Since 1989 the Custard Factory in Birmingham, has gone from being the derelict home of Birds Custard to being at the heart for Birmingham's creative and digital district, offering dynamic spaces for over 100 creative industries, independent shops and an alternative cultural offering. Fargo Creative Village in Coventry and Court Street Arches in Leamington are both up and coming locations, which demonstrate the potential that creative approaches have to transform urban locations.

How CCTAG will make a difference

- Support the West Midlands Growth Company (WMGC) in the better coordination of tourism, marketing and destination management across the region including support for its nationally funded programmes, the regional Tourism and Internationalisation Strategies.
- Cultural Tourism pilot; Work with the WMGC to deliver the budgeted for £30k Cultural Tourism pilot, connecting up the region's cultural offer with its role as a tourism gateway.
- Ensure that Coventry City of Culture 2021 and Birmingham Commonwealth Games 2022 deliver visitors for the whole region.
- Properly connect tourism to placemaking through growing the relationship between tourism and place-making through integrating local and destination specific events and attractions through marketing, support and education of tourism professionals.
- Support the sector in delivering the forthcoming Tourism Sector Deal, including the potential provision of Tourism Zones.
- Ensure that culture and creative industries are considered as central to the marketing and branding of the region being developed by the WMCG.

CCTAG Prospectus for the WMCA

By focussing on the strategic landscape for investment – which includes The four ‘Big Ticket’ opportunities - the CCTAG will enable a coordinated approach across WMCA which ensures investment in culture is more impactful for growth and prosperity. Critical here is balancing local distinctiveness and subsidiarity with a set of shared opportunities where convergence and coordination will generate more economic value. The CCTAG has an important role here – to hold the picture of the WMCA as a whole and connect different parts to form a shared opportunity.

In addition to the clear gains to be made through joint WMCA working for these three ‘Big Ticket’ opportunities, a set of smaller-scale opportunities should also be explored. These build on a set of local investments where culture is playing a major role. The CCTAG should work with the WMCA and cultural investment partners such as Arts Council England to set-out a **shared CCT Prospectus**. This will describe major projects which have a cultural element, identify a set of practical measures which will make them more scalable and capable of contributing to economic growth. This can be modelled on the approach undertaken in South East England via the SE LEP, ACE and the local authorities, where the Prospectus is being used as a fund-raising document with Government, LEPs, local authorities, trusts and foundations and industry. Significant investment has been raised from the Prospectus.

- **Cultural commissioning pilots for place-making and urban change.** This is an innovation testbed to improve the quality and distinctiveness of place in a sample of transport hubs and gateways. The WMCA is a functional urban area with high levels of commuting. However, most transport hubs and gateways do not offer an uplifting or distinctive experience, with few examples of arts and culture integrated into design or playing an animating role. Through a commissioning process, creative, technology and design talent will be supported to trial new interventions in public art, interactive media, signage, literature and performance. Site specific interventions will demonstrate the value of creative place-making, enhancing the experience of travel and exploring how to embed creativity into the design and build process as the transport infrastructure is upgraded in coming years. With partners to include Network Rail, HEIs, arts organisations, creative businesses and each local authority, this is an opportunity to collectively and systematically re-imagine the kinds of spaces and places which too often negatively impact on our quality of life. In turn, this can unlock mechanisms for the role of culture in place-making for future infrastructure investment.

- **Cultural Tourism Pilot (budget agreed for 2018).** With the region needing to develop stronger international connectivity and recognition, as well as raise awareness within an increasingly easy to reach domestic market, this strand will test how new approaches to leveraging the WMCA's core cultural assets (and the wraparound visitor economy infrastructure). Managed through the West Midlands Growth company it would help generate priorities for investment, focus and joining up of the offer. As a globally-orientated region WMCA needs to ensure it can maximise new international opportunities post-Brexit. This strand will ensure a renewed coherence to the regional offer internationally, maximising the appeal of world-class strengths like Stratford-Upon-Avon and Birmingham for tourist and business visitors and inward investment. Building stronger connections between the region's strengths and its attractiveness as a location to establish knowledge intensive businesses will be vital.

- **A proposed National Centre for Diverse Arts.** Which provides development, production and presentation facilities to generate career pathways, encourage innovation, and drive growth across the UK's diverse CCT talent base.
- **Big store:** A new store for Birmingham's museums that could serve a wider group of the region's museums.
- **Restoration, development and repositioning of the Civic Halls, Wolverhampton .** As hubs for creative production and presentation. Capitalising on the city hosting The British Art Show in 2022.
- **Science & Heritage Museum transformation programme.** Improving the visitor experience, connecting to science and tech sectors, positioning the museums sector as hubs for the creative economy. A key demonstrator project will see a new £2m interactive children's gallery at Thinktank, Birmingham Science Museum via £1.4m investment from the Wellcome Trust.

Role of CCTAG Group

- Develop the brief for design and development of the Prospectus; commission the Prospectus.
- Liaise with partners to identify seed-funding for priority projects.
- Liaise with WMCA for Prospectus launch.

Ask of WMCA

- Investment for development of a CCT Prospectus for the WMCA – potentially match funded by Arts Council England, LEPs etc. £30,000.

West Midlands Combined Authority
Culture, Creative Industries & Tourism Advisory Group
Terms of Reference

Introduction

The Culture, Creative Industries and Tourism Advisory Group (CCTAG) of the West Midlands Combined Authority (WMCA) sits under the WMCA governance framework as a means to delivering economic growth.

The remit of CCTAG covers the development of the cultural sector, creative industries and tourism. There are clear points of overlap in these sectors, and together they comprise a major and rapidly developing area of the economy.

The Terms of Reference set out below reflect the proposed role for the CCT which will be subject to periodic review.

Purpose

The purpose of the CCTAG is:-

1. Share best practice on effective policy and investment tools which nurture growth and competitiveness via the CCT sectors.
2. Provide expert leadership to the WMCA by convening the views of the cultural sector through its 'Cultural Advisory Group', the creative industries through its Creative Industry Bureaux and for tourism and visitor attractions through the WMGC's advisory groups.
3. Identify a set of shared WMCA-wide opportunities and priorities for the growth of the CCT sectors. This focuses on 'big ticket' items which can have a transformational effect for the WMCA if positioned as shared opportunities.
4. Present a shared prospectus of CCT opportunities for lead and partner agencies to deliver on.
5. Delivering a targeted programme of interventions which strengthen cross-WMCA working and cement the interconnectedness of CCT sectors as a collective opportunity for every local authority.
6. Work with Coventry City of Culture 2021 to commission a shared strategy and prospectus which sets out the goals and building blocks for Coventry 2021 as a regional opportunity.
7. Work with Birmingham Commonwealth Games 2022 to commission a shared plan for a 'Games Ready' CCT sector: focusing on skills, market and commissioning and opportunities to grow and CCT capacity.
8. Roll out the Birmingham and GBSLEP Investment Enquiries - to develop a brief for the WMCA Cultural Investment Enquiry and operate as the steering group overseeing research and action pilots across the region.
9. Develop a regional Creative Industries Bureau to connect up the regional clusters, engage industry leaders, raise awareness and inform strategy.

Composition of the Commission, Roles and Responsibilities

1. The CCTAG core membership will consist of: -

- Constituent WMCA members (7)
- Non Constituent member (1)
- WMGC (1)
- Local Enterprise Partnerships (4)
- Culture Central (1)
- Creative Industry Organisations (2)
- Commonwealth Games – Birmingham 2022 (1)
- Coventry City of Culture Trust (1)
- Cultural Organisations (2)
- West Midlands Combined Universities (1)

Initially the Creative Industry representatives will be West Midlands Screen bureau and Creative Industries Bureau. The Cultural Organisations will be Royal Shakespeare Company and Black Country Living Museum.

2. From time to time other representatives from other organisations will be invited to attend to add value in relation to a specific topic or issue.
3. The CCTAG meet quarterly.
4. In the event that the Chair is unable to attend any meeting, a substitute representative from the group will chair the meeting.
5. The Chair will be responsible for setting the agenda.
6. The CCTAG, through the Chair will report to the Board Member and WMCA Programme Board as required.
7. It will be the responsibility of the CCTAG to develop recommendations for the WMCA Programme Board to agree actions and the allocation of investment (to avoid any conflicts of interest with the sector).

Communication

Progress against the work plan will be reported six monthly to the WMCA Programme Board. All members of the group will take responsibility for feeding back from meetings of the group to their own organisation and for seeking the necessary input from their organisation into the work of the group.

Conduct

Nolan Principles will apply and those attending meetings will be required to work for public benefit and to declare and manage any conflicts of interest.

Timing of Meetings

The CCTAG will meet quarterly; more frequent meetings may be arranged where necessary.

Budget

The CCTAG, as a defined area under the governance of WMCA, will be able to access some funding to support its work. This funding will be managed by the Lead Officer and will only be used to support delivery of the work plan.

Definitions

Culture – means the arts, museums, heritage, library, events and the related not-for-profit creative sector.

Creative Industries – those activities which have their origin in individual creativity, skill and talent and which have the potential for wealth and job creation through the generation and exploitation of intellectual property' (DCMS, 1998).

Creative Economy – means the maximisation of value from people's creative imagination and creative their roles embedded across all industries, not just in the creative industries itself.

Tourism – means the industries associated with attracting and servicing visitors, travelling to and staying in places outside their usual environment whether for leisure or business purposes, including providers of activities, hospitality operators and marketing & promotion.

June 2018.

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WMCA Board

Date	22 June 2018
Report title	Productivity & Skills Commission and Regional Skills Plan
Portfolio Lead	Councillor George Duggins - Productivity & Skills
Accountable Chief Executive	Nick Page, Solihull Metropolitan Borough Council email: npage@solihull.gov.uk tel: (0121) 704 6018
Accountable Employee	Julie Nugent, Director of Productivity and Skills email: julie.nugent@wmca.org.uk tel: (0121) 704 8219
Report has been considered by	WMCA Programme Board - 8 June 2018

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Note the final report and recommendations from the Productivity and Skills Commission.
- (2) Approve the Regional Skills Plan.
- (3) Approve new governance arrangements for overseeing delivery of the Regional Skills Plan.

1.0 Purpose

- 1.1 To present the Regional Skills Plan for approval, noting this has been informed by the evidence of the Productivity and Skills Commission.
- 1.2 To present the final report and recommendations from the Productivity & Skills Commission.

2.0 Background

2.1 West Midlands Productivity and Skills Commission

The West Midlands Productivity and Skills Commission was set up to identify the skills and productivity challenges in the region; identify the causes of low productivity and skills; and make practical recommendations to address these.

- 2.2 The Commission, chaired by Dr Andy Palmer, Chief Executive & President of Aston Martin Lagonda has brought together leading academics and business representatives to support and sense check the analysis and identify actions required to tackle the challenges identified.
- 2.3 Over the last 12 months, the Commission's work has been given additional impetus with the publication of the Government's Industrial Strategy White Paper in November 2017. Following a Call for Evidence, the Commission's work quickly progressed to include in-depth analyses of the 'Five Foundations of Productivity' as outlined in the White Paper.
- 2.4 The Commission has also undertaken 'Deep Dives' into three of the region's transformational sectors: Business, Professional & Financial Services (BPFS), Building & Construction Technologies, and Automotive. These sectors were chosen based on data demonstrating a high productivity gap (BPFS) or high skill need (Building & Construction Technologies, and Automotive). These deep dives, led by private sector leads from the Commission's Productivity Leadership Group, involve detailed analysis of existing data, and systematic consultation with a range of regional sector stakeholders (well over 120 companies). Further sectoral deep dives building on the approaches taken will be carried out through the development of the West Midlands Local Industrial Strategy.
- 2.5 This work has provided an invaluable evidence base for the development of the West Midlands' Regional Skills Plan (RSP) and Local Industrial Strategy. An Executive Summary of the Productivity and Skills Commission report is included at Appendix A and a link to the full report and other detailed reports of the Commission can be found under section 8.
- 2.6 The Commission's key recommendations, which will be taken forward by the WMCA, are to:
 - a) Develop a more holistic approach to measuring the performance of the economy and the impact of interventions. We recommend a 'systems approach' to outcome mapping and the adoption of a basket of indicators relating to productivity and skills that recognise both the complexity of causality and the limitations of data.
 - b) Establish sector partnerships and a sector-based approach to improving productivity and skills, building on the approaches prototyped by the Commission as a template to take forward through the West Midlands Industrial Strategy.

- c) Explore the opportunity to set up a West Midlands Productivity Taskforce that will enable companies from different sectors to learn from each other, adopting an approach inspired by the ‘Kaizen’ model of continuous improvement.
 - d) Establish a regional governance structure with the place-based leadership and buy-in necessary both at local and national level, to oversee the delivery of the Regional Skills Plan, drive collaboration and maximise the region’s collective investment in skills.
 - e) Support the development and delivery of both academic and technical pathways through formal education and into employment, ensuring that the pathways both exist and are understood and that people can continue to develop their skills when in work. This should include the exploration of mechanisms to bring together public, private and personal investment in skills and maximising the region’s share of the apprenticeship levy.
- 2.7 The Productivity and Skills Commission has also been instrumental in providing a key part of the evidence base for the development of the region’s Local Industrial Strategy. Appendix B details how the reports produced by the Commission underpin and will be taken forward through both the Local Industrial Strategy and Regional Skills Plan.
- West Midlands Regional Skills Plan**
- 2.8 The Regional Skills Plan (Appendix C) builds on the WMCA’s Strategic Economic Plan, setting out priorities, for the next three years, to support delivery against this ambition. The plan also takes forward delivery of the freedoms, flexibilities and pilots agreed in the two West Midlands devolution deals.
- 2.9 The plan is deliberately focused on actions – what the WMCA and key stakeholders can and will do to improve the regional skills base. It has been developed in parallel with the Local Industrial Strategy and will serve as the ‘People’ element to this.
- 2.10 The Regional Skills Plan (RSP) puts skills at the heart of our drive for improving productivity and securing inclusive growth with the following aims:
- a) More people in employment
 - b) More people in higher skilled jobs
 - c) More skilled employees to support business growth and productivity
 - d) All communities benefit from the region’s economic growth
 - e) An agile and responsive skills system that is more aligned to the needs of business and individuals.
- 2.11 The Regional Skills Plan also fulfils a key role in commissioning the future delivery of the Adult Education Budget (AEB). This will transfer to the WMCA from 2019/20, however, for 2018/9, the region’s colleges and adult and community learning providers will set out how they intend to respond to key local and regional priorities, including:
- a) Addressing high youth unemployment and low skills with an increased focus in priority wards to be agreed with local authorities

- b) Increasing the volume and level of skills provision in priority sectors.
- 2.12 The development of the RSP has been built from the evidence base produced by the Commission and further complemented by extensive engagement with key stakeholders and stakeholder groups, as outlined in Appendix D. This has included detailed discussions with Local Authorities, Local Enterprise Partnerships (LEPs) and education and training providers. The plan has also been shaped by discussion at the Strategic Economic Plan (SEP) Board, the Mayor's Business Advisory Group, the Employment & Skills Local Authority and LEP officer group and Programme Board with feedback reflected within the plan. Key businesses and business representatives have also been involved and endorse our plan to improve regional skills.

3.0 Key Issues

- 3.1 The Regional Skills Plan summarises the key priorities for delivering a step change in the region's skills base as follows:
- a) **Prepare our young people for future life and work**
 - i. Create a West Midlands Career Learning Hub to support, develop and co-ordinate an all age careers offer.
 - ii. Improve the focus and impact of careers education and advice to young people.
 - iii. Inspire more young people and encourage them to access new regional opportunities, including those created through Coventry's City of Culture and Birmingham's hosting of the Commonwealth Games.
 - iv. Work closely with Department for Education (DfE) and its agencies, including Ofsted, to highlight regional issues and opportunities.
 - v. Celebrate and promote our most powerful role models - our young talent across the region.
 - b) **Create regional networks of specialist, technical education and training to drive up skills and productivity and underpin economic growth**
 - i. Support the introduction of new Technical Level routes and work experience openings to improve the work-readiness of young people.
 - ii. Create employer-led taskforces, for each of our priority sectors, to drive curriculum and skills provision that meets employers' needs.
 - iii. Develop an investment plan to build teaching capacity and access to industry standard teaching equipment and facilities, across the region.
 - iv. Pioneer skills solutions that support the ambitions of our emerging Local Industrial Strategy.
 - v. Establish the West Midlands as the place to grow digital talent.
 - c) **Accelerate the take-up of good quality Apprenticeships, across the region - double the number of apprenticeships by 2030**
 - i. Maximise Levy investment for the West Midlands.
 - ii. Lead a regional campaign to promote the benefits of Apprenticeships – to employers, young people, employees and key stakeholders.
 - iii. Support more young people to access pre-Apprenticeship provision and to progress into high quality Apprenticeships.

- d) **Deliver inclusive growth by giving more people the skills to get and sustain good jobs and careers**
 - i. Deliver our £4.7m Employment Support Pilot to support those out of work and on low incomes in targeted communities.
 - ii. Establish an employment support framework for the region to improve the co-ordination, commissioning, delivery and impact of all programmes to support the unemployed – including how we shape and inform the future UK Shared Prosperity Fund.
 - iii. Improve the range and impact of the career planning advice that unemployed and low-paid adults can access.
 - iv. Target skills provision to address areas of high need with a particular focus on youth unemployment.
 - v. Improve our focus on upskilling low paid and low skilled residents, to improve their long-term career and income prospects.
 - vi. Ensure that regional economic growth translates to new and accessible opportunities for our residents.
 - vii. Provide a new employment support service for people with a mental health and/or physical health condition in primary and community care through the Thrive into Work project.
 - viii. Support the effective delivery of the Work and Health Programme in the WMCA area working with Jobcentre Plus and DWP and taking an active role in the performance management of the contract
 - e) **Strengthen collaboration between partners to support achieving more collectively**
 - i. Promote the concept of a skills ecosystem for the region which recognises the interdependence of schools, FE, HE, Adult and Community Learning and private and voluntary training providers and facilitates stronger collaboration, with employers, to address regional skills needs.
 - ii. Support our Local Authorities in their work to improve school performance and young people's attainment.
 - iii. Re-design the way we do partnerships – placing residents and businesses at the centre of our skills training offer with clearer progression and integrated training offers
 - iv. Encourage the development of integrated region wide approaches wherever possible so we can develop joint funding bids, shared infrastructure and sharing of good practice.
- 3.2 The RSP will be delivered and developed in an agile and responsive way, responding to new opportunities and challenges as they arise. It provides a focus for our activity at a regional level whilst recognising that local areas may have additional priorities requiring a more localised approach.

4.0 Next Steps

- 4.1 Following approval of the Regional Skills Plan, WMCA will submit the plan to the Department for Education (DfE), and share with the Department for Work & Pensions (DWP) and the Department for Culture, Media and Sport (DCMS), with the endorsement of key stakeholders. This will set out the region's ambition to improve skills and provide the framework for discussions about future funding, including the use of the UK Shared Prosperity Fund.

- 4.2 The publication of the RSP signals a clear move from strategy to delivery phase for the Combined Authority skills agenda, ensuring that we create a skills ecosystem that supports lifelong learning from early years to retirement and beyond, enabling residents to live well and work well. As the WMCA moves from strategy to delivery, it is important we establish new governance arrangements to oversee this activity. The proposal is for the establishment of a new Skills Board, to be chaired by the lead portfolio holder, and supported by an officer group comprised of Local Authority and LEP skills and education leads. The Skills Board will report in to the Combined Authority Board and will be comprised of representatives drawn from key stakeholders including: Local Authorities, LEPs, employers, FE, HE, TUC, DfE and DWP/Jobcentre Plus. The Board will be supported by the Director of Skills and Productivity.

5.0 Legal implications

There are no direct legal implications to this report.

6.0 Financial implications

There are no direct budgetary requests arising from this. We will continue to press government for further funding and flexibility to better enable us to deliver on these priorities.

7.0 Equalities implications

The actions outlined in the RSP are reflected in the WMCA Equalities Scheme.

8.0 Other implications

N/A

9.0 Schedule of background papers

Appendix A: Report of the Productivity & Skills Commission – Executive Summary

Appendix B: Productivity & Skills Commission Output and Next Steps

Appendix C: Regional Skills Plan

Appendix D: List of Consultees

Reports of the Productivity & Skills Commission

These can be found on <https://tinyurl.com/yadwn4yx> or by visiting <https://www.wmca.org.uk/what-we-do/productivity-skills-commission/>

Foundations of Productivity Reports

- *Infrastructure*, Prof. Jun Du, Aston University
- *Business environment in the WMCA region*, Prof. Mark Hart, Aston University
- *Business innovation, diffusion and productivity in the West Midlands*, Prof. Stephen Roper, Warwick Business School
- *Skills*, Prof. Anne Green, University of Birmingham
- *Inward investment and productivity across sectors within the WMCA*, Prof. Nigel Driffield, Warwick Business School

Other Papers

- *Measuring Success – review of indicators and recommendations*, Rebecca Riley, City REDI (University of Birmingham)

Sector-led Reports

- *An Investigation into the Foundations of Productivity for Business, Professional and Financial Services in the WMCA area*, BPS Birmingham, City Redi (University of Birmingham) and Black Country Consortium
- *Construction Skills Gap Analysis for the West Midlands Combined Authority Area* (CITB)

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Appendix A

Report of the West Midlands

Productivity & Skills Commission

Executive Summary

**PRODUCTIVITY AND SKILLS
COMMISSION**



**West Midlands
Combined Authority**

Executive Summary & Recommendations

The West Midlands Productivity and Skills Commission was created to understand the true extent of the productivity challenge in the West Midlands, identifying the component causes and making recommendations to address the issues identified. Its remit was to:

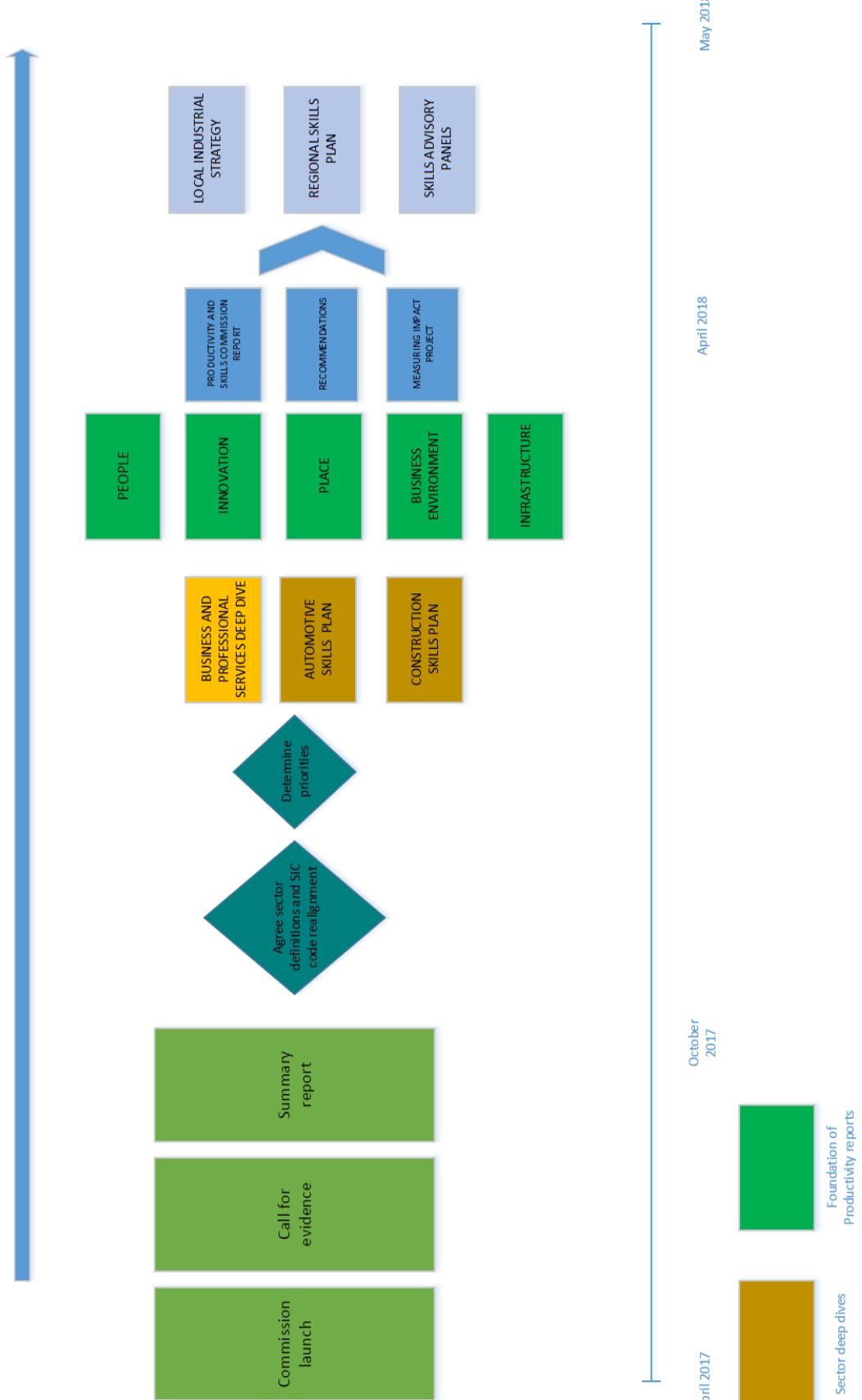
- Understand the component causes and inter-relationships between them;
- Make recommendations as to how these causes can be addressed; and
- Ensure appropriate plans are developed for the implementation of these recommendations and monitoring systems set up to review their effectiveness.

The Commission's task was to understand the component causes of the regional productivity challenge and make evidence-based recommendations as to how to address the particular blockages to the region's ability to support productivity growth.

The Commission's work during the last 12 months has been given additional impetus with the publication of the Government's Industrial Strategy White Paper in November 2017¹. Following a Call for Evidence, the Commission's work quickly progressed to include in-depth analyses of the 'Five Foundations of Productivity' as outlined in the White Paper. Moreover a series of sector-led 'deep dives' within three of the region's priority sectors – Business, Professional and Financial Services (BPFS), Building & Construction Technologies, and Automotive. The process of enquiry that the Commission undertook is outlined overleaf in Figure 1.

¹ *Industrial Strategy: building a Britain fit for the future*; (Industrial Strategy White Paper), HM Government, November 2017

Figure 1: West Midlands Productivity and Skills Commission work plan 2017/18



In terms of the specifics of the Commission's work programme, the rationale for the focus on the White Paper's Five Foundations of productivity provides the opportunity to use West Midlands Combined Authority's (WMCA's) 'trailblazer' status to gain first mover advantage from the early agreement of a Local Industrial Strategy (LIS) and accompanying devolution settlement with government. The sector-led deep dives are at various stages of 'work-in-progress', but they have provided valuable insights – including encouraging signs of growth in Advanced Manufacturing and Engineering (AME) and Business, Professional and Financial Services (BPFS) and strong performance and opportunities in energy and environmental technology.

Leading economists from the Commission's Technical Reference Group analysed the 'Five Foundations' of Productivity in the West Midlands and found:

- **Place.** The region has performed very well in **inward investment**, and has benefited significantly from this investment in terms of "spillovers" in productivity.
- **Ideas/innovation.** The picture is complex with the region performing around the UK average on several measures of innovation, but significantly below the level of the best performing Local Enterprise Partnership (LEP) areas. Within the WMCA area, firms in Coventry and Warwickshire tend to outperform those in the other two LEP areas. National funding supports some aspects of innovation well, but regional initiatives will need to be developed to fill gaps in support.
- The **infrastructure** analysis, both in terms of energy and transport for example, highlight a number of regional advantages which invite further investment. Smart energy and advanced mobility present opportunities, though they are also held back by less than perfect digital connectivity and the need for immediate investment in energy storage, for example. Transport connectivity is good. However productivity is held back by our over-reliance on roads. This is not merely a logistics problem, but translates into supply chain issues and the need to hold and transport stocks across sectors.
- **People.** Our work has also highlighted the importance of **skills** in all sectors. There are a number of cross-sector higher skills issues, around leadership capability, digital skills, the adoption of technology, and knowledge transfer. Skills initiatives also need to be sensitive to place. Some will need to be sector specific and industry-driven, but others will require higher level and generic intervention. A major theme running through the analyses is 'good' jobs growth. This complements the national work and focus of the Taylor Review, but also recognises the need for balanced growth which supports all communities, be that particular areas or demographic groups. Post-Taylor national work is continuing and WMCA should connect with this work.
- **Business environment.** A key finding across this work is that growth and productivity can be found anywhere. As the analysis on both innovation and business development highlight, high growth and innovation can be found in all sectors, and is not limited to those typically thought of as being "high value added". Where a sector-based approach is adopted, it needs nuance to suit local needs. While business growth and productivity show some correlation, this is weaker than may be imagined. Support for the long tail of firms that hitherto have shown no ambition to grow should be generic, non-selective and cost-effective. For those firms currently experiencing high-growth episodes or about to, intensive support should be conditional: supported firms need to demonstrate they can generate positive national (or local) spillovers.

The analysis of the Five Foundations, undertaken by the Technical Reference Group's academic leads, sets out a very honest appraisal highlighting both strengths in terms of inward investment and innovation, and the challenges faced by the skills situation.

The Commission has undertaken 'Deep Dives' into three of the region's transformational sectors: BPFS, Building & Construction Technologies, and Automotive. These sectors were chosen based on data demonstrating a high productivity gap (BPFS) or high skill need (Building & Construction Technologies, and Automotive). These deep dives, led by sector leads from the Commission's Productivity Leadership Group, involve detailed analysis of existing data, and systematic consultation with a range of regional sector stakeholders (well over 120 companies). This has resulted in a detailed report on the BPFS sector; a Sector Skills Plan for the Automotive Sector; and detailed analysis that will inform the production of a Construction Skills Plan. These three reports will be published following the publication of this full Report.

Recommendations

Whilst the report and detailed pieces of sector based work outline a number of detailed recommendations the Productivity Leadership Group has prioritised those outlined below for immediate consideration:

- 1. Develop a more holistic approach to measuring the performance of the economy and the impact of various interventions. We recommend a 'systems approach' to outcome mapping and the adoption of a basket of indicators relating to productivity and skills that recognise both the complexity of causality and the limitations of data.***

We recognise that in terms of the 'reporting' measure of Productivity, Gross Value Added (GVA) per hour is the benchmark we need to monitor. Although there are some recent modest signs of WMCA improvement, we are clear that 'business as usual' strategies will not be adequate to get near Strategic Economic Plan (SEP) productivity goals of "Productivity as measured by Gross Value Added (GVA) per head being 5% above national average by 2030"². The LIS must seek both to deliver step-change performance in disruptive new high value industries and technologies (e.g. electric and autonomous automotive) and significant incremental improvement in the high employment sectors of BPFS, retail, and healthcare.

However, we are persuaded that GVA on its own is an incomplete indicator of WMCA ambitions. The Commission therefore asked City Redi at the University of Birmingham to help develop our thinking in a more holistic direction. Following this work, we recommend the adoption of a wide basket of indicators and make some suggestions in the substantive report [see full Report Chapter 1 – Understanding the West Midlands Productivity Challenge] as to what these indicators might comprise. We also recommend a more systematic use of business surveys in order to provide an evidence base which is more meaningful both to the inclusive growth and to companies themselves.

² WMCA (June 2016), Strategic Economic Plan p.12

2. Establish sector partnerships and a sector-based approach to improving productivity and skills, building on the approaches prototyped by the Commission as a template to take forward through the West Midlands Industrial Strategy.

Building on the sector-led deep dives, we recommend the development of formal sector-based partnerships. Tangible examples are provided by the embryonic construction and automotive skills taskforces. These partnerships could take responsibility for overseeing the delivery of the recommendations which might be pursued as part of a Local Industrial Strategy.

These partnerships should ensure that the business voice is paramount, and that actions relevant to the specific sector are informed by quantitative and qualitative evidence. These partnerships will provide a means for employers of all sizes and sectors to engage with sector development work, especially for SMEs. A possible approach may be to learn from the Skillsnet system in Ireland, which brings employers together and gives them control over how their own skills levy is spent. This approach could be adopted to maximise the impact of the Apprenticeship Levy and other aligned funds in England. In our view, the system could also be extended to other areas of the productivity agenda, for example, Skillsnet for innovation and business enterprise support.

We recommend further investigative work into other key sectors; both as a means to broadening our evidence base and helping to form partnerships which can then take the LIS forward.

3. Explore the opportunity to set up a West Midlands Productivity Taskforce that will enable companies from different sectors to learn from each other, adopting an approach inspired by the ‘Kaizen’ model of continuous improvement.

The analysis has shown that whilst low productivity levels affect most sectors, growth and competitiveness are ubiquitous. Thus while a sector-based strategies makes sense, it should not lead to a silo-based approach to business improvement. We believe there is a need to build coherent eco-systems and networks between providers and businesses, across areas and industries with easy to access pathways between them.

Our work highlights transformational opportunities (e.g. HS2, UK Central, clean energy etc.) which cut across foundations and industries and warrant integrated intensive support. Indeed, in general, we consider it is these cross-cutting areas which may deliver the greatest potential for step-change both in socio-economic outcomes and in the region’s global profile and reputation.

Our deliberations suggest that a co-ordinated West Midlands Productivity Taskforce, based on the ‘Kaizen’ philosophy of process improvement, first adopted in the automotive sector, provides a workable model for focussed improvement using models from different sectors.

A good opportunity for sectors to learn from each other is provided by the introduction of process improvement and standardisation (modular build) in the construction sector. Following the example of the automotive sector, this would enable a better integration of supply chains, leading to better value for the client – which is quite often a public sector commissioner.

In all this, ‘Place’ is critical not merely in understanding the strengths and limitations of the local economy, but also how they interact. This requires more analysis and understanding of the drivers of productivity and growth at a regional, sector and firm level. WMCA should explore the underpinning factors and interrelationships more, building on strengths and addressing weaknesses. This will not only create better understanding and targeting of resources, but help make the business case when bidding for national funding (e.g. National Productivity Investment Fund).

Moreover, with limited funding, clarity of aims and objectives are required to ensure that support is focused on where it can add most value. The Regional Skills Plan (RSP) is currently in development. Similar plans could be developed, through the LIS process, for the other four Foundations of Productivity.

4. *Establish a regional governance structure with the place-based leadership and buy-in necessary both at local and national level, to oversee the delivery of the Regional Skills Plan, drive collaboration and maximise the region's collective investment in skills.*

This needs to capture the nature of the linkages between sectors, and explore the capacity for productivity spillovers both across and within sectors. We need to understand more about the barriers to agglomeration locally, and how sectors can learn from each other, both in technological and pecuniary externalities.

5. *Support the development and delivery of both academic and technical pathways through formal education and into employment, ensuring that the pathways both exist and are understood and that people can continue to develop their skills when in work. This should include the exploration of mechanisms to bring together public, private and personal investment in skills and maximising the region's share of the apprenticeship levy.*

Whilst there are areas of strength and weakness in most of the Foundations as they impact the West Midlands, skills appears to be a particular weak spot. The region trails the national average on most measures. In particular, our work has highlighted the ‘missing middle’ of technical skills at Levels 3 and 4. The skills issue requires action across the board; from basic skills through to technical, professional, leadership and management skills. WMCA, through the Regional Skills Plan and the emerging Skills Advisory Panel (SAP) analysis needs to identify how it can focus national initiatives and developments on the region’s needs, how to focus resources gained through the devolution deals, how to generate additional resources (for example, devolved funding from under-utilised levy), and how to target those resources where they can add most value. The West Midlands should:

1. Maximise the impact of the government’s post-16 reforms by working with Department for Education (DfE) and colleges to drive through a transformation of technical education. The ambition needs to be the development of a coherent co-investment and delivery partnership proposition to Government, built around investments in capacity and delivery that will deliver the improvements in productivity and prosperity.
2. Engage employers in co-designing, co-delivering and co-investing in skills. There is a need to ensure a high quality service to mid-sized employers who can target their skills investment strategically to improve productivity). Proposals could build on growth hubs to embed workforce development in the regional offer to businesses. There could be support for a regionally focussed Apprenticeship Training Agency model in the region which could enable more SMEs to offer high quality Apprenticeships to new employees and lever investment in the region. For example, under-utilised levy funds could be recycled for the benefit of non-levy employers.
3. We recommend the creation of an all-age careers service. This would include an offer not just to schools and young people (potentially by enhancing the work already being undertaken by the Careers and Enterprise Company) but also for returners to the labour market and those who need to ‘re-tune’ their career to respond to rapid economic change and the demands of Industry 4.0.

The full Report of the West Midlands Productivity and Skills Commission and the following supporting reports and papers can be accessed by visiting or <https://tinyurl.com/yadwn4yx>
<https://www.wmca.org.uk/what-we-do/productivity-skills-commission/>

The Foundations of Productivity Reports

- *Infrastructure*, Prof. Jun Du, Aston University
- *Business environment in the WMCA region*, Prof. Mark Hart, Aston University
- *Business innovation, diffusion and productivity in the West Midlands*, Prof. Stephen Roper, Warwick Business School
- *Skills*, Prof. Anne Green, University of Birmingham
- *Inward investment and productivity across sectors within the WMCA*, Prof. Nigel Driffield, Warwick Business School

Other Papers

- *Measuring Success – review of indicators and recommendations*, Rebecca Riley, City REDI (University of Birmingham)

Sector-led Reports

- *An Investigation into the Foundations of Productivity for Business, Professional and Financial Services in the WMCA area*, BPS Birmingham, City Redi (University of Birmingham) and Black Country Consortium
- *Automotive Skills Action Plan* (with Semta) *
- *Construction Skills Action Plan* (with CITB) *

*to be published during Autumn 2018

Appendix B: Productivity & Skills Commission outputs and next steps

	Evidence base	Output	To inform	Next steps
Productivity and Skills Commission	<p>Analysis of economic and firm level data by transformational sector (identified in Strategic Economic Plan)</p> <p>Synthesis of all evidence outlined below.</p>	West Midlands Productivity and Skills – Final Report, June 2018	<p>Regional Skills Plan (RSP), June 2018</p> <p>Local Industrial Strategy (LIS), Autumn, 2018</p>	<p>Skills recommendations will be delivered through the RSP and overseen by CA governance structures - ongoing</p> <p>Sectoral Taskforces to oversee detailed skills action plans/delivery - ongoing</p> <p>Local Industrial Strategy, Autumn 2018</p> <p>Potential for new Productivity Taskforce TBC</p>
Comprised of:				
Analysis of 5 Foundations of Productivity				
Skills	<p>Analysis of skills and labour market information</p> <p>Reviewed by DfE as part of Skills Advisory panel process.</p>	<p>Skills report published, June 2018</p>	<p>West Midlands Productivity and Skills – Final Report, June 2018</p> <p>Regional Skills Plan, June 2018</p>	<p>Skills recommendations will be delivered through the RSP and overseen by CA governance structures - ongoing</p>
Inward Investment	<p>ONS data</p> <p>IBM-Plant Location International database & IBM report for WMCG</p>	<p>Inward Investment & Productivity across West Midlands sectors, June 2018</p>	<p>West Midlands Productivity and Skills – Final Report, June 2018</p> <p>Local Industrial Strategy, Autumn 2018</p>	<p>Inform work of West Midlands Growth Company – ongoing</p> <p>Local Industrial Strategy, Autumn 2018</p>
Innovation	<p>ONS data</p> <p>WM Science & Innovation Audit</p>	<p>“Ideas” Report: Business Innovation, Diffusion & Productivity in the West Midlands, June 2018</p>	<p>West Midlands Productivity and Skills – Final Report, June 2018</p>	<p>Inform priorities of West Midlands Innovation Board - ongoing</p> <p>Local Industrial Strategy, Autumn 2018</p>

			Local Industrial Strategy, Autumn 2018	
Business Environment	WM analysis of Global Entrepreneurship Monitor, ONS	Business Environment in the West Midlands, June 2018	West Midlands Productivity and Skills – Final Report, June 2018 Local Industrial Strategy, Autumn 2018	Key recommendations to be taken forward via Local Industrial Strategy
Infrastructure	<i>Transport:</i> DfT, HMT Public Expenditure Statistical Analyses <i>Digital:</i> Ofcom <i>Energy:</i> BEIS pricing, Digest of UK Energy Statistics	Infrastructure Report, June 2018	West Midlands Productivity and Skills – Final Report, June 2018 Local Industrial Strategy, Autumn 2018	Key recommendations to be taken forward via Local Industrial Strategy
Deep Dive sectoral reports				
Business, Financial and Professional services	Primary research – with 34 employers Analysis of economic and firm level data	Key recommendations, published May 2018 Report: An investigation into productivity drivers for the BPFS sector in the WMCA area, June 2018	West Midlands Productivity and Skills – Final Report, June 2018 Regional Skills Plan Local Industrial Strategy	Detailed Skills Action Plan for Business and Professional Services sector, Autumn 2018
Construction and Building Technologies	Analysis of economic and firm level data CITB Supply and Demand Analysis Analysis of existing provision (ILR data)	West Midlands Regional Construction Skills Report, May 2018	West Midlands Productivity and Skills – Final Report, June 2018 Regional Skills Plan Local Industrial Strategy	Immersion workshops with supply and demand side to draw out key actions. Skills Action Plan for Construction sector, Autumn 2018

Automotive Sector	Regional analysis of national data from Automotive Industrial Partnership Analysis of existing provision – FE and HE level; WM automotive skills survey	Automotive Skills Action Plan, Autumn 2018	West Midlands Productivity and Skills – Final Report, June 2018 Regional Skills Plan, June 2018 Local Industrial Strategy, Autumn 2018	
Energy & Environmental Technology	West Midlands Energy Policy Commission	Energy as an Enabler Report (submitted to Energy Policy Commission), April 2018	West Midlands Productivity and Skills – Final Report, June 2018 Regional Skills Plan, June 2018 Local Industrial Strategy, Autumn 2018	Local Industrial Strategy will consider strengths and weaknesses of sector, including any skills data. Detailed skills action plan to be produced in 2018/19
Health & Life Sciences	Initial analysis based on Strengths & Opportunities database	Key recommendations informed final report	West Midlands Productivity and Skills – Final Report, June 2018 Regional Skills Plan, June 2018 Local Industrial Strategy, Autumn 2018	GBS LEP will lead skills analysis in 2018/19 Detailed skills action plan to be produced in 2018/19
Digital sector	Analysis of economic and firm level data Analysis of supply and demand	Key recommendations informed final report	West Midlands Productivity and Skills – Final Report, June 2018 Regional Skills Plan, June 2018 Local Industrial Strategy, Autumn 2018	Digital Skills Action Plan, Autumn 2018

Advanced Manufacturing & Engineering	Analysis of economic and firm level data	Key recommendations informed final report	West Midlands Productivity and Skills – Final Report, June 2018 Regional Skills Plan, June 2018 Local Industrial Strategy, Autumn 2018	Detailed skills action plan to be produced in 2018/19
Logistics and Transport Technologies	Analysis of economic and firm level data	Key recommendations informed final report	West Midlands Productivity and Skills – Final Report, June 2018 Regional Skills Plan, June 2018 Local Industrial Strategy, Autumn 2018	Detailed skills action plan to be produced in 2018/19
Low Carbon and Environmental Technologies	Analysis of economic and firm level data	Key recommendations informed final report	West Midlands Productivity and Skills – Final Report, June 2018 Regional Skills Plan, June 2018 Local Industrial Strategy, Autumn 2018	Detailed skills action plan to be produced in 2018/19
Measuring Impact Report	Analysis and evaluation of a range of productivity and inclusive growth measures	Report by City REDI: Measuring Success. Review of Indicators & Recommendation	West Midlands Productivity and Skills – Final Report, June 2018 Regional Skills Plan, June 2018 Local Industrial Strategy, Autumn 2018	Key recommendations to be taken forward via Local Industrial Strategy

WMCA Regional Skills Plan



West Midlands
Combined Authority
Productivity & Skills

Contents

- 3.** Foreword
- 4.** Executive summary
- 8.** Policy and Labour Market Context
- 11.** Opportunities
- 11.** Priorities
- 12.** Key Proposals
- 15.** Create regional networks of specialist, technical education and training
- 18.** Accelerate the take-up of good quality Apprenticeships, across the region
- 21.** Deliver inclusive growth by giving more people the skills to get and sustain good jobs and careers
- 25.** Strengthen collaboration between partners to support achieving more collectively
- 26.** From 2019/20: use AEB commissioning powers to deliver impact
- 28.** Delivering Our Ambition

Foreword

Cllr George Duggins

WMCA Skills and Productivity Portfolio Lead
Leader Coventry City Council

Andy Street

Mayor of the West Midlands



A high performing labour market has a crucial role to play in enabling local people, businesses and the wider West Midlands economy to flourish and thrive. The West Midlands Strategic Economic Plan sets out the long-term ambition for the region. This Regional Skills Plan details how the West Midlands Combined Authority (WMCA), working with key partners, will prioritise actions to deliver on that ambition over the next three years.

Our focus is on securing stronger and more inclusive regional growth. Put simply, we want to deliver a better match between the skills of the people in our region and the current and future needs of our businesses, to accelerate productivity and deliver economic growth.

Our region has many significant challenges to overcome, with well-rehearsed issues concerning areas of unemployment, low pay, skills shortages and limited social mobility. However, our opportunities are many too. The region has a young and diverse population, a strong Higher Education base and many Good and Outstanding schools, colleges and training providers. The region's economy is experiencing unprecedented growth with rising productivity, jobs and employment – at levels that currently exceed the rest of the UK. Similarly, there is growth in high value added sectors, new investment and infrastructure, and a growing digital capability that is transforming our key industries. If the skills profile of the area matched the England average annual GVA in the area would increase by around £22bn.

To capitalise on that growth, we need an agile and responsive skills system that can deliver the skills employers need now – and in the future – to secure long-term economic success. This plan has been developed in parallel with our Local Industrial Strategy, ensuring that

economic growth is underpinned by a strong regional skills base, where more people from our diverse communities are given the access, skills and opportunities that they need to succeed.

Our Productivity and Skills Commission, chaired by Dr Andy Palmer, CEO and President of Aston Martin Lagonda has developed a robust evidence base on which we have based our plans to develop the region's skills. This plan describes how the WMCA and its partners will capitalise on the opportunities and improve skills and productivity in the region to deliver more inclusive economic success.

Partnership and added value are at the heart of the new ways of working. Joint ownership of the challenges and the plans to address them will drive meaningful and lasting change. This plan has been developed with the help of key stakeholders including: Local Authorities, Local Enterprise Partnerships, TUC, Colleges, Universities, training providers, Adult and Community Learning organisations and the voluntary sector and builds on the work they are already undertaking.

We have also had strong employer input through the evidence base and recommendations of the Productivity and Skills Commission and directly through employers, Chambers of Commerce and the CBI.

We would like to thank everyone who contributed to the development of this Regional Skills Plan. As well as our local partners, we look to our government partners, particularly the Department for Education (DfE), the Department for Work and Pensions (DWP), the Ministry of Housing, Communities and Local Government (MHCLG), and the Department for Digital, Culture, Media and Sport (DCMS) to support us as we aim to deliver more for our

Executive Summary

The West Midlands is the largest regional economy in the UK, with a labour market of national significance. The region's young population, its excellent connectivity and strengths in key sectors such as advanced manufacturing and digital, all provide the right ingredients for growth and prosperity.

Our Strategic Economic Plan (SEP) set out our ambition to deliver accelerated economic growth across a geography defined by our three LEPs: Black Country, Coventry and Warwickshire and Greater Birmingham and Solihull. We want to grow the output of our economy more quickly, allowing the region to contribute more fully to the success of the UK economy, improving incomes for residents, supporting business to grow and thrive, and reducing the dependency of our area on the public purse. The key target in the SEP is that by 2030 the region's productivity, salaries, skills attainment and labour market participation levels match or exceed the national average.

It is vital that we achieve this through inclusive growth, ensuring that our residents gain the skills and support they need to access new opportunities and benefit from a stronger regional economy.

Recent data indicates that the region has started to reverse previous declines in productivity relative to the national average. However, key labour market dysfunctions persist.

These include:

- A low employment rate and high levels of unemployment in some parts of the region
- Growing issues of poverty for those in employment, driven by low wage levels
- Low skill levels in the population, with fewer people qualified to Level 4 and above and more people with no qualifications, compared to other areas
- Persistent skills shortages faced by employers. Around

1 in 4 vacancies in the region are classed as 'hard to fill', particularly in roles that require advanced and/or higher skills

- Uneven development and attainment by young people through early years, primary, secondary and tertiary education and training

There is much good work already underway to address these challenges. However, some of the issues remain stubbornly persistent and local partners recognise that more needs to be done to transform our labour market and meet the aims of the SEP.

We recognise that skills and productivity can be a complex picture. We have an opportunity through our commissioning of the Adult Education Budget to generate a shift in the way the region works together to deliver more for our residents and for our businesses. This is a significant amount of investment – over £100m – that we want to see deliver more outcomes aligned to our priorities. AEB is currently delivering a significant amount of learning below level 2 and whilst this is meeting a need we want to see a significant increase in the number of level 3 and 4 qualifications being delivered, particularly in priority sectors.

We are also clear that we have some sectoral priorities – advanced manufacturing, building technologies, digital and business and professional services where we want to dramatically increase the number of skilled people and the level of their skills. Whilst we recognise the role of all sectors in our regional economy these are transformative sectors that have the potential to drive inclusive growth more significantly and at a greater pace than others.

That's why WMCA has worked with its partners to develop the Regional Skills Plan with the clear aims of:



More people to move into employment



More people to move into higher skilled jobs



More skilled employees available to support business growth and productivity



All communities to benefit from the region's economic growth



An agile and responsive skills system that is more aligned to the needs of business and individuals

The actions developed with our partners to respond to these ambitions are summarised in the following pages



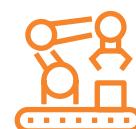
1. Prepare our young people for future life and work

- Create a West Midlands Career Learning Hub to support, develop and co-ordinate an all age careers offer.
- Improve the focus and impact of careers education and advice to young people.
- Inspire more young people and encourage them to access new regional opportunities, including those created through Coventry's City of Culture and Birmingham's hosting of the Commonwealth Games.
- Work closely with the Department for Education (DfE) and its agencies, including Ofsted, to highlight regional issues and opportunities.
- Celebrate and promote our most powerful role models - our young talent across the region.



2. Create regional networks of specialist, technical education and training to drive up skills and productivity and underpin economic growth

- Support the introduction of new T-level routes and work experience openings to improve the work-readiness of young people.
- Create employer-led taskforces, for each of our priority sectors, to drive curriculum and skills provision that meets employers' needs.
- Develop an investment plan to build teaching capacity and access to industry standard teaching equipment and facilities, across the region.
- Pioneer skills solutions that support the ambitions of our emerging Local Industrial Strategy.
- Establish the West Midlands as the place to grow digital talent



3. Accelerate the take-up of good quality Apprenticeships, across the region - double the number of apprenticeships by 2030

- Maximise Levy investment for the West Midlands.
- Lead a regional campaign to promote the benefits of Apprenticeships – to employers, young people, employees and key stakeholders.
- Support more young people to access pre-Apprenticeship provision and to progress into high quality Apprenticeships



4. Deliver inclusive growth by giving more people the skills to get and sustain good jobs and careers

- Deliver our £4.7m Employment Support Pilot to support those out of work and on low incomes in targeted communities.
- Establish an employment support framework for the region to improve the co-ordination, commissioning, delivery and impact of all programmes to support the unemployed – including how we shape and inform the future UK Shared Prosperity Fund.
- Improve the range and impact of the career planning advice that unemployed and low-paid adults can access.
- Target skills provision to address areas of high need with a particular focus on youth unemployment.
- Improve our focus on upskilling low paid and low skilled residents, to improve their long-term career and income prospects.
- Ensure that regional economic growth translates to new and accessible opportunities for our residents.
- Provide a new employment support service for people with a mental health and/or physical health condition in primary and community care through the Thrive into Work project.
- Support the effective delivery of the Work and Health Programme in the WMCA area working with Jobcentreplus and DWP and taking an active role in the performance management of the contract.

5. Strengthen collaboration between partners to support achieving more collectively

- Promote the concept of a skills ecosystem for the West Midlands which recognises the interdependence of schools, Further Education (FE), Higher Education (HE), Adult and Community Learning and private and voluntary training providers and facilitates stronger collaboration with employers, to address regional skills needs.
- Support our Local Authorities in their work to improve school performance and young people's attainment.
- Re-design the way we do partnerships – placing residents and businesses at the centre of our skills training offer with clearer progression and integrated training offers.
- Encourage the development of integrated region wide approaches wherever possible so we can develop joint funding bids, shared infrastructure and sharing of good practice.

Policy and Labour Market Context

The West Midlands is a thriving place to live and work. The regional economy is growing and the forthcoming City of Culture 2021 and Commonwealth Games in 2022 will provide the opportunity to showcase our youth, vibrancy and creativity.

The Productivity & Skills Commission was convened to understand the true extent of the productivity challenge in the West Midlands, identify the component causes and make recommendations. The work included an in-depth analysis of skills as one of the five foundations of productivity and a number of sectoral reviews and deep dives into priority sectors. The analysis and findings have informed the development of this plan.

Our Context

Despite improved growth and positivity our region is facing a number of key labour market challenges, notably that not all of our residents are benefitting equally from the economic growth we are seeing. The context in which we describe our skills ambitions includes the following:

A low employment rate

The WMCA area has the lowest employment rate of any mayoral combined authority. Across the three LEP areas, 70% of 16-64 year olds are employed, well below the national average (75%)¹. Analysis by the Resolution Foundation in 2016² suggests there are two primary factors contributing to this:

- The slow recovery in labour demand in the region since the recession;
- Low employment levels among Black and Minority Ethnic (BAME) groups, people with low skills, and non-single mothers.

High levels of unemployment.

The unemployment rate across the three LEPs is 5.7%, above the England average of 4.5%³. Sandwell, Birmingham and Wolverhampton are among the ten local authorities nationally with the highest unemployment rate. Unemployment rates vary considerably across the region, pointing to place-specific barriers to labour market participation.

A growing number of jobs

The West Midlands had the largest increase in employment and the biggest decrease in economic inactivity of any region over the last year, and the second biggest reduction in unemployment in the last quarter. The employment rate in the region is now at a record high, although unemployment remains high.

A large and growing population of young people which creates a huge potential competitive advantage for the region.

There are 837,000 people aged under-16 across the three LEP areas⁴, 20.4% of the total population, rising to 22.8% in Birmingham. This is above the national average of 19.1%. Our challenge is to maximise engagement of our young people in employment – currently youth unemployment remains stubbornly high with 14,500 young people unemployed.

School attainment is improving

Overall 82.3% of 19 year olds in the West Midlands region were qualified to Level 2 in 2017, compared with 83.6% nationally and although there is still an attainment gap for pupils eligible for free school meals the West Midlands was 19.2 – slightly better than the national average (20.1). There is a similar picture at Level 3 where overall 55.6% of 19 year olds in the region were qualified to Level 3, lower than the national average (57.5%) with an attainment gap for FSM pupils of 22.8 – slightly better than the national average (25.2).

High numbers of residents with no qualifications

This is high at 13%⁵. Forecasts predict that changes in employment and advances in technology mean that jobs accessible to those with no qualifications will fall by 42% between 2012 and 2022.

A high number of residents in low paid jobs.

One in four jobs pay below the 'real living wage'⁶. Salary levels vary: the median full time weekly wage for Black

Country residents is £479 (the lowest of any LEP), compared to £533 in GBS LEP and £556 in Coventry and Warwickshire⁷. This is partly driven by a lower proportion of jobs in the three LEP areas in management, professional or associate professional roles than the national average of 46%⁸. (This is at its lowest in the Black Country (33.7%), with levels in the GBS and Coventry & Warwickshire LEPs a few percentage points below the national average).

A quarter of vacancies are described by businesses as "hard to fill"

There are high skilled jobs in the region - 36% of jobs requiring skills at level 4 and above – but this exceeds the qualifications profile of the population (30%). Forecasting models predict that jobs requiring higher level skills will have grown by 36% between 2012 and 2022⁹.

A genuine shared ambition to realise change

We have a strong group of universities, a positive and collaborative FE sector and innovative and agile training providers – giving us a solid infrastructure on which to build further partnerships that add value.

The wider policy landscape

The policy and wider economic landscape is characterised and shaped by changes in the occupational structure of the labour market, driven by technology, global trade and regulation. This presents new challenges and opportunities: for workers, employers, providers of employment and training services.

The potential impact of Brexit is set to be a major influence on the skills we need to develop in our workforce as the prospect of reductions in the free movement of labour reduces the availability of foreign-born skilled workers to employers in the area. The impact of changes in immigration policy will probably vary by sector and occupation, given the current distribution of European Union (EU) workers in employment.

According to a briefing note prepared by the Migration Advisory Committee on EEA-workers in the UK labour market, workers from the EEA are disproportionately concentrated in low-skilled occupations (49% of EEA workers in 2016), compared with 38% of UK workers and 39% of workers from the rest of the world. By contrast, only 24% of EEA workers are in high-skilled occupations, compared with 29% of UK workers and 35% from the rest of the World. This reflects their disproportionate concentration in occupational terms as packers and workers in food processing occupations and elementary storage occupations.

¹ Source: ONS Annual Population Survey, Dec 2017 ² Source: D'Arcy, C (2016), Midlands Engine Trouble, Resolution Foundation; <https://www.resolutionfoundation.org/app/uploads/2016/12/West-Midlands-Metro.pdf> ³ Source: ONS, ibid ⁴ Source: ONS Population Estimates, 2016 ⁵ Source: ONS, ibid ⁶ Source: KPMG Living Wage Report 2017, KPMG; <https://home.kpmg.com/uk/en/home/insights/2017/11/kpmg-living-wage-research-2017.html> ⁷ Source: ASHE 2017, ONS ⁸ Source: ONS, ibid ⁹ Source: UKCES (2014), Working Futures 2012-2022 <https://www.gov.uk/government/publications/working-futures-2012-to-2022>

Sectors with the highest concentrations of EEA workers are retail, food and beverage service, education, manufacture of food products, human health activities and construction of buildings. This outlines the wide range of sectors vulnerable to a change in immigration policy. (Of course, Brexit itself has implications for trade – with analyses of trade flows suggesting that the West Midlands is particularly vulnerable), which in turn has implications for labour requirements.

In the region we are developing our Local Industrial Strategy as one of the government's three pathfinder areas to ensure that the region's economy is fit for the future and that we are investing in the development of skills to meet the changing needs of business, increasing productivity and driving growth across the whole region. This will be a joint plan with government to make the region Europe's largest concentration of high-value industry in a new industrial age. It will build on the West Midlands' unique assets and be based on a detailed understanding of the region's business base and the actions needed to sustain growth. It will focus on specific sectoral opportunities and investment in skills and human capital to drive productivity and inclusive growth.

Government has set out the roadmap for major reforms to technical and vocational education creating new opportunities to deliver the skills we will need to deliver the Local Industrial Strategy. This includes new T Level pathways, as well as reforms to apprenticeship funding and delivery. This provides us with an opportunity to shape the development and implementation of new routeways in our region aligned to the skills that employers are saying they need. Through joint working, co-design and the provision of high quality work placements we can ensure we are collectively shaping the skills and igniting the aspirations that young people gain through technical education.



It will focus on specific sectoral opportunities and investment in skills and human capital to drive productivity and inclusive growth.



Welfare reform, most clearly through the introduction of Universal Credit is designed to improve progression into jobs and progression to higher levels of pay among those already in work. Traditionally, funding from the Department for Work and Pensions has focused on training solutions to reduce the out-of-work claimant count, but with the advent of Universal Credit there is a greater emphasis on focusing on training of those in employment that will help increase their income.

A new **National Careers Strategy**, seeking to enhance the quality and availability of careers advice and support to people of all ages.

Devolution through West Midlands Combined Authority is providing the opportunity for national policy to be delivered in a localised context – meaning a focus on what matters to us in the West Midlands and how the policies can be applied to give the greatest benefits to our residents and our economy. We have successfully secured two devolution deals to date. The first promises a contribution to the WMCA investment fund of £36.5m a year over a 30 year period from government, devolution of the Adult Education Budget, co-design of the DWP Work & Health Programme and a pilot to support the hardest to help into employment. The second in November 2017 brings £520m from the Transforming Cities Fund, with a proportion earmarked for the Wednesbury to Brierley Hill tram extension, capacity funding of £6m over three years from 2017/18, a £5m construction skills initiative and a commitment to negotiating a housing deal and a pledge to work together on a Local Industrial Strategy. It names the West Midlands as one of three national pilots for Housing First with a share of £28m funding.

Opportunities

Across the region there are a significant number of investments that provide opportunities for new job creation and economic growth.

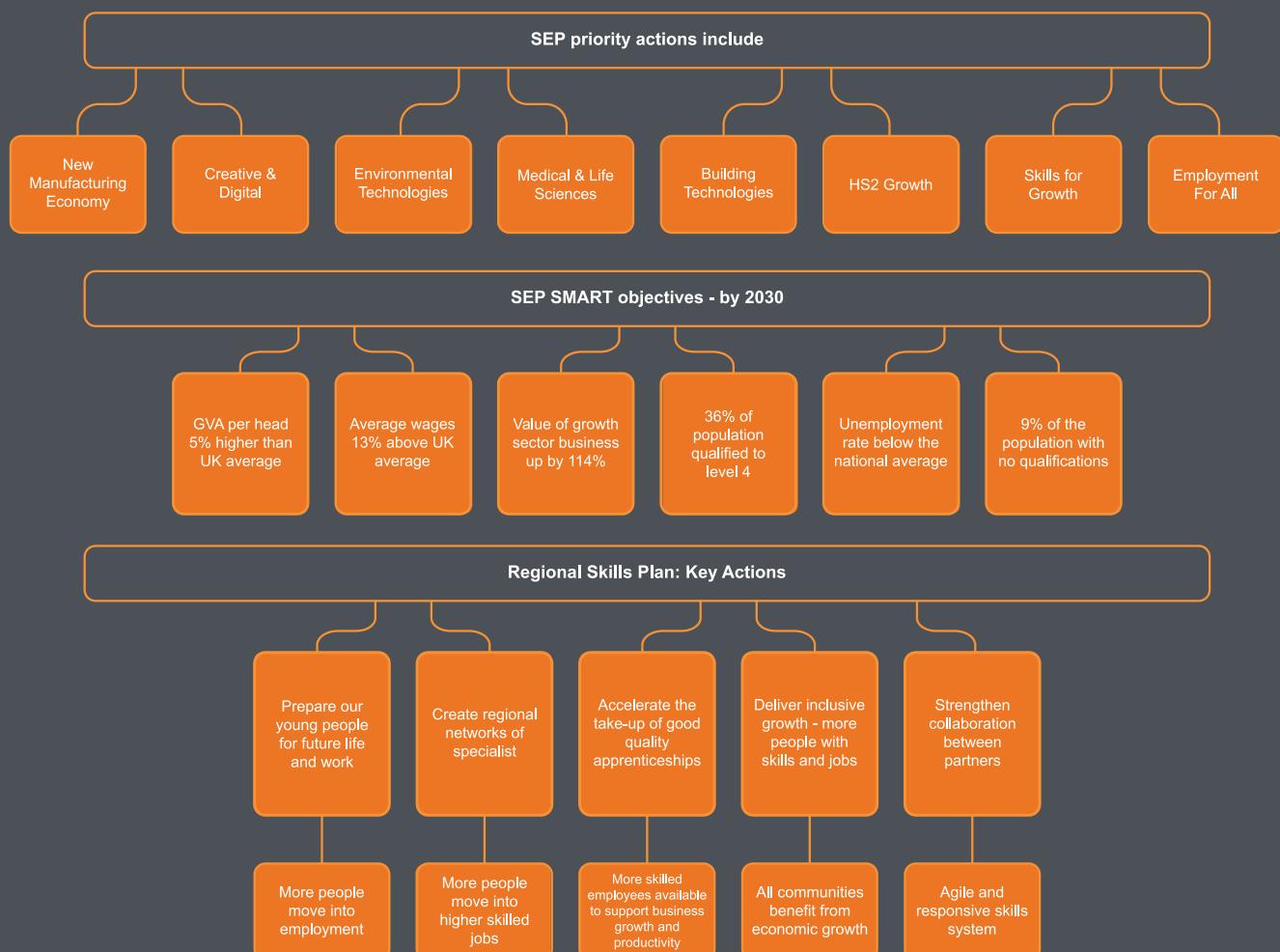
They include:

- HS2 development
- Major new homes development aligned to the ambition to build 12,000 new homes each year
- New metrolink and rail developments
- Commonwealth Games
- Coventry City of Culture 2021
- Birmingham Life Sciences park

Priorities

The Regional Skills Plan is focused on actions that strengthen the regional response to labour market challenges and opportunities by enabling:

- More people to move into employment
- More people to move into higher skilled jobs
- More skilled employees available to support business growth and productivity
- All communities to benefit from the region's economic growth
- An agile and responsive skills system that is more able to respond to the needs of businesses and individuals.



Key Proposals



1. Prepare our young people for future life and work

The West Midlands is a young region with close to a million or 20.4% of our population under the age of 16 compared to the national average of 19.1%. This demographic gives us a significant competitive advantage if we can equip all of our young people with 21st century technical skills by the time they leave education and training.

However, too many of our young people are not getting the start in life that they need – with many already lagging behind the national average in terms of expected levels of development by the age of 5. This is particularly acute for children from deprived backgrounds where 50% are not achieving a good level of development at age 5 (compared to 34% nationally). This continues to hold young people back – with more post-16 learning focused at Level 2 (GCSE equivalent) where we would expect to see learning focused at Level 3 and above. This reduces the flow of higher skilled people into the labour market and also means we are not realising the full potential of our young people and communities.

In addition to attainment levels, employer feedback regularly highlights issues in relation to the ‘work readiness’ and employability skills among young people. Across the region’s business community, there are increased concerns about the lack of awareness of job and career opportunities – amongst young people, graduates and adults looking to upskill.

Lack of careers advice limits aspirations, particularly for young people who come from families without experience of higher education, or who live in areas of deprivation, or whose ethnicity or gender is under represented in certain occupations. Too few young people meet employers. Research from the Education and Employers Taskforce shows that a young person who has four or more encounters with an employer is 86% less likely to be

unemployed or not in education or training and can earn up to 22% more during their career.

There are examples of emerging good practice in parts of the region and our proposal builds upon this, but currently only 45% of secondary schools and colleges in the WMCA area are covered by the Careers and Enterprise Company (CEC) Enterprise Advisor Network (EAN) against a national figure of 63% meaning too many young people are missing out on essential guidance and support.

This is similar for adults where information, advice and guidance provided alongside Jobcentre Plus provision is insufficient in volume or depth of intervention to work to best effect for other client groups particularly adults in work.



Actions

Create a West Midlands Career Learning Hub to support, develop and co-ordinate an all age careers offer

We will:

- Work in partnership with national and regional organisations such as Aim Higher, STEM Learning, Big Bang and Engineering UK who have a shared agenda.

- Set out a clear strategy and investment plan overseeing and coordinating existing investment, particularly in relation to CEC and National Careers Service (NCS) activity, and stimulating new investment, particularly through the private sector
- Trial a place-based approach to careers education so we can better evaluate and look in forensic detail at careers education and the intervention and impact in schools so we establish what works for our young people.



Improve the focus and impact of careers education to young people We will:

- Seek to co-commission any new careers related activity funded through central government, particularly via CEC, based on a clear understanding of local challenges and provision and based on evidence of what works in the region.
- Become a centre of excellence for prototyping and testing approaches to career learning, particularly working with CEC to develop approaches to gathering and communicating Labour Market Information, destination data and digital approaches to career learning.
- Explore cutting edge digital solutions to tackling the career learning challenge.

Inspire more young people and encourage them to access new regional opportunities

The West Midlands is a great place to live and work and through the improvements to careers education, we will develop ways of ensuring that young people are aware of the career opportunities created by the growth of the region. As part of this work, we will:

- Roll out the Mayor's Mentors programme to 10,000 young people by 2020.
- Capitalise on the effect of big events such as Coventry's City of Culture, Commonwealth Games, and large-scale investments like HS2 to highlight opportunities and future careers.
- Set out a clear offer to employers, educational institutions and local communities on how they can find

out about future careers and get involved in supporting this agenda.

Work closely with DfE and its agencies to highlight regional issues and opportunities

The entrenched issues in our communities that have the lowest levels of social mobility will require focused action and investment to secure the step change required. We will continue to press government for funding to support our most deprived areas, with a particular focus on the needs of the Black Country districts. Our specific focus will be to address high levels of need identified via the Social Mobility Index. We will:

- Work to join up pre and post 16 policy implementation locally and highlight to DfE where conflicting policies are having an adverse impact locally so that we get the best solutions for residents.
- Advocate a more effective focus on careers and curriculum alignment through the Ofsted framework
- Promote a more consistent offer to schools to ensure young people are aware of wider opportunities, careers and apprenticeships.
- Work with key local partners to ensure a smooth transition between Key Stage 4 and 5, from pre-16 to post-16 learning, including the development of clearer pathways from schools to T Levels and Apprenticeship opportunities.
- Maintain a clear focus on youth unemployment and NEET (Not in Education, Employment or Training) prevention strategies.



Celebrate and promote our most powerful role models - our young talent across the region

No-one speaks to young people like other young people. We know there is a need for interventions with employers to drive aspiration and widen opportunity but we want to harness peer to peer communication to improve awareness of jobs, careers, lifestyles and what can be achieved living in the West Midlands. We will facilitate a region wide peer to peer communication approach that is run by young people for young people.

- Promote volunteering opportunities to young people/students across the region as part of City of Culture and Commonwealth Games.
- Provide opportunities for young people to engage in co-designing services and provision and to engage in peer to peer mentoring.

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No-one speaks to young people like other young people.

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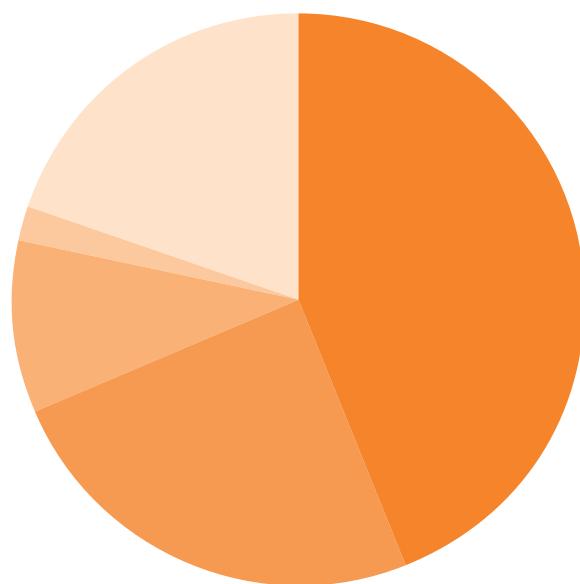
2. Create regional networks of specialist, technical education and training

Aligning our skills delivery infrastructure to priority growth sectors, particularly those targeted through our Local Industrial Strategy, is essential to driving up productivity across the region.

The profile of employers in the West Midlands – with concentrations of employers in key sectors such as advanced manufacturing, digital and construction and building technologies – provides an excellent basis for strengthening demand for advanced and higher technical skills.



AEB enrolments 2016/2017 by Level



- Below Level 2
- Level 2
- Level 3
- Level 4 Plus
- Unassigned

With the exception of a small number of colleges that deliver large volumes of apprenticeships, the current pattern of Further Education (FE) College delivery in the region is overwhelmingly classroom-based. Data from the Education & Skills Funding Agency (ESFA) shows that delivery of classroom-based programmes by colleges in the region outweighs apprenticeship delivery by a ratio of 5 to 1¹⁰.

The majority of learning funded through the Adult Education Budget (AEB) in the region is relatively low level and in non-technical areas. Of the 213,000 enrolments in 2016/17, 72% were at Level 2 and below. This means we are not utilising our AEB to deliver higher level skills needed in our priority sectors.

Much focus has been applied recently to improving the range, quality and relevance of technical and vocational education and training at a national and local level. Reforms to post-16 learning via the introduction of T Level pathways, new Apprenticeship Standards and the Apprenticeship Levy, all point to a significant re-balancing underway in our education system towards technical and vocational skills.

We know a lot of the young people in colleges in the West Midlands will not start their FE study on T Levels – many will access the transition year programme – which they will need to prepare them for technical study at Level 3. Currently, only 34% of regional FE provision is at Level 3 or above and last year, only 6,170 Level 4 qualifications were delivered by FE across the region.

¹⁰ Source: DfE FE starts data: apprenticeships and education & training, 2016-17

This is being felt particularly in the Business & Professional Services sector where there is a significant shortage in middle management that is impacting on productivity.

Advanced learner loans have increasingly become the only funding source for vocational training above Level 3 for most adults but take up has been in decline impacting on skills supply.

The investment capacity of FE colleges has been severely constrained by reductions in revenue funding, and the need to maintain adequate cash balances. This has been exacerbated by a number of colleges undergoing mergers and / or implementing financial recovery plans. Regional investment in FE estate has been ad hoc and institutionally led – not the strategic, industry-led model that is needed to meet future skills demands. The current Local Growth Funding available is limited and will not be sufficient to implement the requirements of T Levels.



Actions

Support the introduction of T Level routes and work experience openings to improve the work-readiness of young people

- Ensure the successful roll-out of T Level pilots in the region with clear employer engagement and work experience opportunities.
- Work closely with the colleges, schools and providers piloting T Levels to understand challenges and share practice across the region.
- Support the development of a strong transition year programme that prepares young people for further study on T Levels or into apprenticeships.
- Investigate the potential for a new digital platform to enable easier access to work experience placements and high quality labour market intelligence on local jobs and careers data.

Create employer-led taskforces to drive curriculum and skills provision that meets employers' needs

We want to establish real system leadership across the region. Making the policy framework work for us in the region will be our focus. We will expect more from each other and look at making things happen rather than waiting for government to fix or change things. That doesn't mean we will shy away from being bold when something matters and we feel there needs to be a better deal for our residents or businesses.

We will:

- Establish employer-led taskforces (including representatives from trade bodies and other key stakeholders) to lead their sector's engagement with the region's technical and professional skills offer. Taskforces will focus initially on Construction, Automotive, Business and Professional Services and Digital, working with providers to:
 - Develop region-wide training offers to meet current and future employer need.
 - Co-design curriculum with industry specific content and support, including work experience placements.
 - Develop and promote clear progression routeways for learners, enabling more people to progress between levels and across institutions to realise their full potential.
 - Other sectors will be considered as new challenges and opportunities arise with a direct link to our Local Industrial Strategy sector plans.
 - Maximise the outcomes from our Regional Construction Training Fund and look to extend this approach to other sectors.
 - Increase the volume of leadership and management training in particular linked to STEM specialisms.

Develop an investment plan to build teaching capacity and access to industry standard teaching equipment and facilities, across the region

Changes in the occupational structure of the labour market are challenging providers to respond with training that meets employer needs. In their submission to the Productivity and Skills Commission, the West Midlands FE Skills and Productivity Group sought an “immediate and substantial rethink” of how technical education is delivered, advocating a “single integrated system for development”. We have an opportunity to maximise the impact of the Institutes of Technology in upskilling the workforce and to extend the benefits of this investment across the region.

The financial position of our colleges suggests that doing nothing is not an option. With average deficits of 1.3%¹¹, the region risks deterioration in the financial health of its major FE providers unless they can respond with more high quality delivery that employers will invest in. We propose to:

- Build FE capacity by seeking to secure additional DfE funding, alongside employer and partner investment, to develop the technical provision that the region’s economy needs.
- Work with and support the FESPG in encouraging the FE provider network to act together in developing new provision or ways of working in response to employer needs, building FE capacity to pool its resources and investment plans in key sectors.
- Use our leverage with business to support FE Colleges to develop the capacity and capability required in their organisations.

Pioneer skills solutions that support the ambitions of our Local Industrial Strategy

As part of the employer-led approach described above, the RSP will play a key part in delivering the region’s Local Industrial Strategy, via:

- The development of new world-class provision for the construction/building technologies sectors, with

an emphasis on modern methods of construction and digital skills.

- Support for the new Advanced manufacturing Institute of Brownfield Reclamation;
- Develop new world-class provision for the advanced manufacturing sector, with an emphasis on electrification and the shift to connected, autonomous vehicles.
- Aligned to the regions Institutes of Technology establish Digital Learning Spaces to extend access across the region to skills delivery in tech, automotive (CAV/electrification) and building technologies (advanced construction methodologies).

Establish the West Midlands as the place to grow digital talent

Digital – as a sector itself and as a key skills requirement across all key sectors – is critically important to our region achieving its GVA and growth ambitions. Our region is the largest centre for digital and tech enterprises outside London but almost three-quarters of large employers and half of SMEs in our region report digital skills shortages. The pace of technological change makes it difficult for skills providers to keep up – capital is expensive, industry-standard tutors even costlier.

Less than half (47%) of those working in digital-related jobs are employed in the digital sector. There is a national shortage of digital skills and a lack of clarity about what skills are most needed and how best to address this given limited college and training provider capacity.

Our ambition is to triple the output of the creative and digital sector in the region by 2030, growing the sector’s output by £7bn, increasing the number of jobs by 29,000. Therefore, we will:

- Excite and engage more young people and adults to consider digital skills and careers.
- Roll out Mayor’s Mentors programme to include a greater focus on digital careers.

¹¹ Source: published accounts of colleges within GBS, Coventry & Warwickshire and Black Country LEPs

- Transform the scale and focus of digital skills in the West Midlands through a radical reinvention of digital skills learning by introducing a Teach **Digital** Programme – working with key industry partners to source and deploy Digital Skills Innovators, to support FE digital skills delivery across the region including piloting of Digital T Levels.
- Extend the successful School of Code model to provide intensive, employer-designed training provision (bootcamps) that retrain and upskill unemployed/low paid with in-demand skills to fill jobs in data analytics, cyber security and automation.
- Explore the potential for a cross cutting ‘working in digital’ programme that focusses on the application of digital skills in critical thinking, problem solving, design, service improvement.
- Establish a small group of the most innovative delivery providers and pilot solutions that challenge traditional delivery and engagement methods with a focus on digital apprenticeships.
- Through our AEB commissioning, increase the volume of technical and advanced digital skills at Level 3 and above that support all sectors.
- Embed digital in a range of new training initiatives and pilots (eg Career Learning, Flexible Learning, Women Returners Pilots) to improve productivity and career prospects.

“Our region is the largest centre for digital and tech enterprises outside London but almost three quarters of large employers and half of SMEs in our region report digital skills shortages.”



3. Accelerate the take-up of good quality Apprenticeships, across the region

Apprenticeships form a central plank of our strategy to grow the supply of skills that employers in our region need to achieve growth, enabling residents to access opportunity. Our region is home to some of the country's best apprenticeship programmes, providing world-class training and support that enables business and our residents to compete globally but we need to do more.

The numbers of people starting apprenticeship has fallen across the country with the largest drop in the West Midlands. Yet we have businesses with skills gaps and persistently high youth unemployment (14,520 young people aged 18-24 are unemployed across West Midlands). This demonstrates a misalignment and a missed opportunity.

A key issue is that many of our young people aren't ready to take up apprenticeships. Almost 4 in 10 children in the region do not achieve a good level of development by the age of five years. This figure rises to over 5 in 10 among children from deprived backgrounds. High levels of post-16 learning delivery at level two and below (including English and maths) highlights shortcomings in the attainment of many learners in pre-16 provision – which means they don't meet the entry criteria for many apprenticeships.

There are groups who are consistently least likely to enter an apprenticeship. Particularly some BAME groups and care leavers. For example, only 3% of looked-after young people (16-18) take up apprenticeships compared to c.10% young people nationally. There are also financial reasons that prevent some of our young people benefitting from apprenticeship opportunities. The YMCA have flagged concerns that young people starting an apprenticeship are mainly on the apprenticeship minimum wage but their family may lose entitlement to housing benefit, child tax credit and child benefit. The financial disincentive to participation is a reality for all too many families in some of our communities.

Access to traineeship and pre-apprenticeship provision is patchy – only 6,837 Traineeships were delivered in 2016/17 which means the bridging and preparation that many young people need isn't available.

Not enough employers are offering apprenticeship opportunities. Some 35% of regional businesses aren't engaged with the skills infrastructure and this proportion increases when looking at Small to Medium sized Enterprise (SMEs). The majority of companies are still unclear about the benefits of apprenticeships and wider fit with their business and workforce strategy.

The benefits of the apprenticeship reforms have not yet been realised. The regional apprenticeship market is led by provider behaviour rather than informed by confident employer demand. The levy is not being spent by the employers that are paying it and many employers feel the passporting of funds is restrictive at present.

We are seeing increases in higher level apprenticeships in the region and in the proportion of Science, Technology, Engineering and Maths (STEM) related apprenticeships, however female participation in STEM apprenticeships remains significantly below males.



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The benefits of the apprenticeship reforms have not yet been realised.

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In response to the risks and issues highlighted above, a series of proposals have been developed with key stakeholders, to ensure that high quality apprenticeship growth is at the forefront of the RSP:

Maximise levy investment for the West Midlands

- Secure DfE's commitment to maintaining West Midlands levy investment within the region, test more flexible passporting of unspent levy; gain employers commitment to create a West Midlands SME Apprenticeship fund – target key sectors, higher levels, supply-chains and under-represented groups.
- Establish a joint working arrangement with the Education & Skills Funding Agency (EFSA), National Apprenticeship Service (NAS) and DfE that pilots new approaches to market stimulation and includes sharing of intelligence and joint account management to enable more effective strategic planning with each levy payer, focussed on key issues of productivity, innovation and efficiency improvements.
- Work closely with our universities and other HE providers to agree growth targets to increase the range and volume of higher level Apprenticeships, including Degree Apprenticeships, available to West Midlands residents and businesses.

Lead a regional campaign to promote the benefits of Apprenticeships – to employers, young people, employees and key stakeholders

- Lead a focused regional campaign to promote apprenticeships to the region's employers and young people, particularly targeting under-represented groups, and maximising the opportunities afforded by regionally held events such as the Skills Show and Big Bang. This needs to build on, and amplify, existing activity through coaching and support for young people.
- Establish with DfE, an Apprenticeship Taskforce that identifies opportunities for scaling up and accelerating Apprenticeship take-up in the West Midlands. To include, piloting approaches that drive up engagement amongst young people, particularly from under-represented communities, and SMEs, as well as increasing the range and volume of STEM (Science, Technology, Engineering & Maths) and higher level apprenticeships.
- Increase awareness and take up of the subsidised apprenticeship travel offer in the region where apprentices can travel for work, study and leisure at child's fare.
- Work with public sector levy payers to encourage the use of their apprenticeship levy and to secure more apprenticeship places through their procurement activities that extend beyond employment entry and include 'good' jobs.

Support more young people to access pre-Apprenticeship provision and to progress into high quality Apprenticeships

- Establish and promote a regional pre-Apprenticeship and traineeship offer, including piloting Access to Apprenticeships in growth sectors.
- Promote more Traineeships and Apprenticeships to young unemployed people to increase take up and successful participation as a route to greater social mobility.
- Link under-represented groups to new Apprenticeships created through joint working with organisations with the Prince's Trust and the Children's Society.



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Increase awareness and take up of the subsidised apprenticeship travel offer in the region where apprentices can travel for work, study and leisure at child's fare.

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4. Deliver inclusive growth by giving more people the skills to get and sustain good jobs and careers

Despite a positive economic forecast, the West Midlands faces major challenges in ensuring that all residents are enabled to benefit from the region's business growth. Though labour market conditions have improved, the overall rate of employment among working age residents in the region is low, while high unemployment blights certain localities.

Some local communities fare very badly: black and minority ethnic (BAME) employment rates are 15 percentage points lower than for white groups. There are similar disparities for those with disabilities and low/no qualifications. West Midlands region has the highest proportion of residents with no/low qualifications (13% compared to national average of 8.9%) – a significant risk to economic growth fuelled by higher skills needs (36% growth in jobs requiring Level 3 and above between 2012 and 2022).

Poor labour market outcomes affect the West Midlands more than other mayoral combined authorities. This is despite the billions spent on interventions designed to address unemployment and inactivity over the years. We need to challenge ourselves to do more to reduce unemployment and increase labour market participation. In recognition of this there is a Mayoral commitment on youth unemployment and a SEP target to reduce unemployment to below the national average by 2030.

Current support provided to unemployed and economically inactive residents is characterised by:

- Disparate funding sources, often pilot or short term based that do not deliver changes to the status quo or deliver sustainable infrastructure after the lifetime of the project.
- A range of locally commissioned community employment support provision that is difficult to map.
- An inconsistent offer to residents across the region – a

lack of place based commissioning dialogue for some of the major budgets such as the Adult Education Budget. At worst this results in competing or conflicting offers in some areas and a paucity of provision in others.

- Adult skills provision delivered through the further education sector who deliver significant volumes of basic skills and English for Speakers of other Languages (ESOL), Level 2 qualifications but little provision at higher Levels (3 and 4)
- A lack of robust evaluation that articulates what really works – segmented by customer and using behavioural insights research to gain an enhanced understanding of behaviours of individuals, employers and providers.

There is however a strong and progressive commitment from DWP/Jobcentre Plus to align their delivery with local and regional strategies and to contribute to future commissioning of Adult Education Budget (AEB) to support the unemployed, particularly with appropriate ESOL and basic skills programmes. And there is a significant volume of ESOL, English, Maths and foundation learning delivered by FE colleges and adult education providers.





Deliver our £4.7m Employment Support Pilot to support those out of work and on low incomes in targeted communities

We will:

- Deliver a place-based employment support programme, focusing on small communities where there are high levels of unemployment and low incomes.
- Provide pre and post-employment job coaching delivered within communities.
- Test approaches to using social networks to promote employment – this is the idea of ‘community support for work’, the rationale being that information about work opportunities coming from peers and neighbours can help strengthen residents’ work-related norms.

Establish an Employment Support Framework for the region to improve the co-ordination, commissioning, delivery and impact of all programmes to support the unemployed – including how we shape and inform the future UK Shared Prosperity Fund.

To deliver the best possible returns on investment in employment support, we will work with DWP, DfE, Local Authorities and Jobcentre Plus to develop an integrated Employment Support Framework. The purpose of the framework will be to strengthen the coordination of investment and impact of activities across the spectrum of need faced by local people – supporting more residents to gain the skills and experience required to enter, remain and progress in work. This will include:



- Improved focus and alignment of current and future investment in employment programmes through strong partnership working.
- Set out how we will use any future shared prosperity funds to deliver additionality across the region rather than duplicate current delivery.
- Ask providers to integrate provision delivered via the Adult Education Budget (AEB), with employment support programmes and other local initiative funding to provide the best possible training support to residents entering the labour market.
- Scale-up the work coaches initiative across the West Midlands region building on the success of the scheme in Greater Birmingham and Solihull and the Black Country.

Improve the range and impact of the career planning advice that unemployed and low-paid adults can access.

- Improve availability of Information Advice & Guidance (IAG) to adults looking to enter or progress within work, by more targeted interventions with the National Careers Service (NCS).



Target skills provision to address areas of high need with a particular focus on youth unemployment

The devolution of AEB presents an opportunity for the region to improve the impact of public investment in skills in support of inclusive growth. We therefore plan to:

- Undertake segmentation analysis to better develop and align interventions to tackle youth unemployment.
- Undertake segmentation analysis to better develop and align interventions to tackle youth unemployment.
- Target AEB funding at places and communities experiencing high levels of unemployment, with a particular focus on young people, as well as seeking to improve overall levels of skills, employment and income across the region.
- Increase the proportion of AEB used to support Level 3 and 4 qualifications in priority sectors.

Improve our focus on upskilling low paid and low skilled residents, to improve their long-term career and income prospects.

With around a quarter of the region's workforce paid below the 'real living wage'¹², levels of working poverty represent a major issue. Activity to drive up employer investment in skills (see below) will help more local people access better paid work. Other interventions will be focused upon:

- Delivery of a successful Women Returners pilot, focused on giving more women digital skills that will enhance their ability to move in to good, well-paid careers.
- Developing adult skills provision in cultural/tourism roles to meet job opportunities created by City of Culture and Commonwealth Games.
- Work with FE colleges to deliver more flexible learning that supports adults in work to upskill, including via AEB-funded provision.
- Target the full funding of qualifications for those on low wages in priority sectors and work with CBI and TUC to maximise union and employer collaboration on actions to improve social mobility, particularly those targeting low paid/low-skilled adults.
- Seek DfE agreement to pilot national retraining activity in the manufacturing sector, enabling workers at risk of automation to develop new skills to transition in to new roles.
- Target low-skilled and low-paid adults in the workforce, or looking to enter employment, through dedicated careers support and waiving of course fees/loans (Career Learning Pilot) and the fully funded AEB provision for those on low income.
- Deliver our £5m West Midlands Construction Retraining Scheme focused on giving unemployed residents the site-ready skills that employers need now.

¹² Source: KPMG Living Wage Report 2017, KPMG; <https://home.kpmg.com/uk/en/home/insights/2017/11/kpmg-living-wage-research-2017.html>

Provide a new employment support service for people with a mental health and/or physical health condition in primary and community care through the Thrive into Work project.

Working in partnership with the NHS to support individuals with a mental health and/or physical health conditions in primary and community care into employment. We will do this through:

- A collaboration between different parts of the health service, local and national government. Including NHS England, the Department for Work & Pensions, and the Department for Health.
- A randomised control trial, meaning people who take part will be randomly placed into one of two research groups. One group will receive the new service and the other group will be provided with information about existing services in their area.
- Targeting people with a mental health and/or physical health conditions who are 18 plus and registered with a GP in Wolverhampton, Dudley, Sandwell and West Birmingham or South Central Birmingham to gain employment.

Supporting the effective delivery of the Work and Health Programme in the WMCA area working with Jobcentreplus and DWP and taking an active role in the performance management of the contract

Supporting the effective delivery of the Work and Health Programme with Jobcentreplus and the DWP Commercial Team, through engagement in local management meetings and review of performance data. We will:

- Work in partnership with the prime provider to support local service integration and engagement with local service providers.
- Act as a conduit for the Local Authorities, being a point of contact with the prime provider, Jobcentreplus and DWP.
- Influence performance and the localisation of delivery through WMCA's role in the performance management of the contract as secured through the first devolution deal.



Ensure that regional economic growth translates to new and accessible opportunities for our residents

Exciting developments will change the face of our region and its economy. Major investment programmes in housing, economic development and infrastructure (most notably the Housing Deal and HS2) will generate significant employment and training opportunities.

- We will work with local authorities, developers, providers of employment and skills support and local communities, to ensure that major investment programmes provide high quality job and training opportunities for residents
- Drive accelerated inclusive growth through the development of 'regional skills corridors' and use this approach to 're-imagine' how we look at housing, skills, investment, infrastructure through an inclusive growth corridor lens.



5. Strengthen collaboration between partners to support achieving more collectively

We know we are stronger together and that in the West Midlands we have a good foundation on which to develop stronger, more productive partnerships. We need to move beyond organisational boundaries and work collectively to deliver the outcomes our residents and businesses deserve.

Delivery of this plan is therefore dependent on a wide range of partners working together to maximise the impact of economic growth for local people. For too long, the skills system has been characterised by disconnected funding and policy drivers that make it difficult for different parts of the ecosystem to work together.

The West Midlands is already recognised as leading the way in terms of engaging partners in the skills agenda with close working relationships in place with the FE and HE sector as well as the three LEPs and Local Authorities, that go beyond passive engagement to playing a meaningful and active role in developing and delivering our plans.

Through closer working relationships, the creation of clearer learning pathways and taking advantage of the opportunities that devolution presents we will transform the skills system to deliver what this region needs.



Actions

Promote the concept of a skills ecosystem for the region which recognises the interdependence of schools, FE, HE, Adult and Community Learning and private and voluntary training providers and facilitates stronger collaboration, with employers, to address regional skills needs.

We will:

- Support our Local Authorities in their work to improve school performance and young people's attainment.
- Re-design the way we do partnerships – placing the needs of residents and businesses central to the skills training offer.
- Encourage the development of integrated region wide approaches wherever possible so we can develop joint funding bids, shared infrastructure and sharing of good practice.

From 2019/20: use AEB commissioning powers to deliver impact



We plan to focus devolved AEB (over £100m annually) on supporting more people in to good jobs; improving the earnings potential of our low-paid, low-skilled workers, and reviewing English language provision to enable more residents to learn the language skills they need for successful work and lives.

Providers of adult education currently deliver a range of important learning in our communities, including literacy, numeracy, English Language, skills for employment, family literacy and learning.

Much of this delivery is through colleges, local authorities and independent training providers and much of it has been successful in transforming the lives of learners, with people acquiring knowledge and skills that has helped them to secure employment and to progress in work and to further learning.

Funding will be transferring to the Combined Authority for the 2019/2020 academic year and, as it does so, the Combined Authority will be working with stakeholders and providers to ensure that we build on the impact that is already being delivered through adult education in our region.

“

We plan to focus devolved AEB on supporting more people in to good jobs...

”



In taking receipt of the Adult Education Budget the WMCA will become the commissioner of learning. In undertaking this role, we do not intend to take a 'year zero' approach. There is much excellent activity currently being delivered by providers and we will want this to continue. Equally, where we believe that different things need to be delivered, we will seek to secure the changes we need without disrupting or destabilizing our learning infrastructure.

To this end, we will operate two concurrent approaches to commissioning activity:-

- Plan-led commissioning through the agreement of Delivery Plans with providers
- Procurement

At the core of our plan-led process, the WMCA will seek to agree Delivery Plans and Outcome Agreements with grant funded providers. **There are specific priorities we will be asking providers to respond to include:**

- Targeting low-skilled and low-paid adults in the workforce, or looking to enter employment, to secure skills at Level 3 and above to enable them to progress in employment with a particular focus on progression in priority sectors
- Deliver greater volumes of digital provision – the digital entitlement including basic digital skills for people to operate in a digital world; general level digital skills at level 2 and a significant increase at advanced level digital qualification at level 3 and 4.

- Increase the volumes of qualifications at all levels in priority sectors – construction and building technologies, automotive/advanced manufacturing, business and professional services and digital
- More flexible models of learning delivery that supports adults in work to upskill
- Deliver adult community learning provision to engage communities and support priorities relating to skills, cohesion and integration, health and mental health.
- Targeting of people in our priority communities, working with Local Authorities and other key local stakeholders, to maximise impact and increase qualification levels and ultimately employment in those areas that have remained persistently difficult to change.
- Improve progression between Levels and into employment - ensure there is support and progression routes in place to move people from basic skills through to Level 2 and into employment
- Delivery of vacancy-led skills support programmes that deliver entry to employment for those out of work.

Our approach to procurement will be informed by delivery through the plan-led process in order to avoid duplication and ensure that we maximise the impact of the funding. Our commitment is to develop and communicate open and transparent procurement processes that seek to engage a wide spectrum of providers to deliver more for local residents and businesses.

Delivering Our Ambition



Delivery of the Regional Skills Plan will be a joint endeavour between local and national partners, employers and our communities.

The dashboard through which we monitor our contribution to achieving SEP targets will be developed to capture and monitor the actions delivered through the Regional Skills Plan.

We have a unique opportunity to make a change - the WMCA geography aligns with the travel to work and travel to learn patterns for the whole conurbation. That means our plan is focused on people who live and work in our region.

We will, in 2019 have control of the Adult Education Budget and whilst only one aspect of skills funding we will use it to leverage change and demonstrate that we have the necessary strategic leadership and capacity in place to deliver further skills devolution.

We will be working with and through partners and increasing our capacity to support the ambitions in this Plan. Most importantly we are an organisation founded on and driven by the principle of partnership: adding value and aligning the agendas of partners is our fundamental purpose and we will be reflecting that in the context of skills delivery.

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Appendix D

Consultees – Regional Skills Plan

Employers and Employer Representative Groups

Mayor's Business Advisory Group, including LEP Chairs, Chambers of Commerce, CBI, EEF, FSB, IOD, SEP Board

Chambers of Commerce:

- Black Country
- Coventry and Warwickshire
- Greater Birmingham

Local Enterprise Partnerships (including representatives of Employment & Skills Boards)

- GBSLEP
- Black Country LEP
- Coventry and Warwickshire LEP

Confederation of British Industry (CBI)

Institute of Directors (IOD)

Construction Industry Training Board (CITB)

Engineering Employers Federation (EEF)

Productivity and Skills Commission – employer engagement

Advanced Manufacturing Sector – Jaguar Land Rover led consultation with automotive sector

Business, Financial & Professional Services – Deloittes led consultation with sector

Construction – Balfour Beatty led consultation with the sector, including engagement of HS2 and key contractors

Digital – via Mayor's Digital Board

Energy – employer engagement through the West Midlands Energy Policy Commission

Life Sciences – key pharma and medtech companies engaged through the West Midlands Academic Life Sciences Network

Further engagement with regional business leaders facilitated through KPMG

WMCA Constituent Local Authority skills leads and portfolio leads

Birmingham, Solihull, Coventry, Dudley, Sandwell, Walsall, Wolverhampton

Learning Providers and networks

Universities West Midlands

Aston University

Coventry University

BCU

Wolverhampton University

West Midlands Further Education Productivity and Skills Group – network of 23 FE colleges

Adult Community Learning Alliance

West Midlands Training Provider Network

South Staffs Provider Network

Black Country Provider Network [PUBLIC]

Other stakeholders

DfE

West Midlands Growth Company

TUC

UNITE

DWP (Job Centre Plus)

National Careers Service

Careers and Enterprise Company

GBSLEP Growth Hub

C&W LEP Growth Hub

Black Country Growth Hub



WMCA Board

Date	22 June 2018
Report title	Midland Metro Limited Business Plan 2018/19
Portfolio Lead	Councillor Roger Lawrence - Transport
Accountable Chief Executive	Laura Shoaf, Managing Director, Transport for West Midlands email: laura.shoaf@tfwm.org.uk tel: (0121) 214 7444
Accountable Employee	Phil Hewitt, Director, West Midlands Metro email: phil.hewitt@tfwm.org.uk tel: (0121) 214 7254
Report to be/has been considered by	Midland Metro Ltd Board - 15 May 2018 Leadership Team - 23 May 2018 Programme Board - 8 June 2018

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Approve the Midland Metro Limited Business Plan 2018/19.

1.0 Purpose

- 1.1 Midland Metro Limited is a wholly owned subsidiary of the WMCA. The relationship between MML and WMCA in its capacity as Owner of the company is governed by the Shareholder Agreement dated 5 March 2018.
- 1.2 Midland Metro Limited was awarded a contract to operate and maintain the Midland Metro network on 5 March 2018 with service commencement date of the 24 June 2018.
- 1.3 Under the terms of the Shareholder Agreement, Midland Metro Limited is required to prepare and gain approval from the Shareholder of the annual Business Plan. The Board of MML has reviewed and approved the company's proposed Business Plan and recommends its approval to WMCA in its capacity as Shareholder.

2.0 Legal

- 2.1 This submission is made in accordance with the Shareholders Agreement dated 5 March 2018 – *Shareholders Agreement relating to Midland Metro Limited*

3.0 Financial

- 3.1 The financials impacts of the MML Business Plan on WMCA have been accommodated in the WMCA Business Plan for 2018/19.

4.0 Equalities

- 4.1 There are no equalities issues related to this Business Plan.

5.0 Reference to previous papers

- 5.1 WMCA Board on 8 February 2018 *Midland Metro Limited (MML)*

April 2018

Business Plan 2018/19

Transforming links between people, places
and businesses

West Midlands Metro
Midland Metro Limited

making the difference



Operated by Midland Metro Ltd

Carl Williams

Midland Metro Ltd – Director of Operations

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Contents

1	Foreword	4
2	Midland Metro Strategy	5
2.1	Our vision	5
2.2	Our mission	5
2.3	Our Values & Behaviours	6
2.4	Drivers for change	6
2.4.1	Network development	6
2.5	Operations and Maintenance	8
2.5.1	Operations	8
2.5.2	Fares and revenue	8
2.5.3	Marketing	9
2.5.4	Asset management and maintenance	9
2.5.5	Rolling stock	11
2.5.6	Cleaning	12
2.5.7	Safety	12
2.5.8	Sustainability	13
3	People – Organisation/Structure	14
3.1	Midland Metro Ltd – Managing People Principles:	14
3.2	Organisational charts	16
4	Midland Metro Future	16
4.1	Business future transformation	16
4.1.1	Future operations and maintenance	17
4.1.2	Milestones	18
5	Midland Metro Ltd Success Factors	19
6	Finance	20
6.1	Financial model	20
	20	
7	Risk	20
7.1	Risk register	20
8	Appendices	21
8.1	Appendix A: Organisation Resource Charts (June 2018)	21

Rev	Originator	Approved	Date
v1.0 (Draft)	Carl Williams	Phil Hewitt	March 2018
1.1 (Minor amendments; Appendices)	Carl Williams	Phil Hewitt	March 2018
1.2 (Final Draft)	Carl Williams		April 2018
1.3 (Final)	Carl Williams	MML Board	May 2018

1 Foreword



Transport for West Midlands (TfWM), on behalf of the West Midlands Combined Authority (WMCA), as the Owner of West Midlands Metro, has approved Midland Metro Limited (MML) to deliver the operations and maintenance of all of its rolling stock, infrastructure, depot and assets. On the 24th June 2018 MML will take responsibility for the operation and maintenance of the Midland Metro under a Public Service Contract.

Over the first 5 years of the contract the Midland Metro network will double in size with new lines, more trams and new ways of our service being delivered every year.

This is the Midland Metro Ltd Business Plan and sets out the strategy for MML for the year 2018/19 whilst looking ahead to the next 5 years. It encompasses a vision for MML and the values we will adhere to in delivering that vision. This is an exciting time for Midland Metro, and this plan details the challenges and opportunities ahead.

This business plan captures the areas where we need to change, develop and ultimately transform. It identifies a co-ordinated set of principles that will deliver this transformational change. Delivery of this plan will help MML provide a baseline for us to demonstrate our achievements whilst delivering the wider benefits of WMCA's investment plan.

To this end we will set success factors to signpost and indicate our development. These metrics, whilst not exhaustive, will help guide us in this goal.

- Good safety record – maintaining or improving
- Revenues in line or ahead of the commercial model
- Costs in line with budget
- Development of a strong brand and image identity
- Excellent in operational performance
- Improving Customer Satisfaction
- Embed an awareness of sustainability within the business.

This plan is set to commence from the beginning of commercial service for MML. Whilst encompassing the first years trading it is intended to review this business plan after the first 6 months of operation to see if, following transition, the challenges remain the same or need re-appraising.

Carl Williams
Midland Metro Ltd – Director of Operations

2 Midland Metro Strategy

2.1 Our vision

Midland Metro Limited's **Vision**

**Transforming links between
People, Places & Businesses**

2.2 Our mission

We will achieve our vision by:

Midland Metro Limited's **Mission**



Providing a safe & dependable service



Exceeding our customers' expectations



Making travel more accessible



Operating a sustainable business



Continuously improving



Being a good neighbour & employer

2.3 Our Values & Behaviours

Midland Metro Limited's Behaviours

Collaborative

- We will work with others to achieve common goals
- We are respectful and act with integrity
- We communicate clearly, openly and encourage feedback
- We share best practice with others

Customer Focused

- We listen to our customers needs
- We respect feedback from our customers
- We deliver the outputs our customers want
- We keep customers at the core of our business decisions

Challenging

- We ask questions to clarify understanding
- We summarise to check understanding
- We ask for a summary of the alternatives considered
- We agree the forum to discuss the matter

Committed

- We will implement safe working practices
- We will deliver environmentally and sustainability solutions
- We will be inclusive and develop of our people
- We will provide value for money on our Metro services

Continuously Improving

- We will improve our performance and encourage innovation
- We will drive improvements in our infrastructure delivery
- We challenge our suppliers to improve
- We deliver value for money on investments and services, reducing our business risk

2.4 Drivers for change

2.4.1 Network development

WMCA are pursuing an ambitious programme to develop and expand Midland Metro as part of the West Midlands Strategic Transport Plan "Movement for Growth".

A Midland Metro capital works programme exists, which has seen in the first tranche the delivery of the Birmingham City Centre extension, replacement of the tram fleet, extension of the tram depot and currently the upgrade of trams to enable catenary-free operation on future extensions.

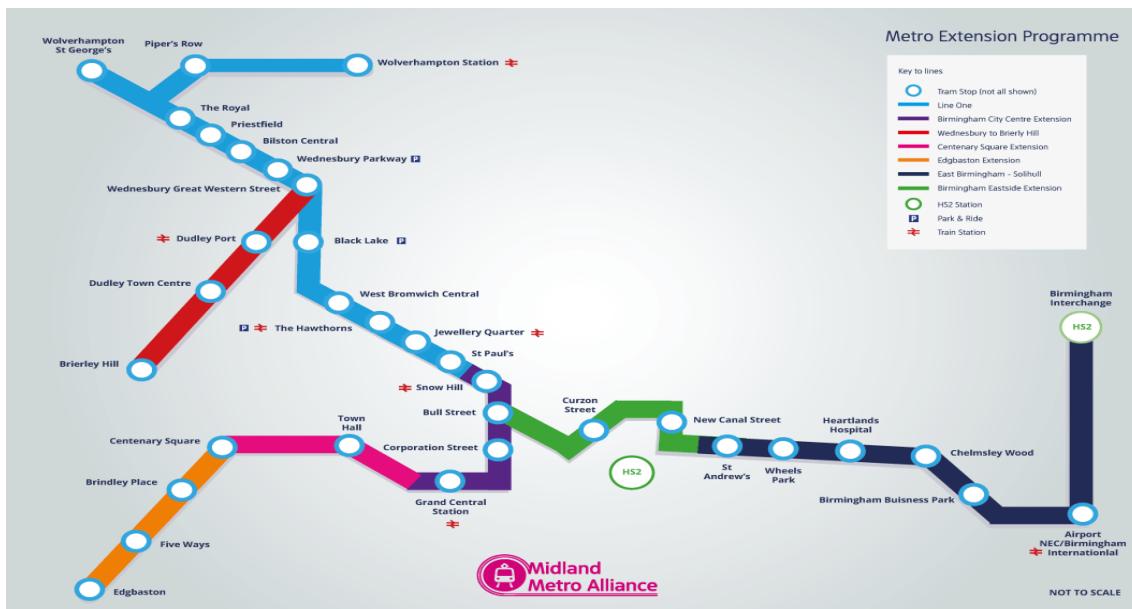


The second tranche of the Midland Metro capital works programme has seen the establishment of an innovative 10-year alliance, the Midland Metro Alliance. The Alliance has been developed to deliver:

- Wolverhampton City Centre Extension,
- Centenary Square Extension,
- Edgbaston (5-ways) Extension,
- Birmingham Eastside Extension,
- Wednesbury to Dudley/Brierley Hill Extension and
- East Birmingham to Solihull Extension.

This intense programme of work will considerably increase the scale of the Midland Metro network introducing new operational and maintenance challenges.

The MML team must actively challenge the Alliance to ensure that this capital investment in new extensions and upgrades represents the best whole life value solutions for the delivery, operation and maintenance of the network.



2.5 Operations and Maintenance

2.5.1 Operations



From June 24th 2018 the responsibility for determining the passenger services, operating those services and providing passenger information and revenue collection will become wholly the responsibility MML. Promotion and marketing of the network will also fall under the control of MML.

The ongoing expansion of the network over the next 10 years requires a flexible and scalable approach to operational planning permitting the service to respond to changes in travel patterns and demand. As the operation of the network becomes more complex, customer satisfaction must be maintained and where possible the customer experience improved.

The 2018/19 operations plan will look to build on the existing reliability of the incumbent operation, whilst identifying improvements that can be readily administered. Following an initial period of transition potential improvements to both the service reliability and the customer experience will be identified and put into this plan. Developing a better customer information and handling response, particularly in times of disruption, is the primary focus in year 1 along with the continuing work on asset management.

A proposed “strengthened” structure will improve the ability of the business in securing more revenues, increasing reliability and delivering an excellent customer experience.

To ensure a continual improvement approach we will implement an enhanced performance monitoring mechanism taking “best ideas” from the UK tram industry. This will help identify areas where action plans can be put in place to assist us in achieving excellence and also in our planning for future expansion needs.

MML must conduct its operations in a manner that ensures continuity of passenger services and that will secure the long-term sustainable operation of the West Midlands Metro whilst providing the required step changes in passenger service capacity and service capability.

2.5.2 Fares and revenue



Ahead of service commencement, MML has developed a fares and ticketing strategy to take the business from the transition date through the first years of operation. The strategy will focus on offering a simple and best-value ticketing solution that the customer will understand and that will enable us to collect and protect our revenue.

A new fares and revenue model will be used to ensure that any changes to products or pricing will not risk our ability to deliver the revenue numbers required in the business plan.

Short- to mid-term aims will be the use of new technology to reduce the volume of cash tickets sold on trams allowing possible discounted prices for advanced purchase of smart, contactless and mobile ticketing whilst giving the added benefit of assisting to help combat fare evasion. Other quick campaigns to secure and retain maximum revenue will be for MML to ensure that trams are staffed with customer service representatives, also, to assess passenger flows and demands and then target these areas with additional resources where necessary. An

"intelligence led" revenue protection strategy will then be developed in light of the knowledge gained.

2.5.3 Marketing



An annual Marketing Activity Plan will be used to define how we will promote the Midland Metro network and support delivery of the business plan financial targets.

Sales promotion activity will commence immediately following mobilisation; however, various elements of customer information collateral will need to be in place ahead of the handover date.

Other marketing and communications work streams will involve working with local stakeholders to promote events and activities close to the tram network. Enhanced digital marketing will include the expansion of activity on social media platforms and the creation of a customer database to expand our communications channels.

Survey work and data collection will also form part of the activity plan to allow us to understand the needs and views of both regular Metro users and non-users.

Whilst WMCA will retain the right to approve fares and ticketing policy, there are various technological and procurement options for the ticket sales and revenue collection aspects that we will bring forward in conjunction with TfWM's ticketing technological initiatives.

The MML team must be ready to understand the effects of fares on demand and revenues, be capable of enhancing fare collection, and be ready to implement emerging ticket sales and retail technology as part of a wider TfWM strategy.

2.5.4 Asset management and maintenance



The new operating contract now clearly defines the responsibilities for management of the assets between MML and the West Midlands Combined Authority (WMCA).

The existing network infrastructure for Line 1 from Wolverhampton to Birmingham Grand Central is owned by WMCA. Whilst the operator is entirely responsible for the day-to-day maintenance of the network, responsibility for life cycle investment, renewals and replacement is WMCA's responsibility.

The termination audit, conducted by WMCA, has revealed potential under investment in the Line 1 assets over recent years. However, even though the report does not give any immediate areas for concern, MML will work closely with WMCA to agree plans to address the issues raised from the report.

With future network enhancements and extensions being delivered by the Midland Metro Alliance, further complexity in the Asset Management arrangements are created that were not envisaged in the original concession and maintenance arrangements.

"Providing and continually improving safe, dependable and sustainable assets for the most appropriate whole-life cost"

It is apparent from the termination audits that there is a need to better understand the assets and improve and simplify the way that assets are introduced, managed and maintained. Systematic, planned and reactive maintenance that is monitored and assessed against targets is essential to this.

MML will, in the first year of operation, have implemented our new ICT management system (provided by an external contractor) and will support WMCA in implementing a new ISO 55001 compliant asset management system to enable us to deliver assurance of reliable asset condition. These systems will be flexible enough to interface with any associated asset management system or systems being adopted by the wider WMCA.

Four key, asset transition issues of potential concern dictate our asset management strategy and priorities during the plan period, as follows:

- Enhancing asset condition
- Engineering team motivation, competence and resource levels
- Asset management processes suitability, compliance, efficiency and effectiveness
- Asset management integration with the wider MML business processes.

Fully understanding as soon as possible the assets and the asset management system and our teams' capabilities allows us to focus our efforts according to business risk and business need and to ensure that we meet our primary asset strategic aims of:

- 1 Safe assets that cause zero serious accidents or incidents.
- 2 Asset performance that achieves high levels of customer, employee and owner satisfaction.
- 3 Assets that support the achievement of availability and reliability targets.
- 4 Sustainable assets that support MML's economic, social and environmental targets.

To deliver this we have set a number of year 1 objectives, set out below, that distil our strategy into focused outcomes; these will be underpinned by targeted development activities and key performance indicators.

MML – Asset Maintenance – Year 1 Objectives

1	Asset Management Plans are implemented for the primary asset categories
2	Comprehensive and up-to-date asset register, understandable and accessible records are in place covering all MML assets
3	A proprietary asset management software system is in place and functional
4	Comprehensive, timely and accurate asset performance monitoring, analysis and reporting is in place
5	Efficient, effective and easily retrievable asset maintenance electronic record keeping is in place
6	MML's asset management system is compliant with the requirements of ISO 55001 ¹
7	A comprehensive understanding of asset risk and criticality (strategic and operational) informs asset decision making
8	We have a clear understanding of our asset Whole Life Cost and Value
9	Knowledge and lessons learnt from operations and maintenance informs asset specification, procurement and contracts by TfWM and MMA
10	Contracts and warranties are managed and controlled to ensure that claims under warranty are maximised

Note:

¹ – Not certified to ISO 55001 at this time

2.5.5 Rolling stock



The existing fleet of 21 CAF Urbos3 trams are maintained by the "in-house" team at Wednesbury Depot. CAF, as an organisation, have a warranty team housed at the Depot who continue to progress the extended warranty issues. CAF also support the Depot team in the provision of spares and some technical expertise.

The ongoing modification to fit batteries to the fleet will be carried out by CAF at Wednesbury and is due to be complete in May 2019.

MML will look to continue a useful and collaborative partnership during the warranty and modifications works.

Capacity assessments of the workshop at the Depot are being developed by MMA and any future modifications may have an impact on MML's ability to maintain the fleet whilst work is undertaken. It will be important that the programming of such works are well communicated to MML and that our requirements are fully considered, so as not to affect the delivery of the commercial service.

WMCA will also require additional trams to operate the later extensions as these are delivered by the Alliance.

In the first year MML will carry out a skills analysis of its current workforce to ready itself for the introduction of any future new trams, recognising the additional skills and resources that will be needed to manage and maintain a mixed fleet of vehicles.

The MML team must support WMCA as it develops and expands the fleet to meet the operational requirements of an expanding network and to realise value for money for the existing and future fleet.

2.5.6 Cleaning



The existing arrangement for infrastructure asset and rolling stock cleaning is delivered via an external third party. The intention is to retain this contract until its natural expiry – Oct 2018. MML will assess the suitability and success of this arrangement against a potential “in-house” solution conducted by MML.

A cleaning “standards” Schedule is detailed within the Passenger Services Contract (PSC) and both the current contractor via Service Level Agreement (SLA), and any future arrangement, “in-house” or external supply, will have to adhere to this Schedule.

2.5.7 Safety



Under current tramway safety legislation, duty for safety of the network falls with the bodies responsible for both delivering and maintaining the assets and operating the system. WMCA is the Infrastructure Manager accountable for ensuring the safety of the existing assets. WMCA has discharged these duties accordingly, with the MML contracted to and responsible for discharging certain functions on its behalf. MML is responsible for operating the network and therefore must discharge the duties of a Transport Undertaking.

The Railways and Other Guided Transport Systems (Safety) Regulations 2006 (RoGs) is the primary statutory document by which safety on the tramway is regulated. MML ensures its obligations are met under RoGs through its Safety Management System (SMS). This document is a “living” document that describes how the organisation plans, manages, discharges and reviews how it operates safely. As part of the mobilisation activities the SMS has been reviewed by an external body, and only limited procedural actions have been identified. These actions will be addressed as part of the transition phase. MML will also look to ensure that the new SMS is ISO 45001 compliant within 3 months of service commencement.

MML will actively encourage staff to report all accidents and near misses to assist in identifying potential risks and will ensure there are the relevant systems and forums in which to do this. Managers will be tasked with safety responsibilities and setting objectives, which will ensure safety standards are maintained and improved.

Over the coming year MML will also look to adopt the Rail Maturity Model (RM3). This is an approach for assessing an Operator's ability to achieve excellence in controlling health and safety risk and is being promoted by the light rails regulator – Office of Rail and Road (ORR). Recent audits of the Midland Metro have indicated that the network is well advanced towards achieving a good rating within the model.

MML will re-appraise and clarify the arrangements for safety across the activities of the business with a view to ensuring continued compliance and continuous improvement.

2.5.8 Sustainability



West Midlands Metro is an intrinsic part of the fabric of the West Midlands, and through its expansion it will become a powerful driver for sustainable future growth within the region.

As a key partner in this journey MML will ensure that its processes and procedures align with WMCA's goals. MML will also make itself aware of the designs and plans proposed by Midland Metro Alliance so that it can actively participate in ensuring that the Alliance deliverables are in step with the future operational targets.

Key sustainability goals for MML are to:

- Aim to ensure that good sustainability principles are embedded within our cultural awareness and that appropriate training is provided to the relevant staff.
- Look to recruit locally and to engage a workforce that reflects the diversity of the region.
- In our discussions with MMA, take a whole life cycle approach to design of operations and maintenance.
- Attempt to deliver efficiencies through innovation in our operations and maintenance activities.
- Challenge our suppliers as to their attitudes and policy towards sustainability.
- Carry out an initial environmental assessment against ISO 14001.

Once established these principles will allow us to set targets that align with the wider stakeholders so that we can then publish our success on the new MML website.

3 People – Organisation/Structure

3.1 Midland Metro Ltd – Managing People Principles:



Transition is potentially a source of uncertainty and discomfort. Notwithstanding requirements and obligations within the Transfer of Undertaking Protection of Employment TUPE process, our approach will be to welcome the experience and skills existing in the business whilst also seeking opportunities to develop our people and expand our capabilities. Any future change to the structure of the business will only take place following an analysis of the current skills and our future requirements. We will ensure we communicate effectively the great advantages that the future holds for individuals, the Company and the wider West Midlands region.

Whilst the aim will be to have an evolving structure in place, given the nature of change due to the expansion programme, organisational structure will be evolving over the next 5 years and beyond. Initial assessments of the input on our establishment are contained within the Commercial Business Model (Plan).

The proposed MML organisation needs to reflect the requirements of delivering a large transformation programme whilst maintaining business as usual for customers. To support growth and development of the organisation it is intended to implement an MML People Strategy with the assistance of strong employee engagement and organisational change management process. From the People Strategy a people plan and talent matrix will be produced to support the growth from 2018 to 2023 and encompass the business requirements across MML.

A large part of the MML People Strategy will be ensuring that MML is attracting and retaining the right talent with the right skills, knowledge and experience, whilst ensuring we can meet the objective to recruit from the wider West Midlands area and diverse communities. MML has commitment to the Midland Metro expansion programme; furthermore, MML will also explore the opportunity of apprentices and work placements to source from local colleges and schools.

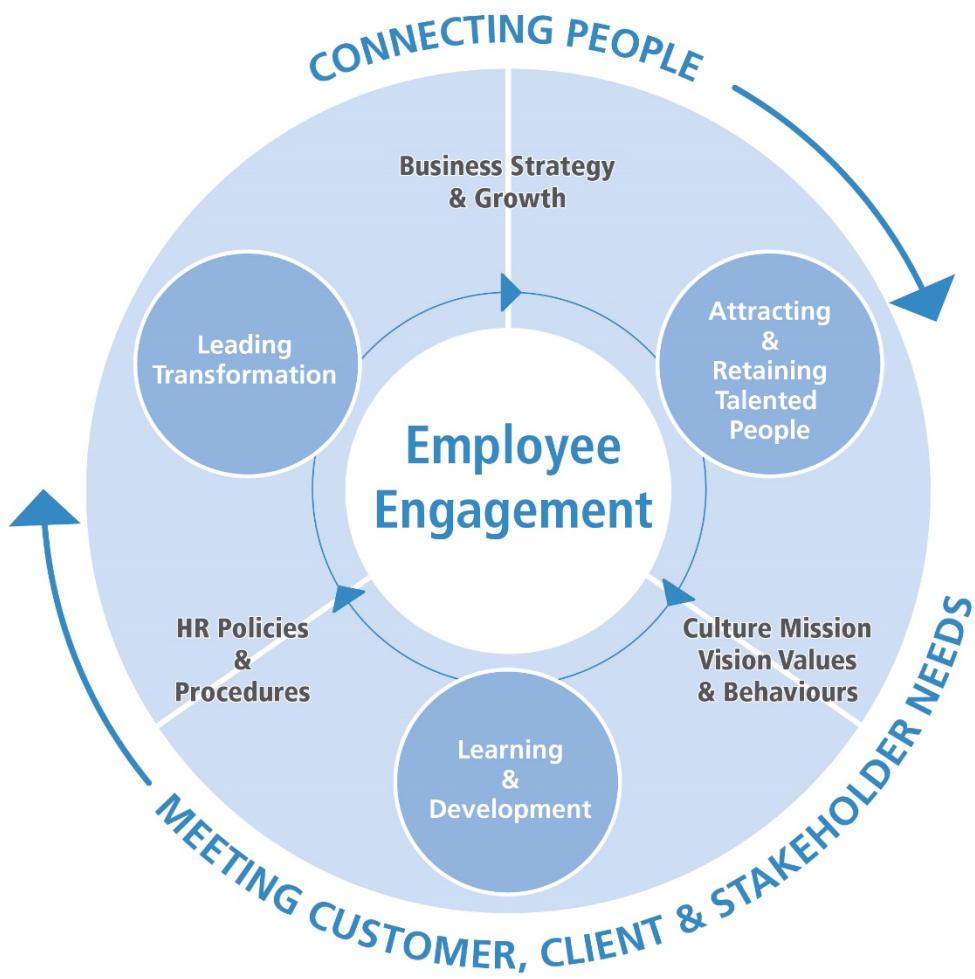
MML recognises the value that every member of staff brings to the team. The MML People Strategy sets out the foundations for the business growth and the transformation up and until 2023.

The Principles set out within the People Strategy:

- To attracting and retain the right people and talent who have the right skills experience and knowledge.
- To ensure that MML has the required amount of staff to meet the expectations of customers and stakeholders.
- To create a learning & development environment to ensure that all staff have access to opportunities to develop themselves to their full potential.
- To ensure MML have a highly qualified workforce that is fully recognised externally for training and qualifications and staff have continued access to ongoing learning & development, to support the organisation in meeting its requirement regarding both statutory and regulatory standards.
- To ensuring that we have fair and robust policies and procedures for the management of the workforce and that staff have access to MML policies and procedures which support their daily working activities.
- To recognising that business growth will be a catalyst for the transformation whilst leading the way for innovation and driving the need for different and exciting ways of working such as:
 - Ensuring the organisation's policies and procedures are fully aligned to lead and support the transformational programme.
 - Ensuring business change will be delivered in line with our guiding principles, which are embedded within our culture, mission, visions, values, behaviours, policies and procedures.

- Ensuring that engagement is essential with our staff and stakeholders whilst supporting our staff through the transition period.

The people model shows how all these principles work together to create the People Strategy, and that each element has a distinct role to play in ensuring that MML is able to meet its business growth whilst meeting its customer and service requirements.



3.2 Organisational charts

It is vitally important that in the fluid, expansion lead, environment in which MML will operate, the Company has the experience, dynamism and flexibility within its structure, organisation and processes to help it succeed. Department heads will be given the tools, support and encouragement to assist in them in delivering the business plans. With this, however, comes responsibility and accountability.

Department heads will be empowered to facilitate efficient decision making and to assist them achieving their own and the businesses objectives. The proposed functional accountabilities and responsibilities for the organisation consist of:

- **MML Board** – accountable for the activities of the business and setting the Vision, policy and direction of the business.
- **MML Director of Operations** – with overall responsibility for delivering the desired outcomes for Midland Metro, gathering intelligence, and gaining approval for strategic initiatives and financial expenditure from the MML Board.
- **Functional Department Heads** – with responsibility for their functional requirements identified at the personal reviews, and reporting to the Operations Director on progress, risks and issues of their areas within the business.

The organisation resource charts developed for the business are a representation based on current understanding of the business at the date of adoption of this business plan. These have taken cognisance of the functional requirements and the Change Projects being undertaken to steer the Midland Metro business towards constructing, operating and maintaining a network almost three times the size by 2026.

Organisations and structural charts are attached in Appendix A

4 Midland Metro Future

4.1 Business future transformation

The business as usual and business cultural transformation is centred on managing change within Midland Metro Limited and its supply chain. The objective is to improve the capability of the team, changing behaviours, removing barriers to performance and encouraging forward thinking, planning and innovation, which, in turn, drives efficiencies in delivery of service to our customers.

Achieving this is by having the right resources, competence, behaviours, skills, training and education, and good communication in place, which are all elements key for successful transition.

A number of areas have been identified to assist in delivering this transformation:

- **Business plan 2018/19** – to develop a 5-year business plan for MML.
- **Safety Management System** – to review, develop and implement updates to the Safety Management System suitable for the new operational and maintenance arrangements.

- **Business management system** – a root and branch review and refresh to provide assurance and control of MML's business activities and our governance.
- **Asset management** – to embed a strategic asset management approach that is fit for purpose and consistent across the network, the organisation and the supply chain.
- **Behavioural change** – to provide the right behaviour framework and embed this in all that we do.
- **Skills, education and training** – to conduct a skills analysis and improve our capability and attract and retain staff.
- **Marketing** – to promote our services to our customers and potential customers.
- **Communications** – to communicate the benefits and implications of change and provide information to our people, customers and stakeholders.

4.1.1 Future operations and maintenance

How we prepare for the future of operations and maintenance is critical in how we maintain and then improve the service we provide.

An essential first step in developing a new culture within the Midland Metro team is to drive efficiencies, improve operational performance and exceed our customer expectations. This will set the platform for continuous service improvement into the future.

Engaging with and then training staff in new processes and procedures that we wish to apply will be an essential part in achieving a successful 5-year programme. Firstly, there will be the transition into MML and then the future works programme that will be a demanding time for the business and those within it.

To assist in the delivery of these varied changes MML will identify an appropriate level of resources as Change Managers for each change as they develop. The post will be to identify and manage the changes that may affect the business and staff alike and programme and plan the appropriate responses.

A number of Change Projects will need to be managed. These are:

- **Operational mobilisation** – to communicate out any process changes for MML following the transfer of the operation and maintenance from the existing operator.
- **ICT network** – to assess training needs required from any new systems and hardware introduced as part of the transfer and the engagement of an External Managed Service Provider.
- **Renewal and refurbishment** – to work with WMCA in the delivery of a series of improvements, refurbishments and changes to the existing network to improve performance or customer experience.
- **Network expansion** – to identify and understand all existing and future commitments that may affect the operation and maintenance of MML and how they relate and interface with the Midland Metro Alliance network extensions programme.

- **Future ticketing strategy** – working with TfWM as they develop a future ticketing strategy and system in line with wider TfWM policy ensuring that recommendations are implemented in a manner that enhances the business and customer experience.
- **Catenary-free operation** – to ensure that any material modifications to vehicles and infrastructure are adequately assessed and approved.

4.1.2 Milestones

The current completion dates for each of these milestones is summarised in the table below:

Milestone	Target Date
• Review of original mobilisation change assumptions and report back	Oct 18
• Centenary Square Extension opens • Catenary-free tram operation commences	Dec 19
• New IT Data Room	June 18
• Asset management system introduced	June 19
• Wolverhampton City Centre Extension opens	June - 20
• New ticketing technologies implemented	Mar 21
• Edgbaston Extension opens • Additional Depot and stabling facilities available • New control systems available	Dec 21

5 Midland Metro Ltd Success Factors

		No harm to people or the environment	Achieve on-tram revenue targets	Improve employee engagement	Control costs at budget or less	Better understanding of disruption due to asset failure	Ensure MMU engagement into the WMCA investment programme	Compliance with legal and statutory obligations	Improved customer service results	Maximise our revenue opportunities
	Mission Factors									
How										
Improve the operational resilience, reliability and safety of the tramway		✓	✓	✓		✓	✓	✓	✓	✓
Provide a peak service of 16 trams			✓						✓	✓
Provide turn up and go services; more than 6 trams per hour across the network to a reliability of 98%		✓	✓			✓	✓	✓	✓	✓
Provide high standards of customer care, and improve customer satisfaction			✓	✓		✓	✓		✓	✓
Create a network and services that are easy to understand and use			✓			✓		✓	✓	✓
Provide an attractive alternative to the private car		✓	✓			✓	✓		✓	✓
Retain and enhance a competent and skilful workforce		✓	✓	✓			✓	✓	✓	✓
Reduce fare evasion by 30% of current levels			✓						✓	
Conduct an initial ISO 14001 – environmental standard – audit		✓						✓		
Achieve ISO 45001 accreditation for the SMS		✓						✓		

6 Finance

6.1 Financial model

The annual budget supporting the business plan for 2018/19 for MML from 24th June is summarised below.

	2018/19 £,000
Passenger Revenue	8,875
Other Revenue	1,488
Total Revenue	10,362
Operating Costs	
Staff Costs	4,805
Power Costs	929
Engineering Materials	679
System Maintenance	674
Cleaning & Landscaping	478
Premises & Establishment	329
Other Operating Costs	2,468
Total Operating Costs	10,362

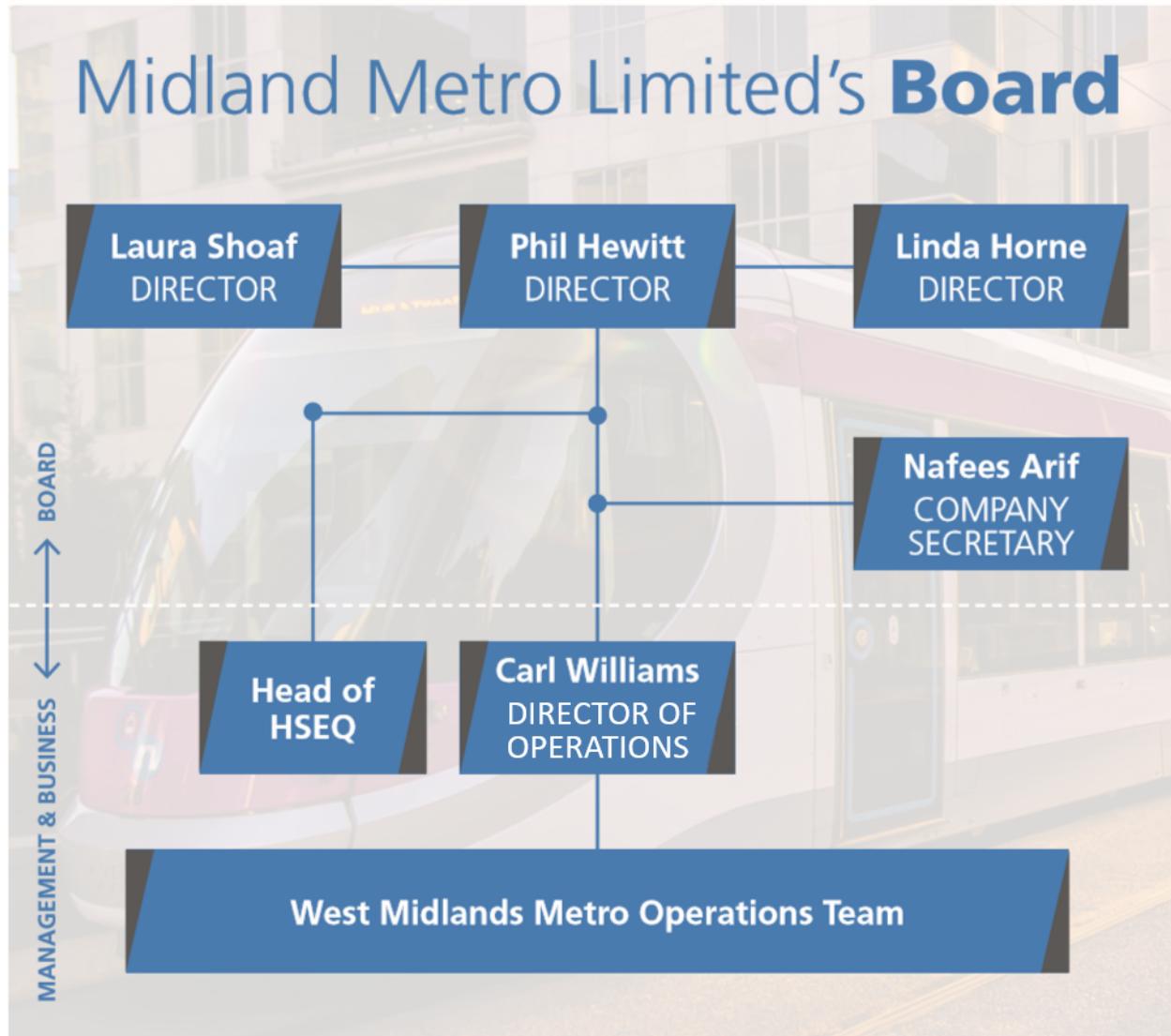
7 Risk

7.1 Risk register

An assessment of the strategic and programme-level risks associated with the delivery of this business plan has been undertaken. The risk register is reviewed monthly in line with the company reports and meeting structure, and any significant elevating or evolving risks are discussed with the Board.

Additional risk registers will be developed for each functional head in respect to the departmental risk associated with “business as usual” activities. Where appropriate, an individual Change Project may also have its own more detailed risk register. These risk registers will be compatible with the strategic and programme-level risk registers, with risks beyond the influence of the relevant functional and work stream leader escalated accordingly.

8.1 Appendix A: Organisation Resource Charts (June 2018)





WMCA Board

Date	22 June 2018
Report title	Contactless Payment & Best Value Capping Update
Cabinet Member Portfolio Lead	Councillor Roger Lawrence - Transport
Accountable Chief Executive	Laura Shoaf, Managing Director, Transport for West Midlands email: laura.shoaf@tfwm.org.uk tel: (0121) 214 7444
Accountable Employee	Matt Lewis, Head of Swift email: matthew.lewis@tfwm.org.uk tel: (0121) 214 7025
Report to be/has been considered by	Smart Programme Board – May 2018 Programme Board – 8 June 2018

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Welcome the progress on the delivery of cEMV¹ contactless payment in the West Midlands.
- (2) Agree to the continued work to deliver a “regional broker” to enable a secure link between individual operators systems so that customers can benefit from multimodal and multi-operator “best value capping”.

¹ cEMV stands for, “contactless Europay, Mastercard & Visa”. This acronym is used to represent the international interoperability standard for contactless bank card transactions.

1.0 Purpose

- 1.1 The purpose of this report is to provide an update on the work to deliver cEMV contactless payment and best value capping and to also set out the agreed approach to ensure interoperability between operators and modes.

2.0 Background

- 2.1 The West Midlands Combined Authority is keen to see the rollout of cEMV contactless payment and best value capping solutions rivalling those delivered in London where a customer can travel using the bank card they already own; and without prior knowledge of the complex fares arrangements as their price will be calculated at the end of the day with a best price promise.
- 2.2 TfWM has been working with local operators and industry experts in an effort to deliver this and significant progress has been made to date.

3.0 Progress to date – Operator Deployments

- 3.1 A number of operators have successfully deployed cEMV contactless payment solutions in the West Midlands. An overview is provided below:

Midland Metro

- 3.2 Customers travelling on the tram can use their cEMV contactless enabled bank card to purchase tickets from the Customer Service Representative whilst on board the vehicle. This has been hugely popular with c. 22% of all on-tram payments made using a cEMV contactless enabled bank card.

Diamond Bus

- 3.3 Customers travelling on Diamond Buses in the West Midlands have been able to pay for their fares on-board the bus using their cEMV contactless enabled bank card for over 12 months. This too has been a success with c.12% of all on-bus payment made using a cEMV contactless enabled bank card.

National Express

- 3.4 National Express has recently delivered a cEMV contactless payment solution that goes further than merely enabling a customer to purchase a ticket using their cEMV bank card as per the two examples above. The National Express solution matches that offered in London where customers are charged at the end of the day and capped at the day ticket price.
- 3.5 This was first successfully tested in Coventry in the first quarter of 2018 before rolling out to the Black Country and then throughout the West Midlands in May 2018.
- 3.6 Early indications are that this has been a success with more than 83k cEMV transactions recorded to date (as at 21 May 2018).

4.0 Progress to date - TfWM

- 4.1 TfWM is focusing on work to ensure that operator systems can communicate between each other and therefore customers can benefit from multi-operator and multimodal best value caps when using their own cEMV bank card or a Swift card.
- 4.2 To support this, TfWM in partnership with Nottingham City Council and Midlands Connect commission some work to explore a number of options to deliver the required interoperability. This work was completed in March 2018 with the options presented to the Smart Programme Board who agreed that TfWM should focus its efforts on delivering a “regional broker” that would sit above each operators’ system to enable secure communication so that a customer using different operators’ services can be recognised and therefore a multi-operator or multimodal best value price can be applied.
- 4.3 TfWM, again with Nottingham City Council and Midland Connect has now commissioned further work to develop both functional and technical requirements for the “regional broker” to enable the development of a tender document. This work includes significant consultation with operators and suppliers to ensure we specify a tender that will be both deliverable from a supplier perspective and will also be optimised from an operators’ perspective.
- 4.4 This work will be complete by the end of July upon which we intend to submit a joint funding bid to DfT to enable the delivery of a Midlands wide solution.
- 4.5 TfWM are also keen to ensure that all operators can access cEMV contactless payment solutions including smaller sized operators. Once the technical specification has been developed and therefore there is clarity on the interface between ticket machines and the “regional broker”, TfWM will purchase ticket machines for those operator unable to do so themselves, as per previously agreed by the WMCA Board. These ticket machines will be leased to operators at cost and as such TfWM’s investment will be repaid over time and all operators will be able to participate. An additional benefit of this approach is that it will also provide all operators with the capability to deliver Real Time Information feeds so that customers can understand in real time when their bus is due.

5.0 Financial implications

- 5.1 The work to produce a detailed functional specification and Outline Business Case for the proposed solution will be fully funded by Midlands Connect.
- 5.2 WMCA does not currently have any budget allocation for any further work on Contactless and Capping. The specification and Outline Business Case will form the basis of a funding bid to the DfT which, if successful, should allow WMCA to move forward with the project. The outcome of this decision is expected in late 2018.
- 5.3 In addition, WMCA continues to work with Transport for the North to understand how its programme is developing and whether there is any scope for WMCA to work with TfN to deliver a viable solution.
- 5.4 Whilst there will be cash flow implications for the purchase of ticket machines for operators unable to purchase themselves, the ultimate cost to WMCA will be negligible as the lease costs will cover the full cost of purchase and installation. The purchase will only be undertaken once all of the necessary legal documents have been agreed and signed.

6.0 Legal implications

- 6.1 There are no direct legal implications associated in regards to the contents of this report. Notwithstanding this, legal is working with the client team to ensure that any intellectual property rights/licences required to progress the regional broker solution are obtained from the consultant commissioned to progress the work referenced in paragraph 4.3 (above) in this report.

7.0 Equalities implications

- 7.1 There are no known equalities implications associated with the content of this report.

8.0 Other implications

- 8.1 There are no known other implications associated with this report.

9.0 Schedule of background papers

- 9.1 n/a

10.0 Appendices

- 10.1 n/a



Transport Delivery Committee

Monday 14 May 2018 at 1.00 pm

Minutes

Present

Councillor Richard Worrall (Chair)	Walsall Metropolitan Borough Council
Councillor Timothy Huxtable (Vice-Chair)	Birmingham City Council
Councillor Pervez Akhtar	Coventry City Council
Councillor Robert Alden	Birmingham City Council
Councillor Adrian Andrew	Walsall Metropolitan Borough Council
Councillor Mohammed Fazal	Birmingham City Council
Councillor Mohammed Hanif	Dudley Metropolitan Borough Council
Councillor Kath Hartley	Birmingham City Council
Councillor Diana Holl-Allen	Solihull Metropolitan Borough Council
Councillor Roger Horton	Sandwell Metropolitan Borough Council
Councillor Chaman Lal	Birmingham City Council
Councillor Keith Linnecor	Birmingham City Council
Councillor Ted Richards	Solihull Metropolitan Borough Council
Councillor David Stanley	Dudley Metropolitan Borough Council
Councillor David Welsh	Coventry City Council

Item Title

No.

134. Apologies for absence

Apologies for absence were received from Councillor Davis.

135. Chair's Remarks

(i) Councillor Lawrence and Transport Delivery Committee

The Chair reported that he met with the WMCA Portfolio holder for Transport, Councillor Roger Lawrence, recently who had expressed an interest in matters being considered by this committee and indicated that he would look to attend a future meeting of TDC if possible.

(ii) Managing Director of Wolverhampton City Council

The Chair informed the committee that the Managing Director of Wolverhampton City Council, Keith Ireland, who had played a key role in establishing the WMCA, would be leaving his post to take up the new position of Chief Executive at Lincolnshire County Council.

136. Minutes of the last meeting

The minutes of the meeting held on 9 April were agreed and signed by the Chair as a correct record.

137. Matters Arising

(i) Accessible Transport Report (*Minute no. 119 refers*)

In relation to the enquiry made by Councillor Richards with regards to a better location for service 89 in Balsall Common, Jon Hayes, Head of Network Delivery reported that work is still on-going in trying to find a suitable location for the service

(ii) TfWM Infrastructure Update (*Minute no. 127 refers*)

In relation to discussion at the last meeting regarding charging for toilet facilities, Councillor Horton sought re-assurances that a report on the matter would be submitted to a future meeting of this committee. Jon Hayes, Head of Network Delivery advised that a report would be submitted to the committee in due course.

138. Minutes of the Bus Shelter Appeals Decision Group held on 12 April 2018

The minutes of the Bus Shelter Appeals Decision Group meeting held on 12 April 2018 were noted.

139. Presentation : Midlands Connect Update

The committee received a presentation from the Director of Midlands Connect, Maria Machancoses that provided an update on the work of the partnership. The presentation outlined the priorities of Midlands Connect for 2018/19; the Midlands Railway Hub, the Midlands Motorway Hub and the ambition for smart ticketing across the Midlands.

In relation to an observation from Councillor Huxtable that the rail programme outlined for the Midlands Rail Hub did not appear to be aligned to the rail programme detailed in the Rail Business Report, the Director of Midlands Connect explained that the two were aligned and advised that the Midlands Rail Hub looked beyond the term of the West Midland franchise and was considering all possible long term options.

Councillor Horton, Lead Member for Rail and Metro, considered it would be helpful if the Director of Midlands Connect could attend a Rail Lead Member Reference Group meeting to focus on the Midland Rail Hub. Maria Machancoses, reported that she would be happy to attend such a meeting.

The Chair thanked the Director of Midlands Connect for her informative presentation and it was agreed that Maria Machancoses would provide a further update to the committee at the end of the year.

Resolved: That the presentation be noted.

140. Safer Travel Update

The committee considered a report of the Safety and Security Manager that provided an update on the performance and operations of the Safer Travel Partnership, an overview of the development of the TfWM Control Centre and provided an of some of the new powers available to the to the West Midlands Combined Authority.

Mike Sayers, Safer Travel Officer and Antony Sloan, Safety and Security Officer were in attendance to present the report.

The Chair commented that Walsall MBC had benefited from moving its CCTV system into the TfWM Control Centre financially and with regards to service improvement and urged members to encourage their local authority to engage with Mark Babington and his team to move its CCTV systems into the TfWM Control Centre if it had not already done so.

Resolved:

1. That the details of the report be noted and
2. That the overall current crime trends as set out in paragraphs 3.1-3.14 of the report be noted.

141. 2018/ 19 Child Concessions Travel Scheme & Reimbursement Arrangements

The committee considered a report of the Swift and Concessions Scheme Manager that sought approval for the changes to the Child Travel (Bus) Concessions Scheme and the Child Travel (Bus) Concessions Reimbursement Arrangements documents and their publication to effective from 1 August 2018 to 31 July 2019 inclusive.

The Head of Swift, Matt Lewis, was in attendance to present the report.

In relation to an enquiry from Councillor Alden regarding reimbursing operators the equivalent to a full adult fare for 16- 18 year old apprentices and trainees and whether TfWM has looked at the reimbursement rate for similar schemes elsewhere in England, the Head of Swift reported that this area has been examined however, it was felt that operators in the West Midlands would charge the full adult fare in the absence of a scheme.

Resolved:

1. That the amendments to the Child Travel (Bus) Concession Scheme and the Child (Travel) Concession Reimbursement Arrangements to incorporate 16 to 18 year old apprentices and trainees be approved and
2. That the publication of an amended 2018/19 Child Travel (Bus) Concession Scheme and the Child Travel (Bus) Concessions Reimbursement Arrangements to incorporate the enhanced eligibility be approved.

142. Financial Monitoring Report

The committee considered a report of the Head of Finance and Business Planning that set out the full expenditure for 2017/18, subject to audit and is the final monitoring position of the Combined Authority's Transport Delivery Revenue and Capital Budgets.

Wayne Farrington, Lead Accountant -Transport, was in attendance to present the report.

Resolved:

1. That the final revenue expenditure outturn for 2017/18 subject to audit shows a favourable variance of £409,000 compared to budget and a minor adverse variance of £11,000 against the full year favourable forecast of £420,000 be noted;
2. That the total capital expenditure to the end of March 2018 within the overall transport programme was broadly in line with the budget of £67 million be noted and
3. That the treasury indicators are within the expected range and there are no issues to highlight be noted.

143. Capital Programme Delivery Monitoring Report

The committee considered a report of the Director of Development and Delivery that provided a progress monitoring update on the approved TfWM led 2017/18 programme and projects.

Alison Peckmore, Project Delivery Manager, was in attendance to present the report.

Councillor Holl-Allen noted that the delivery confidence assessment for all projects for 2017/18 in Capital Programme was green and conveyed her congratulations to the team.

Resolved:

1. That the achievements since the April 2018 meeting of the Transport Delivery Committee be noted;
2. That progress of deliverables under the 2017/2018 Capital Programme be noted and
3. That it be noted there are no variations from the baseline programme be noted

144. Bus Alliance Update

The committee considered a report of the Network Development Manager that reported on matters relating to governance, operation, delivery and performance of the West Midlands Bus Alliance.

Jon Hayes, Head of Network Delivery, presented the report and updated the committee on the West Midlands Bus Alliance deliverables referred to in Appendix 1 of the report.

In relation to an enquiry from Councillor Lal as to whether a bus area ticket for Birmingham could be introduced similar to the area tickets for the Black Country and Coventry, the Head of Network Delivery reported that he would look into the matter and respond to Councillor Lal.

Councillor Huxtable in the Chair

In relation to comment from Councillor Akhtar regarding the age of the bus fleet operating in Coventry and an enquiry as to when the City could expect to see new buses, the Head of Network Delivery reported that TfWM was looking into submitting a bid as part of the low emissions fund in Coventry and further details follow in due course.

Resolved :

1. That the contents of the report and the current status of the West Midlands Bus Alliance be noted and
2. That a report on the West Midlands Bus Alliance be submitted to the West Midlands Combined Authority Board for information.

145. Rail Business Report

The committee considered a report of the Head of Franchise Management that provided an update in relation to the performance, operation and delivery of rail services in the West Midlands including rail partnership agreements and West Midlands Rail activity.

In relation to comments made by Councillor Stanley regarding Coseley park and ride car park and the need to address capacity issues due to the parking problems experienced by nearby residents, the Chair asked that an update on the matter be included in the Park and Ride Update report that is to be submitted to the next meeting.

In relation to the Virgin Trains Partnership Agreement approved at the last meeting that is subject to confirmation of the governance arrangements before the formal signing ceremony, Councillor Horton, Lead Member for Rail and Metro, asked that he and Councillors Huxtable and Worrall be informed of progress on the matter via email before the next meeting of this committee on 11 June.

Resolved: That the contents of the report be noted.

146. Bus Stop Rationalisation - Next Steps

The committee considered a report of the Network Development Manager that provided them with the results of the Bus Stop Rationalisation and put forward recommendations on the next steps.

The report outlined the background to the review, customer and stakeholder feedback and comments, the operational measures that were put in place and the impact on patronage and punctuality as provided by National Express.

Councillor Hartley, Lead Member for Putting Passengers First, considered that a special study should be undertaken with regards to the Pershore Road as the services on this corridor did not show the same levels of improvement in patronage and punctuality compared to other routes.

The Chair reported that he concurred with Councillor Hartley and asked that TfWM Officers look again at the Pershore Road corridor.

The Head of Network Delivery, Jon Hayes, advised that a review of the Pershore Road could be undertaken relatively quickly.

The Chair asked that with regards to any future bus stop rationalisation pilots consultation be undertaken with the relevant ward councillors and this be added to the report recommendations.

Resolved:

1. That the positive elements that the trial of the principle of bus stop rationalisation has had on bus performance including patronage, journey times, reliability and variability be noted;
2. That the current bus stop which are closed as part of the trial remain closed pending more detailed consideration and reporting with responsibility for a final decision relating to each stop delegated to the Director of Integrated Transport Services be noted;
3. That the principle of bus stop rationalisation be considered on other routes in the region inclusive of a review of the methodology used for the initial pilot and responsibility be delegated to the Director of Transport Integrated Services to take any future decisions on such pilots with the Putting Passenger First Lead Member Group and TDC Lead Members and relevant ward councillors be involved in the consultation process as appropriate be agreed and
4. That TfWM seek a greater level of direct or indirect support from operators, including financial remuneration towards permanently implementing the existing trial and roll-out be endorsed.

147. Notices of Motion

None submitted.

148. Questions

None submitted.

149. Forward Plan

The committee considered a report on agenda items to be submitted to future meetings.

Resolved: That the report be noted.

150. Date of Next Meeting -11 June 2018

The meeting ended at 3.10 pm.