



## Public Service Reform Board

**Date:** Thursday 5 March 2020

**Time:** 1.00 pm **Public meeting** Yes

**Venue:** Room 116, 16 Summer Lane Birmingham B19 3SD

### Membership

Councillor Yvonne Davies (Chair)

Councillor Mike Bird

Councillor Ian Brookfield

Councillor Karen Calder

Councillor George Duggins

Councillor Karen Grinsell

Councillor Brigid Jones

Councillor Ian Kettle

Councillor Sebastian Lowe

Councillor Izzi Seccombe

Henrietta Brealey

Laura Caulfield

Sue Ibbotson

Vanessa Jardine

Paul Jennings

Tom McNeil

Catherine Mangan

Sarah Middleton

Jatinder Sharma

Alison Tonge

Phil Loach

Sandwell Metropolitan Borough Council

Walsall Metropolitan Borough Council

City of Wolverhampton Council

Shropshire County Council

Coventry City Council

Solihull Metropolitan Borough Council

Birmingham City Council

Dudley Metropolitan Borough Council

Rugby Borough Council

Warwickshire County Council

Greater Birmingham Chamber of Commerce

Higher Education

Public Health England

West Midlands Police

Chief Executive NHS Birmingham & Solihull

CCG

Office of the Police and Crime Commissioner

Higher Education

CEO Black Country Consortium

Further Education

Director of Commissioning ,NHSE

West Midlands Fire Service

Quorum for this meeting shall be one third of its members

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

**Contact** Wendy Slater, Senior Governance Services Officer

**Telephone** (0121) 214 7016

**Email** wendy.slater@wmca.org.uk

# AGENDA

No.	Item	Presenting	Pages
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 is thought to have exceeded £25 (gifts) or £40 (hospitality).	Chair	None
3.	Nomination of Substitutes	Chair	None
4.	Chair's Remarks (if any)	Chair	None
5.	Minutes of the last meeting	Chair	1 - 6
6.	Matters Arising	Chair	None
7.	Designing Out Homelessness : Key Updates from the Homelessness Taskforce	Neelam Sunder	7 - 16
8.	Inclusive Growth & Social Economy -update and next steps	Claire Spencer	17 - 30
9.	The West Midlands Violence Reduction Unit	Claire Dhami	31 - 38
10.	Design Charter	Louise Wyman	None
11.	Workshop on future priorities for Public Service Reform	Claire Spencer	None



**West Midlands  
Combined Authority**

## **Public Service Reform Board**

**Thursday 26 September 2019 at 1.00 pm**

### **Minutes**

#### **Present**

Councillor Yvonne Davies (Chair)	Sandwell Metropolitan Borough Council
Councillor Brigid Jones	Birmingham City Council
Councillor Ian Kettle	Dudley Metropolitan Borough Council
Laura Caulfield	Higher Education
Sue Ibbotson	Public Health England
Vanessa Jardine	West Midlands Police
Tom McNeil	Office of the Police and Crime Commissioner
Paul Sherriff	Birmingham and Solihull CCG

#### **In Attendance**

Marisia Curran	WMCA
Claire Dhami	WMCA
Henry Kippin	WMCA
Claire Spencer	WMCA
David Stevens	Sandwell Metropolitan Borough Council
Neelam Sunder	WMCA
Jean Templeton	Homelessness Taskforce
Councillor Sharon Thompson	Birmingham City Council
Andrew Townsend	WMCA

#### **Item Title No.**

##### **1. Apologies for absence**

Apologies for absence had been received from Councillor Mike Bird (Walsall Metropolitan Borough Council), Councillor Ian Brookfield (City of Wolverhampton Council), Councillor George Duggins (Coventry City Council), Councillor Karen Grinsell (Solihull Metropolitan Borough Council), Councillor Sebastian Lowe (Rugby Borough Council), Councillor Izzi Secombe (Warwickshire County Council), Henrietta Brearley (Greater Birmingham Chamber of Commerce), Paul Jennings (NHS Birmingham and Solihull CCG), Catherine Mangan (Higher Education), Sarah Middleton (Black Country Consortium), Jatinder Sharma (Further Education) and Alison Tonge (NHSE).

##### **2. Nominations of Substitutes**

Paul Sherriff for Paul Jennings (Birmingham and Solihull CCG).

##### **3. Declarations of Interest**

No declarations of interest were made relative to items under consideration at the meeting.

**4. Minutes - 6 September 2018**

Resolved: That the minutes of the meeting held on 6 September 2018 were agreed as a correct record.

**5. PSR and Social Economy - Programme Update**

The committee considered a report of the Director of Public Service Reform that provided a programme update on Public Service Reform.

The Director of Public Service Reform, Henry Kippin outlined the report, provided an update on key activities across the PSR workstreams; wellbeing, Thrive, inclusive growth and environment and set out the next steps for each of the programmes.

In relation to an enquiry from Councillor Kettle regarding the work of the board and whether there was any duplication with the work being undertaken by local authorities, the Director of Public Service Reform explained that the WMCA occupies a different space to that occupied by local authorities. He advised that the WMCA acts as the 'glue' for the region and seeks to add value by leveraging in money for the West Midlands.

In relation to a supplementary question from Councillor Kettle as to how much money the WMCA has been awarded for the PSR workstreams, the Director of Public Service Reform reported that he would have check on the figure and advise Councillor Kettle accordingly but added the amount was in the region of tens of millions.

In relation to an enquiry from Laura Caulfield as to whether the findings from the Wellbeing Premium Trial would be reported to this board, the Director of Public Service Reform confirmed that the outcome/learning from the pilot would be considered by the board at a future meeting.

Resolved: That the update of the PSR Team including key themes for each area moving forward be noted.

**6. West Midlands' Homelessness Taskforce: Establishing a Commitment to Collaborate Across Public Services to Prevent and Relieve Homelessness**

The board considered a report of the Director of Public Service Reform that sought to update and engage members in the progress made to date by the West Midlands Homelessness Taskforce on establishing a voluntary 'Commitment to Collaborate' across public services and to prevent and relieve homelessness in the region.

The report outlined the background to the West Midlands Homelessness Taskforce and sets out five key objectives aimed at designing out homelessness across the region, including the development of a voluntary commitment 'Commitment to Collaborate' building on the statutory 'Duty to Refer' and proposed next steps.

It was noted that the 'Commitment to Collaborate' was endorsed by the WMCA Board in June 2019.

The Independent Chair of the Homelessness Taskforce, Jean Templeton Chair of the Homeless Taskforce Members' Advisory Group, Councillor Sharon Thompson and Programme Manager – Homelessness, Neelam Sunder were in attendance to present the report and to respond to any enquiries from members.

In relation to an enquiry from Laura Caulfield with regards to the involvement of voluntary organisations in the Homelessness Task Force, Jean Templeton reported that the voluntary sector was represented and a lot of 'asks' were coming from the voluntary sector.

In relation to a comment from David Stevens regarding how to help those individuals who have no recourse to public funding, Jean Templeton advised that charitable funding could be utilised for this purpose and reported of the need to use multiple resources creatively.

Paul Sherriff noted that many policies have unintended consequences and reported of the need to give consideration to any unintended consequences at the design and planning stages of policies before they are implemented.

Jean Templeton reported that she liked the idea of exploring unintended consequences further and considered this concept could be taken forward in the same way as an equalities impact assessment which would ensure policies are tested before decisions are taken.

Councillor Sharon Thompson outlined the work being undertaken in Birmingham with the Homelessness Task Force and Housing First and how the 'Commitment to Collaborate' was being developed in the city.

The Chair thanked colleagues for the impressive work being undertaken.

Resolved:

1. That progress made by the West Midlands Homelessness Taskforce on establishing a voluntary commitment to collaborate across public services to prevent and relieve homelessness across the region be noted and endorsed;
2. That the development of a practical toolkit for implementation by public sector partners be agreed;
3. That the board actively champion the use of this toolkit and commit to collaborate with member local authorities, public sector agencies with a view to making a meaningful and public commitment as a region be agreed and
4. That authority be delegated to the PSR Portfolio Holder, Members' Advisory Group Chair and Homelessness Taskforce Chair to sign off the toolkit before the launch and wider circulation within the WMCA

area be endorsed.

## **7. The West Midlands Violence Reduction Unit**

The committee considered a report of the Director of Public Service Reform that outlined the basis for a collaborative blueprint for place based violence, vulnerability and exploitation prevention and reduction in the West Midlands.

The report set out the background to establishing a Violence Reduction Unit (VRU), setting out the principles, context, opportunities and next steps.

The Head of Public Service Reform and Interim Implementation Lead for the Violence Reduction Unit, Claire Dhami was in attendance to outline the report and to respond to enquiries from members.

Tom McNeil commented that he was appreciative that the report acknowledged the work undertaken by the Police and Crime Commissioner on violence reduction and that the Violence Reduction Unit would bring together partner organisations to build on the work of the Violence Prevention Alliance and the Preventing Violence Against Vulnerable People Board.

The Chair noted that Sandwell Metropolitan Borough Council had funded a perpetrators programme a few years ago and reported of the need to consider the cost of the perpetrator to society.

Sue Ibbotson reported that the public health approach would look at risk factors related to adversity alongside protective factors that make people feel resilient and considered a lot of work needs to be done in this area.

Claire Dhami reported that she would map out the activity of what currently happens across the region to include what works to support areas of best practice.

Resolved:

1. That progress to date on the establishment of a regional approach to violence, vulnerability and exploitation and the launch of a regional Violence Reduction Unit on 2 October 2019 at Grand Central Wolverhampton be noted ;
2. That the board commit to support the Violence Reduction Unit's 'public health and prevention programme-led approach within relevant local forums be endorsed and
3. That regular updates from the Violence Reduction Unit, including specifically on areas where the Public Service Reform Board could better support and help embed its work within the constituent areas of the WMCA be agreed.

## **8. Inclusive Growth - Next Steps**

The Acting Head of Inclusive Growth, Claire Spencer reported that she had a set of tools that she would like to test with colleagues.

The tools comprised of the Inclusive Growth Unit, the Inclusive Growth Framework and the Decision Making Tool Kit which were designed to disrupt business as usual.

Councillor Jones considered that it was important that we change the way we look at things and matters should be referred back to Government setting out any barriers, such as unintended consequences.

Claire Spencer concurred with Councillor Jones and the need to articulate to Government what good looks like.

The Chair reported of the need to be able to influence what happens in our own areas.

Claire Spencer thanked colleagues for their comments.

## **9. Terms of Reference and Membership**

The terms of reference for the board were submitted for information and discussion.

In relation to an enquiry from Vanessa Jardine regarding the role of this board with regards to the WMCA, the Director of Public Sector Reform advised that the board oversees the work of the WMCA with regards to public service reform and inclusive growth and seeks to collaborate with colleagues in these areas across the region.

In relation to the membership of the board, it was agreed that consideration would be given with regards to representatives from the public sector on the board.

Resolved:

1. That the terms of reference for the board be noted and
2. That consideration be given to the public sector representatives on the board.

The meeting ended at 2.45 pm.

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## Public Service Reform Board

<b>Date</b>	5 March 2020
<b>Report title</b>	Designing Out Homelessness: key updates from the Homelessness Taskforce
<b>Portfolio Lead</b>	Councillor Yvonne Davies, Portfolio Holder for Public Service Reform and Social Economy
<b>Homelessness Taskforce Leads</b>	Councillor Sharon Thompson, Chair of the Homelessness Taskforce Members Advisory Group  Jean Templeton, Independent Chair of the Homelessness Taskforce
<b>Accountable Chief Executive</b>	Deborah Cadman, Chief Executive, West Midlands Combined Authority
<b>Accountable Employee</b>	Julie Nugent, Director of Productivity & Skills email: <a href="mailto:Julie.Nugent@wmca.org.uk">Julie.Nugent@wmca.org.uk</a> tel: 0121 214 7942  Neelam Sunder, Programme Manager – Homelessness email: <a href="mailto:Neelam.Sunder@wmca.org.uk">Neelam.Sunder@wmca.org.uk</a> tel: 0121 214 7849

Recommendation(s) for action or decision:

The Public Service Reform Board is recommended to:

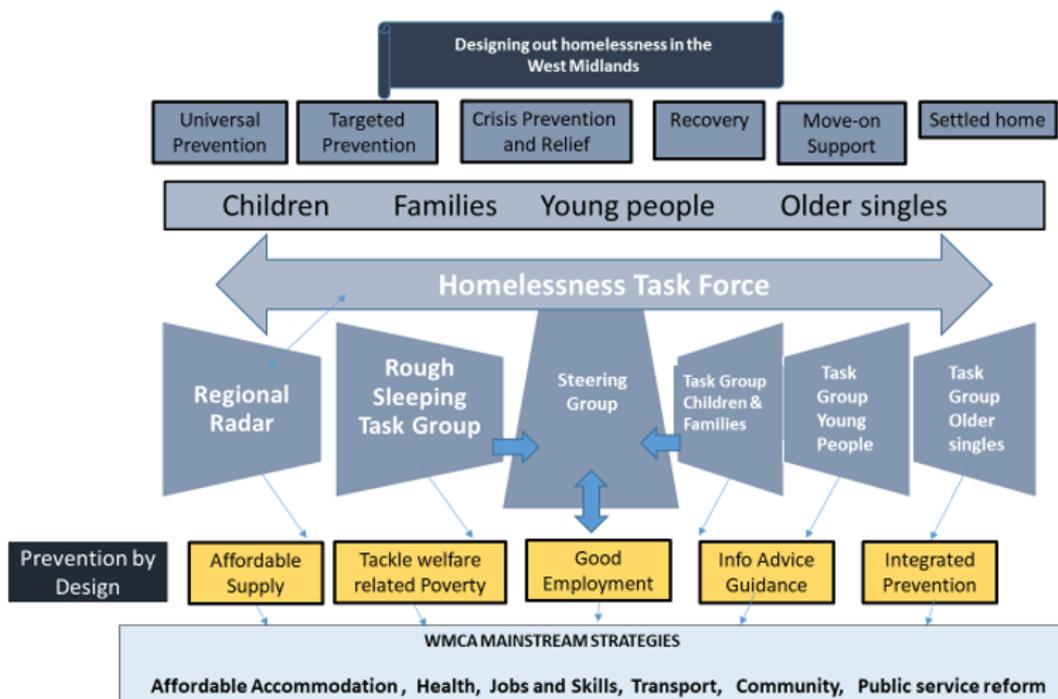
1. Note the update on the activities of the Homelessness Taskforce since the last Public Service Reform Board.
2. Welcome the adoption of an affordability definition for new homes that is linked to income and enables the creation of innovative, specialist social housing.

## 1. Purpose

1.1 To ensure that the Public Service Reform (PSR) Board is briefed on the recent delivery and future plans of the Homelessness Taskforce.

1.2 To welcome the new regional definition of 'affordable housing', which is linked to income levels and not market prices.

## 2. Updates on the five objectives of the Homelessness Taskforce



**2.1 Background:** the Homelessness Taskforce was adopted by the WMCA Board in June 2019, and placed within the remit of the PSR Directorate. The WMCA has no statutory duties, powers or resources around homelessness, but in designing out homelessness, is committed to working with its partners to identify and address gaps and flaws in policies, procedures, laws, structures, systems and relationships that either cause or fail to prevent homelessness. It recognises that homelessness takes many forms: rough sleeping, sofa surfing, night-shelters, B&B, temporary accommodation, hostels, squatting, and is a complex mix of personal and wider structural factors, such as health, employment, relationships and housing. This work is scrutinised by the Members Advisory Group (MAG) consisting of responsible Councillors from each local authority, and reports to the PSR Board.

The following updates are spread across the five objectives of the Taskforce:

### 2.2 Affordable, Accessible Accommodation:

- **Housing First:** the Housing First pilot, for which Birmingham City Council is the accountable body, has already helped 156 people off the streets and into secure tenancies.
- **West Midlands definition of affordability:** WMCA has approved a new regional definition of affordable accommodation, linked to local income, to be used by WMCA to secure increased percentage in new housing schemes and linked to new affordable housing deal. This policy is explained in detail in Section 3 of this report.
- **‘Recovery Tenancies’ pilot:** building on the ambition of the social housing sector to make no-one homeless, the recovery tenancies pilot is exploring this method of avoiding evictions and securing support for households in rent arrears.
- **Lobbying for reform of Exempt Supported Accommodation sector:** aiming to safeguard vulnerable people and to ensure the best outcomes for public investment.

### 2.3 Tackling Welfare-Related Poverty:

- **Freeze on Local Housing Allowance lifted:** this is part of a wider lobbying effort on the LHA and Universal Credit. This is good progress, but there is a great deal more to do.
- **£3m announced for DWP to deliver outreach support to rough sleepers:** this is an opportunity to do more in this area, which the Taskforce will work to realise once there is more detail from DWP.
- **Free travel passes:** via a partnership with National Express West Midlands, these passes enable people who are living with or otherwise at risk of homelessness and in crisis to get to accommodation, job interviews and other appointments. To date circa 5000 passes have been distributed to homelessness services across the region.
- **Partnerships with banks:** enabling people without fixed addresses to access banking services.

### 2.4 Access to Good Employment:

- **Business Toolkit for Designing out Homelessness:** working with Business in the Community (BITC), the Taskforce has developed the Business Toolkit for Designing out Homelessness<sup>1</sup>. This equips businesses with practical measures to prevent employees becoming homeless; to give good help to those helping the homeless, and to create pathways into employment for homeless people. Two practical workshops will be taking place in late March for businesses, to help them to identify and prioritise practical actions that they can take.
- **Pathway to Employment Taskgroup:** this partnership is building stronger links between employers, DWP, WMCA, and providers of homelessness support services. The goal of the partnership is to enable providers to better understand and secure the right training, skills and support for people who are, or are at risk of homelessness.

### 2.5 Information, Advice, and Guidance:

- **Change Into Action<sup>2</sup>:** an alternative giving scheme that is now up and running in Birmingham, Solihull, and Coventry. It will also be launching in Walsall in March 2020. Over 300 rough sleepers in Birmingham have benefited from this scheme.
- **Veterans Homelessness:** WMCA has a Veterans Homelessness Advisor, funded by the Ministry of Housing, Communities and Local Government. This has led to the production of a report, ‘Designing out Veterans Homelessness’, which was launched on February 26<sup>th</sup>.

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<sup>1</sup> See: <https://www.bitc.org.uk/toolkit/designing-out-homelessness-practical-steps-for-business/>

<sup>2</sup> See : <https://changeintoaction.org.uk/>

- **Faith and Homelessness:** a guide to enable faith groups in the region to help prevent and relieve homelessness.

#### 2.6 Integrated Prevention:

- **Commitment to Collaborate Toolkit:** following a series of roundtables with sectors including health, criminal justice, business, faith, and Department for Work and Pensions, the insight will be used to create a toolkit which will ensure that people who are at risk of homelessness do not get lost in the gaps between services. This piece of work is currently out to tender.

#### 2.7 Other investment:

- WMCA has secured an extra £110,000 via the Cold Weather Fund – this is not to replace activity at local authority level, but to add value.

### 3. Making affordable housing truly affordable: a new definition for the West Midlands.

**3.1 Summary:** the West Midlands has become the first region to create its own definition of affordable housing, which is linked to incomes instead of market values. Based on work by the Homelessness Taskforce and the WMCA Housing & Regeneration team, the new definition means that affordable homes developed with WMCA resources will never cost more than 35% of local incomes in rent or mortgage payments. This will ensure that people can afford to live in new homes developed in their locality, and creates strengthened opportunities for socially purposeful housing models, such as key worker homes for frontline workers.

#### 3.2 The national definition of affordable does not work for the West Midlands:

*“Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers)”, under four sub-headings: affordable housing for rent, starter homes, discounted market sales housing, and other affordable routes to home ownership (e.g. shared ownership).”*

At national level, for both affordable rent and discounted market sales, the NPPF sets out a margin of 20% below market value as the minimum discount that should be applied.<sup>3</sup> However, analysis has shown that 80% of market rates for both home ownership and rental markets remains beyond the reach of a considerable proportion of the population. It is widely acknowledged by the industry and local councils that the existing NPPF definition does not reflect local needs and circumstances, and in the West Midlands is not securing an increased supply of affordable housing.

**3.3 The data bears this out:** the current policy leaves many local people in a position where both buying and renting a home are unaffordable:

- **House Price to Earnings Ratio (Figure 1):** This broadly demonstrates the differences that exist at local authority level, and illustrates that average incomes are out of step with average house prices

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<sup>3</sup> National Planning Policy Framework, Affordable Housing Definition: <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

across the region, to a greater or lesser extent. However, this measure does not reveal the full picture: it is not sufficiently granular and takes insufficient account or weighting of local affordability considerations and problems. Two very different communities across one local authority area will be measured by the same definition of 'affordable', regardless of considerable local variation in housing affordability. It should also be noted that this data refers to full-time employees only, and therefore does not reflect the full range of incomes, whether through part-time work, benefits or other means.

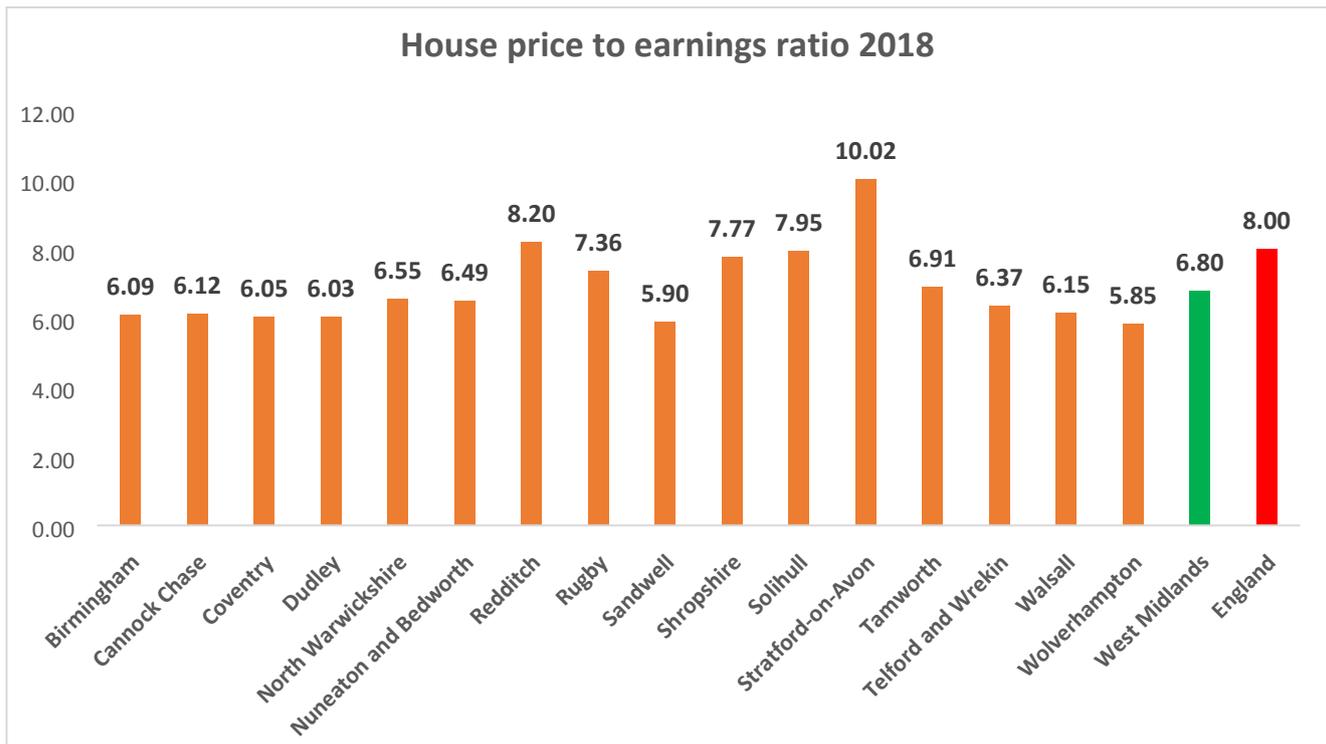


Figure 1: WMCA local authorities house price to income ratio<sup>4</sup>

- **Loan to Value Ratio** (Figures 2 & 3): The loan to value ratio is calculated by applying a mortgage cap of 4.5 times gross earnings. For both median and low income households, the average house price is considerably beyond the amount they are able to borrow. As such, they would require a considerable deposit to purchase a typical home, adding to the unaffordability cycle of requiring to save a significant sum whilst renting or in other accommodation.

<sup>4</sup> See:

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoresidencebasedearningslowerquartileandmedian>

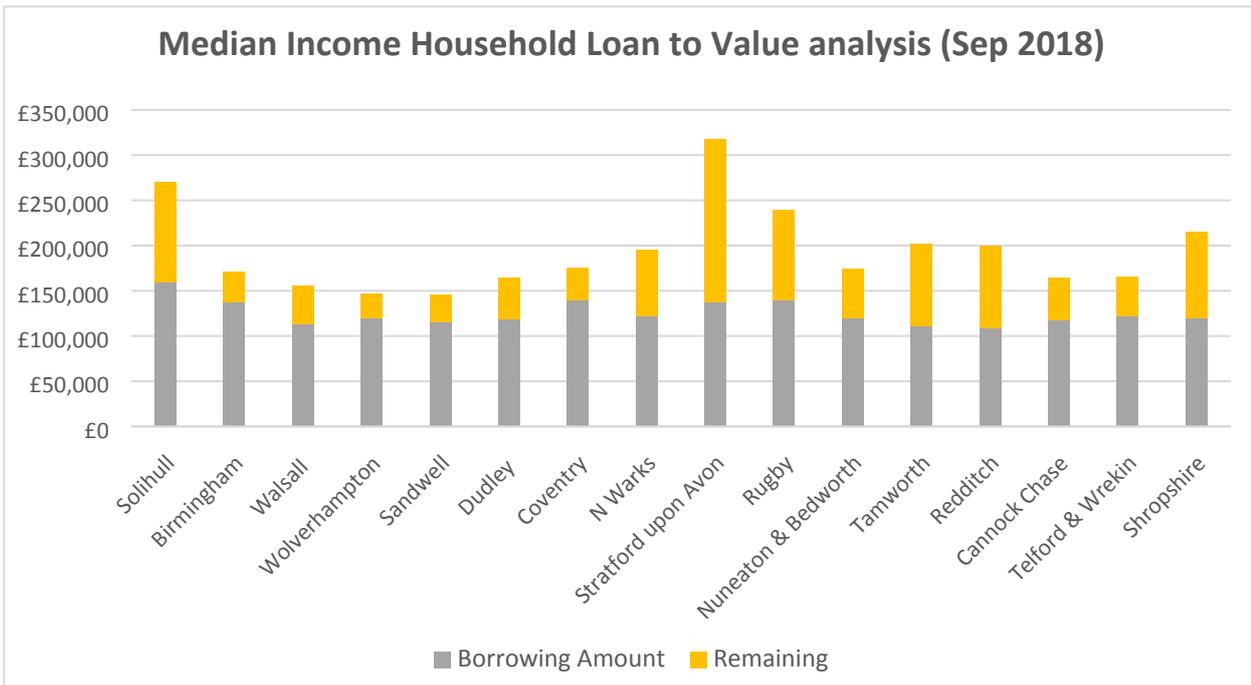


Figure 2 WMCA local authorities Median Income Loan to Value analysis, source Avison Young.

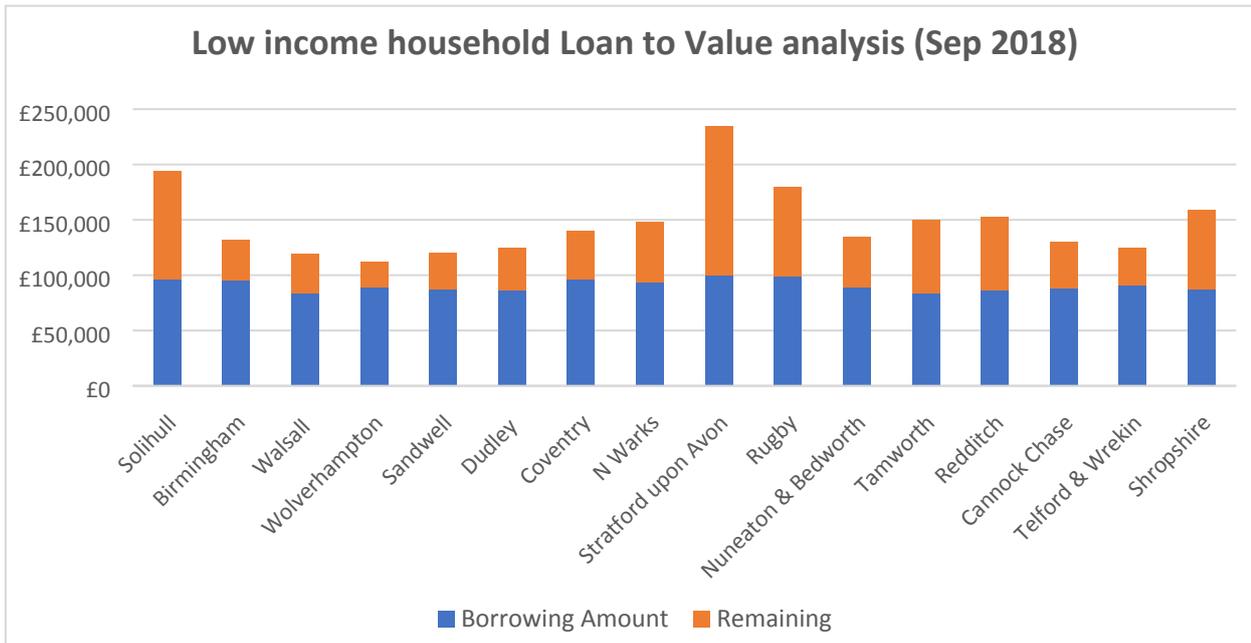


Figure 3 WMCA local authorities Low Income Loan to Value analysis, source Avison Young.

- Key Worker Affordability** (Figure 4): Unaffordable housing has a significant effect on public service delivery, and therefore affects further demonstrated when assessing the impact on ‘key workers’, those working in roles that are recognised as vital to the infrastructure of the community in the health service, education or community safety. The graph below – drawing on analysis from Unison – shows the local analysis of how attainable first-time mortgages are for four such roles, using income and housing data from 2018.

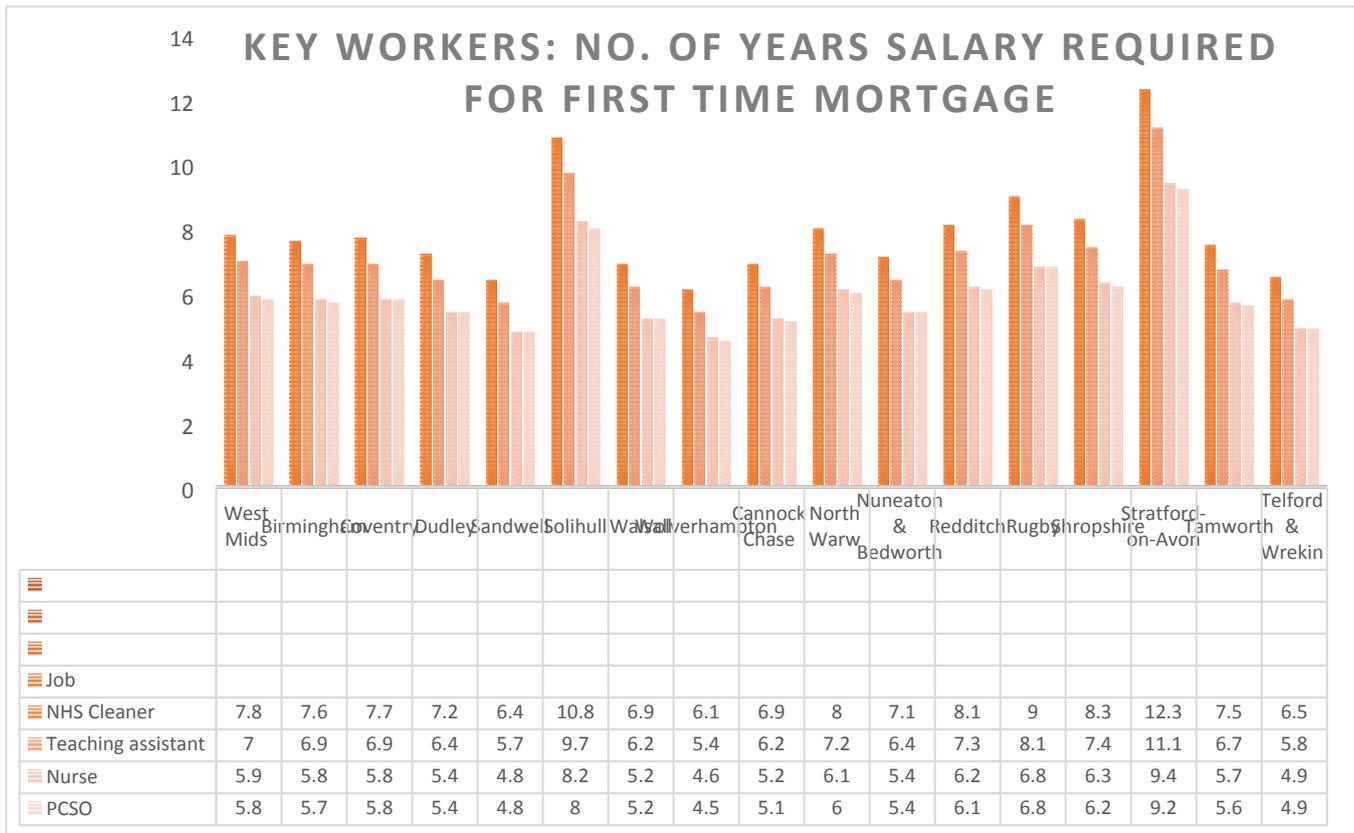


Figure 4 Key worker salary/mortgage analysis, source Unison.

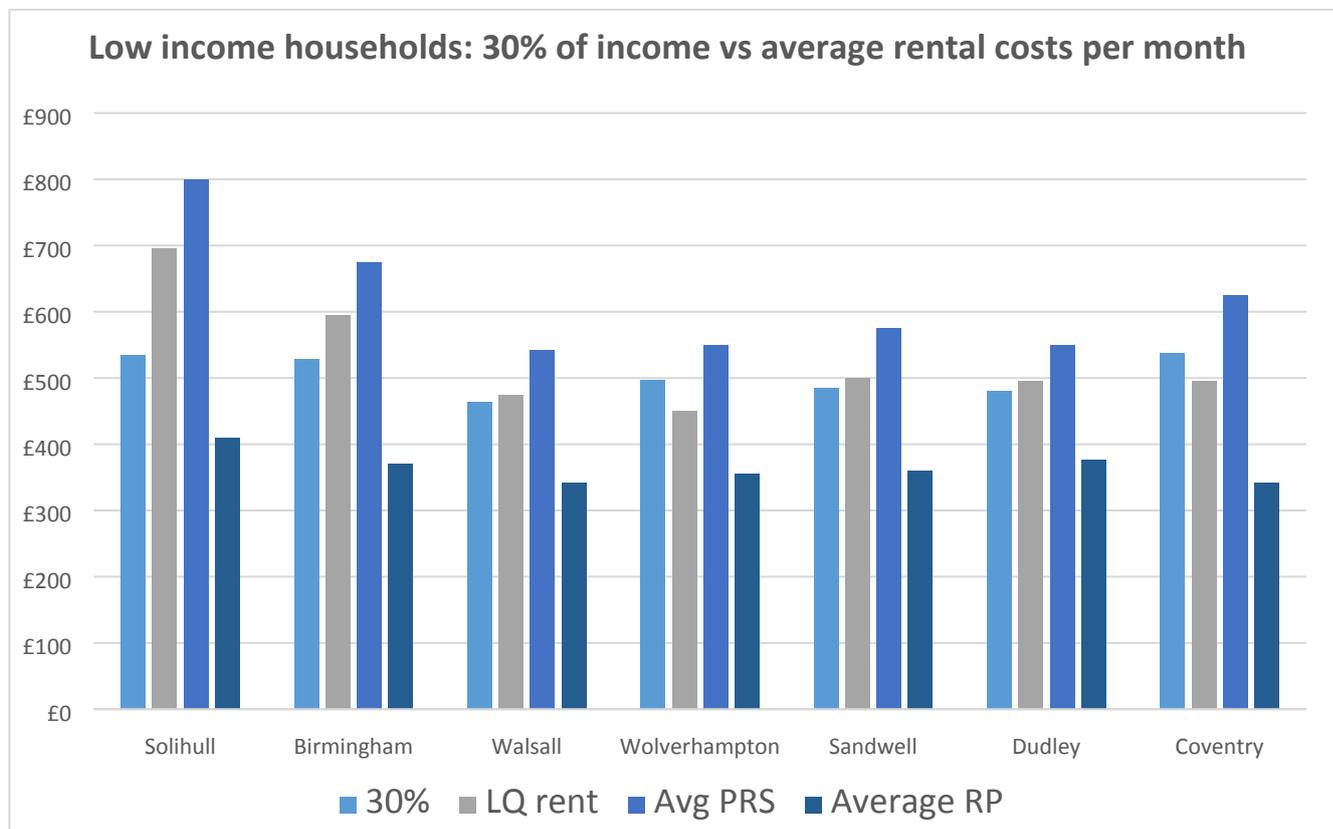


Figure 5 Low Income households and rental options, source data ONS.

- **Income vs. average rent** (Figure 5): Affordable housing for rent provided by housing associations is a significant element of the regional market, with rents often set at considerably lower levels than other options. This is the case across the seven-met area. However, many people on low incomes are unable to access rental property from housing associations or councils, leaving them locked into higher rents (and often worse conditions) in the private rented sector. The graph illustrates the average price variation between private rented sector (both lower quartile and average), homes managed by registered providers, alongside the benchmark of 30% of household income.

3.4 **A West Midlands definition, tailored to place:** the definition that will henceforth be applied to sites acquired or otherwise invested into by the WMCA is split into two components:

- A greater range of products available in the market, tailored for local demand and needs. For example, in areas local to a hospital, homes would be provided which are affordable to defined groups of healthcare workers.
- A measure of local affordability related to lower quartile household income, to reflect the local market issues and incomes of residents. It targets 30-35% of lower quartile income levels in the local area, as set out in Figure 6.

	Low Income			Monthly rate
	Gross Earnings	30% Cap	35% Cap	
Solihull	£21,403	£6,420.90	£7,491.05	£535/624
Birmingham	£21,156	£6,346.80	£7,404.60	£529/617
Walsall	£18,571	£5,571.30	£6,499.85	£464/542
Wolverhampton	£19,847	£5,954.10	£6,946.45	£496/579
Sandwell	£19,415	£5,824.50	£6,795.25	£485/566
Dudley	£19,232	£5,769.60	£6,731.20	£481/561
Coventry	£21,473	£6,441.90	£7,515.55	£537/626
North Warwickshire	£20,768	£6,230.40	£7,268.80	£519/606
Stratford upon Avon	£22,253	£6,675.90	£7,788.55	£556/649
Rugby	£22,040	£6,612.00	£7,714.00	£551/643
Nuneaton & Bedworth	£19,796	£5,938.80	£6,928.60	£495/577
Tamworth	£18,581	£5,574.30	£6,503.35	£465/542
Redditch	£19,165	£5,749.50	£6,707.75	£479/559
Cannock Chase	£19,649	£5,894.70	£6,877.15	£491/573
Telford and Wrekin	£20,204	£6,061.20	£7,071.40	£505/589
Shropshire	£19,500	£5,850.00	£6,825.00	£488/569

Figure 6 Income levels across the local authority areas of the WMCA

3.5 **Policy into practice:** the definition has now been embedded into the Single Commissioning Framework (SCF), and can exist alongside other affordability definitions that do not draw on WMCA resources.

Through the current SCF process, all schemes receiving WMCA funding are required to meet a minimum provision of 20% affordable housing, now held to this bespoke definition of affordability. Ensuring that this is delivered will require consistent analysis at the scheme assessment and viability appraisal stages (e.g., what constitutes key worker housing). This will become a formalised element of the scheme appraisal process.

#### **4. Financial Implications**

4.1 There are no financial implications to passing this report. Investments relating to housing that are subject to the SCF will be considered on a case by case basis.

#### **5. Legal Implications**

5.1 The WMCA does not have specific statutory duties in relation to homelessness. These powers and duties remain with and are discharged by the Constituent and Non-Constituent Authorities. No legal implications have been identified in passing this report, however when public services across the region enter into new commitments to collaborate, any implications will need to be considered on a case by case basis by these services.

#### **6. Equalities Implications**

6.1 The work of the Homelessness Taskforce targets some of the most vulnerable individuals in our communities and seeks to prevent homelessness in all of its forms. It has taken a person-centred life course approach to homelessness taking account of the demographics and equalities impacts for Children and Families, young people and older singles as well as those sleeping rough. We have specific expertise within the Taskforce looking at the root causes of homelessness for each group.

#### **7. Inclusive Growth Implications**

7.1 The work of the Homelessness Taskforce as a whole addresses several of the indicators on the Inclusive Growth Framework. Its overall purpose is to strengthen the region's ability to support some of the most vulnerable people within the region and ensure that inclusive growth means inclusive for all, including those experiencing severe and multiple disadvantage.

7.2 The affordability policy is an excellent example of inclusive growth in practice, as it defines affordability by whether it is affordable to the people who live there, instead of tethering it to market value, which often bears no relation to whether local people can afford to live there.

#### **8. Geographical Area of Report's Implications**

8.1 The work of the Homelessness Taskforce spans across all seven constituent authorities of the

WMCA. In addition, the non constituent authorities are represented on the Homelessness Taskforce and Members Advisory Group. The WMCA Veterans Homelessness Officer works across both the constituent and non-constituent authorities.

**9. Other Implications**

9.1 There are no other implications.

**9. Schedule of Background Papers**

## Public Service Reform Board

<b>Date</b>	5 March 2020
<b>Report title</b>	Inclusive Growth & Social Economy – update and next steps
<b>Portfolio Lead</b>	Councillor Yvonne Davies, Portfolio Holder for Public Service Reform and Social Economy
<b>Accountable Chief Executive</b>	Deborah Cadman, Chief Executive, West Midlands Combined Authority
<b>Accountable Employee</b>	<p>Julie Nugent, Director of Productivity &amp; Skills  email: <a href="mailto:Julie.Nugent@wmca.org.uk">Julie.Nugent@wmca.org.uk</a>  tel: 0121 214 7942</p> <p>Claire Spencer, Acting Head of Inclusive Growth &amp; Public Service Reform  Email: <a href="mailto:Claire.Spencer@wmca.org.uk">Claire.Spencer@wmca.org.uk</a>  Tel: 0121 214 7669</p>

Recommendation(s) for action or decision:

The Public Service Reform Board is recommended to:

1. Note the activity that has taken place over the last six months.
2. Provide feedback on next steps for the Applied Inclusive Growth team, Inclusive Growth Unit, and other associated work.
3. Indicate any development areas for the team to work on.

## 1. Purpose

1.1 The purpose of this report is to update the PSR Board on the activities of WMCA (specifically the Applied Inclusive Growth team, supported by the Inclusive Growth Unit) since the last meeting of the Board in September 2019.

1.2 This is an opportunity for the Board to discuss how WMCA should build on this work across the region, including by adopting best practice from local authority partners. The workshop that will follow the formal papers will be an opportunity for the Board to explore this.

2. **Applied Inclusive Growth.** This part of the report covers three key areas of work that have been progressed since the last Public Service Reform Board:

- Inclusive Growth Corridors.
- WM2041.
- Social Economy Taskforce.

**2.1 Inclusive growth corridors - summary:** the Applied Inclusive Growth team<sup>1</sup> has been working with local authorities and other key partners on a voluntary basis to embed and apply WMCA's inclusive growth architecture<sup>2</sup> as they build and submit strategic plans and investment proposals. This aligns with WMCA's wider approach – to use a small team to support local authorities drawing from WMCA's investment programme to move from business as usual to inclusive growth, with a goal of sharing and building prosperity, and improving outcomes. In practice, this means creating the space to link public services and capital investment, to ensure that they are focused on the same social and environmental goals.

This service works by invitation, to ensure that local partners can draw on support from the WMCA in a way that fits their places, partnerships, and general approach. Since the approach was endorsed by WMCA Board in the summer of 2019, the team has been supporting the two local authority partners in the '*East Birmingham North Solihull*' (EBNS) Inclusive Growth corridor: the East Birmingham Board<sup>3</sup> in its development of a draft Inclusive Growth Strategy<sup>4</sup>, and Solihull MBC as it works up its investment case for Kingshurst Village in the north of the borough.

**2.2 East Birmingham Board – nature of support:** several of the Applied Inclusive Growth team sit on the East Birmingham Board, alongside the Director of Skills & Productivity. To date, the team has produced

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<sup>1</sup> A small team composed of the Acting Head of Inclusive Growth, a graduate from the Housing & Land team, and secondees from Public Health England West Midlands (including an analyst) and Solihull MBC.

<sup>2</sup> This includes the definition of inclusive growth, plus the Inclusive Growth Framework, Decision-Making Toolkit, and the four tests. See here for a full description: <https://governance.wmca.org.uk/documents/s2910/Report.pdf>

<sup>3</sup> A partnership led by Birmingham City Council, which seeks to stimulate investment into the people and places of East Birmingham.

<sup>4</sup> This was launched in February 2020, and is currently out for consultation until 11<sup>th</sup> May. See : <https://www.birminghambeheard.org.uk/economy/ebigs/>

an inclusive growth baseline for the East Birmingham and North Solihull sections of the corridor, which has subsequently been worked into the strategy document<sup>5</sup>.

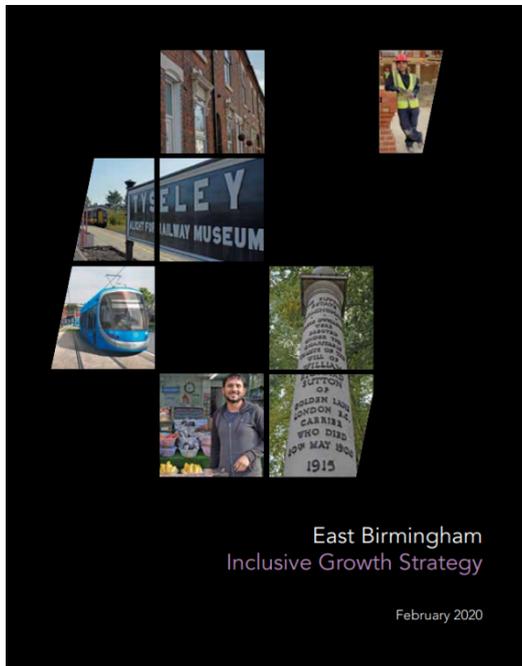


Figure 1 The front cover of the East Birmingham Inclusive Growth strategy, currently out to consultation

The strategy is currently out for consultation. In the meantime, the Applied Inclusive Growth team is preparing two papers for discussion at the next East Birmingham Board meeting, both focused on turning the vision and strategy into delivery. One will explore potential areas for collaboration between capital investment, public services, and local partners across East Birmingham, and the other will focus on ‘inclusive investment standards’.

### 2.3 Kingshurst Village regeneration – nature of support:

Solihull MBC has been developing a business case for the regeneration of the centre of Kingshurst, a local centre in the north of the borough. North Solihull has been a strategic priority for Solihull for over 15 years, with the North Solihull Partnership acting as the coordinator of the investment programme until it was wound up in July 2019.

The Applied Inclusive Growth team has provided support to Solihull MBC since September 2019, to assist in its development of an Outline Business Case (OBC) to the WMCA Investment Board, including by producing an ‘art of the possible’ paper and by running a workshop based on the Inclusive Growth Decision-Making Toolkit. The concept masterplan and OBC was considered by Solihull’s Cabinet in December 2019, and is continuing to be developed.

**2.4 Next steps:** the examples from both Birmingham and Solihull illustrate that the same inclusive growth tools can be used to complement different approaches, with local authority partners leading and WMCA supporting. The team plans to expand this activity over the coming months, across other parts of the region:

- Continuing to support Birmingham and Solihull via the East Birmingham North Solihull Inclusive Growth Corridor.
- Meeting with Coventry City Council and Walsall MBC, to discuss opportunities for collaboration and support in line with local priorities.
- Joseph Rowntree Foundation (JRF) – a partner on the Inclusive Growth Unit – has funded an additional post for the team for 18 months, which will add capacity for this work, as well as building a stronger link between WMCA and JRF.
- Working up a proposal with Barrow Cadbury Trust and other partners relating to ‘structured conversation’ with citizens, to ensure that they are able to own changes in their communities. Any work will be preceded by discussions with local authority partners, to ensure it complements existing engagement activity.

<sup>5</sup> See p4, p26-27.

**2.5 #WM2041<sup>6</sup>: an inclusive response to the climate emergency – summary:** responding to pressure from citizens and the UK’s obligations under the Paris Agreement, WMCA has created the WM2041 climate emergency response for the region, which takes an inclusive approach to meeting the challenges of climate breakdown and resource depletion. The report, written by the Applied Inclusive Growth team, and currently out for consultation, sets out five outcomes, around which an investment plan will be shaped:

<p><b>We will change our economy without leaving anyone behind</b></p>	<p>By 2041, the West Midlands economy needs to shift to one which is zero carbon and abides by circular economy principles, while enabling the people of the region to build and enjoy their prosperity. That is not where we are at the beginning of 2020. The choices we make now will determine whether the region can deliver on its obligations, and the extent to which we can do so in a way which alleviates poverty, deeper inequality, and disenfranchisement.</p>
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<p><b>We will boost our resilience to climate change</b></p>	<p>Some changes to the climate are inevitable – either because they have already happened, or will already happen. This means that the people, places and infrastructure that comprise the West Midlands will need investment in order to withstand impacts like increased rainfall and extreme temperatures. This will require us to think differently about nature-based solutions to climate change, as well as how we build homes and communities.</p>
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<p><b>We will use our industrial past to create a new future</b></p>	<p>The West Midlands has a proud industrial past, and our strengths in sectors like automotive are deeply embedded in our psyche. Cars are not just how many people get around: they are part of who we are. We need to take this part of our identity forward without locking the region into congestion, polluted air and climate breakdown. This means we need to prioritise mobility solutions that support public health and social outcomes.</p>
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<p><b>We will build more places and more connectivity between places</b></p>	<p>In the West Midlands, we need to build 215,000 homes by 2031 to house an additional 500,000 people. Those people will need more than a home to live in: schools, shops, GP surgeries, bus routes, broadband connections, leisure facilities, places to send their household waste, and more. All while investing into the quality and connectivity of existing places. Our region needs to grow while our emissions shrink.</p>
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<p><b>We will save energy and resources without reducing prosperity</b></p>	<p>We want people in this region to become more prosperous, together – but we will need to do this while reducing demand for energy, resources, and recalibrating our demands on the land and natural environment more broadly. Moving away from single-</p>
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<sup>6</sup> The #WM2041 report is currently out for consultation until 12<sup>th</sup> March 2020. See: <https://beta.wmca.org.uk/the-mayor/climate-public-engagement/>

use plastics is an active shift that we can learn from, but there will need to be a lot of these types of shifts happening simultaneously across sectors.

The new Head of Environment is working to ensure that any investment on the back of this plan adds value to plans at local authority level and below.

**2.6 #WM2041 - potential for prevention and public service reform:** Achieving these outcomes will be challenging, but is fundamental to ensuring that people from all backgrounds are able to shape the changes that their lives and places will be subject to over the next 20 years, in a way which resonates with their values and identities. However, the shift to a regenerative, circular, net-zero economy is one that will also create opportunities: for new types of work, warmer homes, and healthier lives.

It is also a potential lever for improving public service outcomes. Examples *could* include:

- **Alleviation of poverty and ill health:** as part of the delivery mechanism for a regional home retrofit scheme, referral pathways for replacement boilers, home insulation and microgeneration could be introduced and strengthened through primary care networks, home care services and JobCentrePlus. This would ensure that people with the greatest need are invested into first. Retrofitting will reduce the carbon emissions from existing homes across the region, but will also alleviate poverty through lower fuel bills and improve the thermal comfort of homes. This would improve respiratory and circulatory health, mental health, and would alleviate the burden that poverty places on people, leaving them freer to do more.



Figure 2 A visualisation of the '20 minute neighbourhood' as pioneered in the US city of Portland, Oregon

- **Reducing demand for travel:** this creates the right conditions for creating '20 minute neighbourhoods<sup>7</sup>', where the majority of everyday needs can be met within a 20 minute journey on foot, bicycle or public transport. This would support the reintroduction of place-focused services such as Sure Start centres, which meet the needs of children and families under one roof, as well as boosting the region's efforts to improve town centres.

- **Smart grid, smart care:** using the enhanced insight from smart energy systems to enable independent living. By deploying smart metering, 5G and machine learning – subject to permission

from the person needing support – the person's energy behaviours can be learnt, leading to faster response times if someone falls or becomes unwell.

<sup>7</sup> See: <https://www.youtube.com/watch?v=1oYvbrDVjcY>

**2.7 Growing the Social Economy – summary:** WMCA Board established the independent, sector-led Social Economy Taskforce in 2018 to understand the contribution that the social economy sector could make to the region’s commitment to inclusive growth. The social economy is inclusive growth in practice: businesses and community organisations collaborating around shared social and environmental goals, led by diverse citizens, the people who most need these enterprises to succeed.

This is backed by research by Social Enterprise UK: social enterprises are more likely (when compared to other businesses) to be led by and to employ women, people from BAME backgrounds, and to be based and focused on areas of multiple deprivation. It is a core component of the ‘community wealth building’ approach: anchor institutions should invest into the enterprises that they then commission and procure products and services from. To boost the social economy is to deliver inclusive growth.

The recommendations<sup>8</sup> from the Social Economy Taskforce were launched in January 2020, at a well-attended event<sup>9</sup> in the social enterprise cluster of Balsall Heath. The overall goal is to double the size of the social economy in ten years, from an estimated £3.5bn to £7bn.

**2.8 Growing the Social Economy – next steps:** WMCA is going out to tender for a social economy organisation to write a ten year business plan to support the headline goal, with investment to come from a blend of social finance, central Government and local partners. Black Country LEP has already put together an initial paper to explore its contributions to that business plan, and this is being worked into the tender.

### 3. Financial Implications

3.1 There are no financial implications associated with approving this report – any spending is in line with the current budget settlement, or will be taken to WMCA Board as and when new programmes are designed.

### 4. Legal Implications

4.1 There are no legal implications associated with approving this report.

### 4. Equalities Implications

4.1 The inclusive growth architecture is designed to create policies and investments which benefit people with protected characteristics, as it judges the quality of those policies and investments by how it works for them. Efforts to refine their application and improve the tools will enable this to improve.

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<sup>8</sup> See Appendix 1.

<sup>9</sup> See: <https://www.wmca.org.uk/news/mayor-calls-on-businesses-to-boost-social-enterprises/>

## **5. Inclusive Growth Implications**

5.1 All of the work detailed above is inclusive growth in practice, encompassing all four inclusive growth tests – locking in wealth, universal design, future generations, and sharing power. However, given the focused nature of most of the pieces above, there is more work to do to ensure that this approach to building policy and investment cases becomes business as usual, both in WMCA and in partner organisations.

## **6. Geographical Area of Report's Implications**

6.1 There is some targeted work that focuses on Birmingham and Solihull in the Inclusive Growth Corridors workstream, and this needs to expand to ensure that more local authority areas can benefit from the support. Both WM2041 and the Social Economy Taskforce are focused on the 3-LEP areas.

## **7. Other Implications**

7.1 There are no other implications.

## **8. Schedule of Background Papers**

8.1 Appendix 1 – the six recommendations from the Social Economy Taskforce.

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# Recommendations

Each of these recommendations works to address the goal of doubling the size of the social economy in ten years. Delivering these recommendations will require some coordination from within WMCA, ideally with one person having overall responsibility.

What does this mean in practice?

**Within three months:**

1. WMCA should work with Social Enterprise UK to explore resourcing a local secondment from the social enterprise sector to lead this work.
- 

## 1 | Boost the collective identity of social enterprise by strengthening and growing its platforms

What will this achieve for social enterprise in the region?

This recommendation is about building greater understanding of social enterprise, and strengthening the links, support mechanisms, and platforms that already exist for social enterprise and its leadership. The Taskforce is clear that strengthening and scaling successful initiatives is preferable to starting something from scratch.

What does this mean in practice?

**Within three months:**

1. WMCA representatives to meet with the organisers of CityDrive, Coventry Social Enterprise Forum, BSSEC, the graduation ceremony for the School for Social Entrepreneurs, and any other key social enterprise events to assess their future plans, how those plans will be funded, and where WMCA can provide or seek support or resource.
2. WMCA representatives to meet with organisers of key SME events in the region – such as Venturefest West Midlands<sup>22</sup> – to assess their appetite and bandwidth to do more to distinguish and promote social enterprise.

**Within six months:**

1. WMCA and its partners will have identified what is possible in terms of support and resources, and creates a short paper to outline its commitments. This could include some or all of the following:
    - Using WMCA media channels and contacts to raise the profile of these social enterprise events, businesses, and campaigns;
    - The Mayor, Portfolio Holders, and senior officers to support key events by participating as keynote speakers, panellists, and judges;
    - Allowing WMCA staff – particularly budget-holders and those from Procurement – time to attend key events, and to meet people who run social enterprises.
- 

<sup>22</sup> See: <https://www.venturefestwm.co.uk/>

- Direct sponsorship of elements which are relevant to WMCA's goals in the region – for example, an event which explored built environment social enterprises, which can both contribute to the region's wider capital programme and invest into local citizens by enabling them to develop those skills through placements or employment.
2. WMCA to use the paper to help assess implications for its cyclical business planning.

**Within one year:**

1. Commitments as outlined in the paper are delivered on.
2. Process is enshrined into 'business as usual' via the business plan, and the previous year's activity is used to inform the following year.

## **2 | Develop a collaborative, ten-year business case for social enterprise business support**

### What will this achieve for social enterprise in the region?

There are some excellent programmes for supporting social enterprises to start, grow, and sustain, but they are relatively small scale, and vulnerable to shifts in their funding portfolios. The region needs a funded business plan on the same timescales as its overall goal to ensure that business support for social enterprises is both adequate to growing the sector, and targeted to ensure that it reaches people who need it most.

### What does this mean in practice?

**Within three months:**

1. WMCA to commit to enshrining this goal in the Local Industrial Strategy (LIS) delivery plan.
2. WMCA to meet with existing providers of social enterprise business support to understand their current resource base and existing business plans.
3. WMCA or a representative to meet with providers of existing business and employment support – including Local Enterprise Partnerships (LEPs) – to assess their understanding of social enterprise and social enterprise business support.

**Within six months:**

1. WMCA and social enterprise partners have developed an estimate of the business support 'gap', the starting point of the overall business plan.
2. WMCA to enter into discussions with BEIS, DCMS, and the Office for Civil Society to broker a Government contribution to this plan, in line with the West Midlands Local Industrial Strategy.
3. WMCA to enter into discussions with Trusts, and philanthropic funders to broker additional contributions to this plan.
4. WMCA to enter into discussions with the social finance and investment sector, which directly benefits in pipeline deals coming forward as a consequence of the provision of business support, but typically does not fund support services.

#### **Within one year:**

1. WMCA Board to have approved a ten-year business plan for social enterprise, which will draw resources from a variety of sources, including Government, LEPs, Trusts and philanthropic funders, and social funders.
  2. The first investments into social enterprise business support are made as a consequence of the ten-year business plan.
  3. Providers of existing business support will know what a social enterprise is, and will know where to signpost them.
  4. Any implications of the ten-year business plan for social enterprise will be worked into WMCA's cyclical business planning process, and into its capital programme.
- 

### **3 | WMCA Office of Data & Analytics to develop and disseminate a consistent approach for data collection on social enterprises**

#### **What will this achieve for social enterprise in the region?**

As it stands, any target relating to measuring public sector spending with social enterprise, or the size of the overall social economy, is nearly meaningless because there are multiple definitions of social enterprise, and data is not consistently collected. Defining and collecting the right data will ensure that the headline commitment – to doubling the size of the social economy – can be delivered. It will also ensure that social enterprise business support can be targeted appropriately.

#### **What does this mean in practice?**

##### **Within three months:**

1. WMCA Office of Data & Analytics (ODA) to have met with SEUK, ONS, and the organisations collecting data for local baselines such as the Birmingham Social Enterprise City steering group (including BSSEC and iSE) to establish the right balance between comprehensiveness and resource intensity with regards to collecting data on social enterprises.
2. WMCA ODA to have had an initial meeting with the ongoing Social Value Taskforce, which involves public sector procurement leads from across the region, to get a sense of what would help public bodies to collect the right data.

##### **Within six months:**

1. WMCA to be measuring its own procurement spend with social enterprise, applying the measurement retrospectively where possible.
2. WMCA ODA to report a notional figure of the size of the social economy in the West Midlands.

##### **Within one year:**

1. WMCA procurement spend and overall size of the social economy to be reported to WMCA Board and Overview & Scrutiny as part of the overall monitoring of this report.
2. Social Value Taskforce members to be measuring their procurement spend with social enterprise, and will have started using their local social value policies to push this approach to measuring social enterprise spend further down their supply chains

## 4 | WMCA will use its convening role to encourage all regional public sector bodies and publicly-funded projects to spend at least 5% of their commissioning and procurement budget with social enterprise

### What will this achieve for social enterprise in the region?

Public bodies and large, publicly-funded projects and events will spend more money on social enterprise products and services, and as a consequence, will deepen their understanding of what it is possible to buy from social enterprise. This will serve some key priorities: helping people to overcome addiction, supporting people with multiple and complex needs, contributing to the built environment, boosting the circular economy, and in the creation of those ‘foundational’ businesses which bolster local centres, and provide employment opportunities for the people who live there. These opportunities could span education, social care, asset-based community development, regeneration, and creative / digital media – all areas where social enterprise is strong.

### What does this mean in practice?

#### Within three months:

1. As above, WMCA ODA will attend a meeting of the Social Value Taskforce to get a sense of the challenge of measuring social enterprise spend. The Social Value Act has enabled public sector bodies to use their commissioning to boost local businesses, but currently – as a rule – do not differentiate between SMEs and social enterprises.
2. WMCA Social Value Taskforce to reflect on the practicality of this goal, and its implications for small and large commissions (i.e., below and above OJEU level).

#### Within six months:

1. If required, the Social Value Taskforce will update the WMCA Social Value policy to reflect the specific commitments on social enterprise spend and social value impact.
2. WMCA Inclusive Growth Unit to embed this target into any piloting of inclusive growth approaches in Town Centres and other regeneration programmes. This could include social enterprise incubators and coworking spaces.
3. By agreement, Social Value Taskforce members will sign up to the target, and will start its own plans to meet, or exceed it<sup>23</sup>.

#### Within one year:

1. WMCA and other public bodies will be implementing plans to meet the 5% target, with progress reported to WMCA Board and Overview & Scrutiny.
2. WMCA will be confident that its social value policies are robust enough to derive maximum social value from the investments it is responsible for.

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<sup>23</sup> Note that without the consistent measure of social enterprise spend, it is impossible to know how close different public bodies are to meeting or exceeding this target, and it will be ‘stretched’ if appropriate.

## 5 | WMCA and partners to lead a campaign to encourage closer links between social enterprises and the wider private sector

### What will this achieve for social enterprise in the region?

More businesses will more purchase products and services from social enterprises, and there will be opportunities for private sector businesses to learn from social enterprise, and vice versa. Given that social enterprise leadership tends to be more diverse, this is an opportunity for social enterprise to help WMCA deliver the Leadership Commission recommendations. In short, this is about ensuring that social enterprises and the broader private sector can more regularly operate collaboratively, in the same spaces.

### What does this mean in practice?

#### Within three months:

1. Leadership Commission Delivery Co-ordinator to brief the Mayor and his team on how existing delivery around the Inclusive Leadership Pledge could support this campaign, and to highlight any risk areas

#### Within six months:

1. WMCA to work with business support organisations to design a campaign that encompasses the following:
  - Commissioning and procuring from social enterprise, including the 5% pledge that the public sector will be working towards;
  - Bringing more social enterprises into private sector supply chains.
  - Seconding private sector staff into social enterprise and vice versa;
  - Social enterprise representation on corporate boards, and vice versa;
  - Business opportunities for social enterprise intermediaries to broker these relationships;
  - Other support as deemed appropriate.
2. WMCA Marketing and Communications to work with social enterprise and business support organisations to design and deliver a Communications plan to support the campaign, bearing in mind the need to ensure alignment with other business engagement work.

#### Within one year:

1. Case studies and other good news stories start to emerge as businesses and social enterprises participate in the campaign, and are shared at events like CityDrive.
2. Businesses start to sign up to the 5% spend with social enterprise target.

## 6 | Work with social finance and investment partners to assess gaps, barriers, and improvements that could boost the impact of social investment, as well as increasing demand

### What will this achieve for social enterprise in the region?

Social enterprises do not always have the confidence to seek investment, or to borrow money to scale up. Part of the answer to this lies in Recommendation 2 (business support), but it is also ensuring that the right financial products are out there, and that each business is able to assemble the 'capital stack' that suits their development needs. This work will ensure that we understand where WMCA should convene social finance partners to 'fill the gap', and where it is necessary to remove barriers to existing products. This work has already started.

### What does this mean in practice?

#### Within three months:

1. WMCA to build on plans and conversations with social finance and investment partners to establish to turn the gaps and barriers that have been identified via the Social Economy Taskforce into a specification for a piece of detailed work on boosting demand for social finance, and for 'bridging the gaps'. This could include the following elements:
  - A revolving loan fund;
  - A fund to underwrite community and co-operative share issues;
  - A fund to enable WMCA and any future partners to act as an institutional investor;
  - A 'Community Bond', a proposal for which has already been developed by members of the Taskforce<sup>24</sup>.
2. Commission an appropriate social finance and investment partner to undertake that work.

#### Within six months:

1. Work to have been reported back to PSR and WMCA Boards, and provided to Overview & Scrutiny. WMCA Board will assess any risks involved in the next steps of setting up or otherwise coordinating the creation of investment funds.

#### Within one year:

1. Social enterprise confidence in taking on investment or debt is boosted via business support, improved signposting, and by closer relationship with corporates.
2. A start date for investments from any new funds is known.

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<sup>24</sup> See: Appendix 1



## Public Service Reform Board

<b>Date</b>	5 March 2020
<b>Report title</b>	The West Midlands Violence Reduction Unit
<b>Portfolio Leads</b>	Public Service Reform & Social Economy - Councillor Yvonne Davies  Wellbeing – Councillor Izzi Seccombe  WM Police and Crime Commissioner – David Jamieson (accountable body)
<b>Accountable Chief Executive</b>	Deborah Cadman, Chief Executive, WMCA
<b>Accountable WMCA Employee</b>	Julie Nugent, Director of Productivity and Skills <a href="mailto:Julie.Nugent@wmca.org.uk">Julie.Nugent@wmca.org.uk</a>  Claire Dhami, Head of Public Service Reform and Prevention <a href="mailto:Claire.Dhami@wmca.org.uk">Claire.Dhami@wmca.org.uk</a> tel: (0121) 214 7880

### Recommendation(s) for action or decision:

### The Public Service Reform Board is recommended to:

1. Note the progress to date of a regional approach to violence, vulnerability and exploitation, and the establishment of the West Midlands Violence Reduction Unit (WM-VRU) and plans for the forthcoming application.
2. Consider the synergies between the WM-VRU and the WMCA PSR Board.
3. To agree to regular updates from the WM-VRU, including specifically on areas where the PSR Board can better support and help embed its work within the WMCA.

## **1. Introduction:**

This paper updates the PSR Board on the establishment and progress of the regional, collaborative approach to prevent and reduce place based violence, vulnerability and exploitation prevention and reduction in the West Midlands following its inception in September 2019.

## **2. Background:**

Violence, vulnerability or exploitation was identified by each of the Combined Authority constituent members and observer members as a priority in January 2019. This, alongside the Government's spring statement which confirmed additional funding led to the establishment of the Violence Reduction Unit which launched on 2<sup>nd</sup> October 2019.

The backdrop to the establishment of the WM-VRU is one of a notable increase in violence within several of the UK's urban areas, and within the West Midlands in particular. In our region, gun crime has increased by 33%, and instances of knife crime have increased by 85% since 2012. Domestic violence has increased 14% since 2018 and violent crime against the person is up 32% in the last year.

The risk factors underpinning this are complex, with most lying outside of the reach of the criminal justice system. They range from local patterns of criminal activity to the impact of poverty, economic marginalisation, health, social care and changes to the funding regime for preventative services for young people. Whilst many of these challenges remain systemic and ongoing (and indeed continue to pose severe demand challenges for public services), Government has recognised that more focus and resource needs to be put into prevention – announcing £100m in the Spring Statement to tackle 'serious youth violence', including the establishment of a number of Violence Reduction Units which utilise the 'public health approach'.

The link between violence and public health is fundamental. Preventing violence and exploitation and reducing vulnerabilities is an essential part of addressing health inequalities. There is strong evidence that addressing the social determinants of health such as housing, education, and access to healthcare will result in better health outcomes; further enhanced by taking a life course approach by considering interventions from birth to old age. By adopting a public health approach and tackling these wider determinants in a co-ordinated, collaborative and strategic way the VRU aims to reduce violence, vulnerability and exploitation. From conception onwards, there are multiple relevant points in an individual's life that can present an opportunity for appropriate interventions.

The WM-VRU embeds the public health approach. This means it will describe the importance of understanding health, social care and economic needs, identification of risk and protective factors to support individual and population level interventions, and support the development of a 'whole system' approach to tackle complex problems using evidence based interventions.

# The Public Health Approach to Violence



### 3. Progress:

This public health approach aligns strongly with activities that were already happening in the West Midlands – meaning that, unlike some other areas, we did not have to start a WM-VRU from scratch and others are learning from us. Our ‘blueprints’ include:

- Established in 2015, our Violence Prevention Alliance (VPA) has worked across the seven local authorities of the West Midlands Police region. Our VPA has not operated as a VRU coordinating the efforts of the whole system. It has, however, as a WHO-accredited ‘coalition of the willing’, advocated for violence as a public health issue, and has demonstrated a public health approach in its use of multiagency data and intelligence, its dissemination of the evidence about Adverse Childhood Experiences and the risk and protective factors for violence, the relevance of ‘trauma-aware’ services, and by piloting, evaluating and scaling up a number evidence-informed interventions. The VPA provides us with solid principles on which we are making a step change to build our VRU and enhance our delivery of preventive services.
- Preventing Violence against Vulnerable People (PVVP) was established in 2014. It was a partnership between the seven Local Authorities and West Midlands Police. PVVP undertook an independent evaluation in Autumn 2018 which recognised the successes the programme had achieved: notably in child sexual exploitation and modern slavery and recommended moving into a broader framing of preventing criminal exploitation, violence and vulnerability.
- The Gangs and Violence Commission is a PCC supported, community led, evidenced based collaboration launched in 2016 to respond to the serious

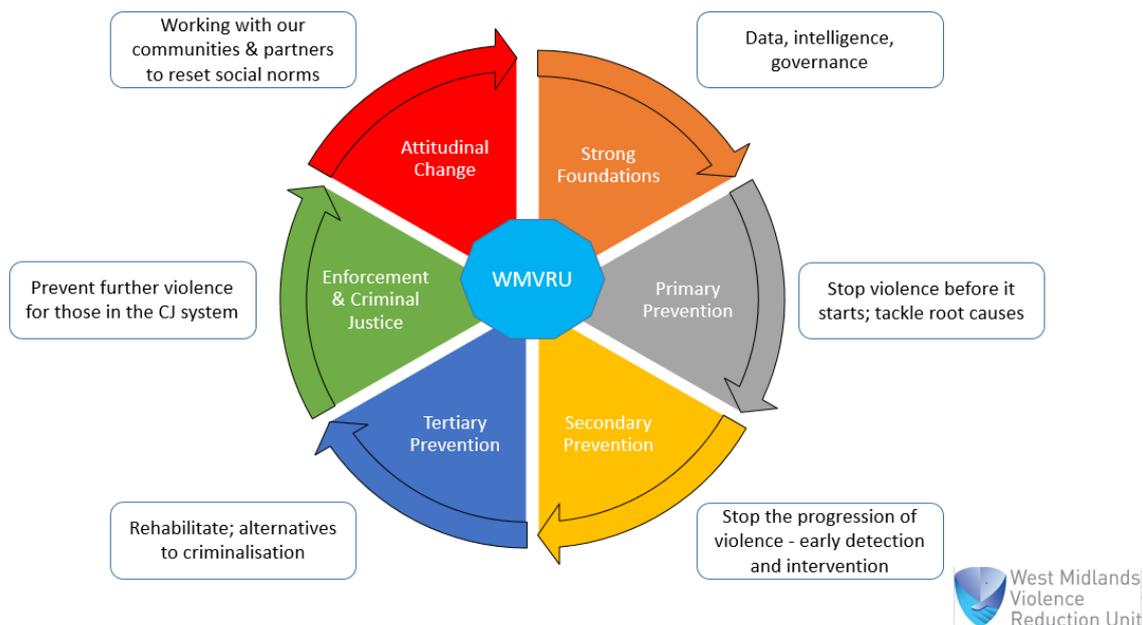
increase in the numbers of people hurt and killed by firearms, knives and other forms of violence. It responded to the families, friends and communities, and wider concerns about organised crime and serious violence in Birmingham. The commission produced a research report with 24 recommendations which have a community-led response at the heart of its development and delivery.

- The ALTAR project, a substantial programme of work – developed by the WMCA and PCC in partnership since 2017 – evidencing patterns of vulnerability in the region and the potential for different approaches to youth justice reform through the lens of Abuse, Loss, Trauma, Attachment and the role of Resilience.
- Many activities that are already embedded within local health, criminal justice and community safety partnerships – giving us a chance to amplify and evidence what we think works, and better support the efforts of local authorities, communities and partnerships that can make a difference at a neighbourhood level.

The draft strategy and WM-VRU amalgamates best practice and learning from the VPA, Gangs and Violence Commission and the PVVP and represents a single, new, focused and strengthened partnership approach to a shared agenda. There is existing spend contained with the VPA, Gangs and Violence Commission and PVVP which are now programmed in alignment with the VRU funding in 2019/20.

The WM-VRU thus brings several programmes of work together and gives the region the possibility to amplify and grow them. On 12<sup>th</sup> August 2019, the PCC received confirmation that the West Midlands would receive £3.37 million (for FY 19/20) to establish its VRU. This has been the trigger for substantial, rapid work to establish our Unit, bring together a number of secondments to begin its work, and begin to scale and evidence the activities (outlined below) that sit within its workplan.

The 19/20 delivery plan focuses on six strands of the strategy;



The Home Office Performance Measures for VRU's and associated 'Surge' funding to police force areas (Project Guardian in the West Midlands) are;

- (1) *Reduction in hospital admissions for assaults with a knife or sharp object and especially among those victims aged under 25;*
- (2) *Reduction in knife-enabled serious violence and especially among those victims aged under 25, based on police recorded crime data;*
- (3) *Reduction in all non-domestic homicides and especially among those victims aged under 25 involving knives.*

The WM-VRU has a total budget of **£4,034,000** for this financial year. This includes **£3.37** million from the Home Office, a **£524,000** grant from the Police and Crime Commissioner which was formerly the Violence Prevention Alliance (VPA) budget and a **£140,000** contribution from local authorities and West Midlands Police which represents the legacy work of the Preventing Violence Against Vulnerable People (PVVP) programme.

The Home Office funding awarded in August 2019, comprised of scaling up existing activity from the VPA, fulfilling recommendations from the Gangs and Violence Commission and some experimental approaches. A more detailed breakdown of 2019/20 projects is provided in Annex A.

Funding has to be spent in the current financial year for delivery with realisable benefits in year. The funding can only be spent on activity within the West Midlands Police Force (met) area. Whilst we have endeavoured to provide interventions in areas with the greatest profile risks and need there is geographical disparity across the areas as a result of the fast pace required to establish new projects. This has meant a compromise between securing long-term strategic goals and working tactically to get projects established and funding spent within a limited period of time.

The VRU guiding principles are:

- Violence is unacceptable. We are determined to see an end to the misery caused by violence for individuals, for families, for communities and for society.
- We are taking a stand together because violence is not inevitable, it is preventable. Everyone has a part to play and can make a difference
- We will build violence prevention partnerships with young people and communities at their heart and galvanising the public, private and VCSE sectors.
- By working together, taking a public health approach to prevent violence we will work hard to understand what's really causing the problem. By working together to tackle the causes of violence we can stop violence before it starts, intervene early to stop it escalating, and stop violence blighting lives.

The 19/20 programme includes a number of identified projects and broader conceptual project briefs. The latter then became the tenders which were subsequently advertised on the OPCC website and/or shared with providers engaged with the OPCC. The process was overseen by the VRU executive group who met weekly from July 2019 and was chaired by Dawn Baxendale (BCC CEX and now Clive Heaphy), and attended by Henry Kippin (for the CA, now Julie Nugent / Claire Dhami), Jonathan Jardine (OPCC, now Alethea Fuller), Sue Ibbotson (PHE), Phil Johns (Birmingham and Solihull CCG) and ACC Sarah Boycott (now Vanessa Jardine -WMP). The executive group continues to meet bi weekly to support the implementation of the WM-VRU.

The Police and Crime Commissioner presented an update on the WM-VRU to the WMCA on 17<sup>th</sup> January 2020. The approach received support from Board Members who welcomed the update and agreed to receive further updates from the Police and Crime Commissioner.

The inaugural WM-VRU Board met on 27<sup>th</sup> January 2020 with a wide range of stakeholders in attendance. This event was co-chaired by ACC Vanessa Jardine (WMP) and Dr Sue Ibbotson (PHE). The Board agreed the broad principles of the approach, reviewed the draft strategy, discussed the key facets of a whole system approach and understood an approach to community consensus building around this agenda.

#### 4. Next steps

The Home Office have confirmed funding for 2020/21 at the same level as 19/20 (£3.37 Million) which will be subject to an application process, details of which are expected not before 28<sup>th</sup> February. A draft strategic needs assessment, which details the 'problem' of violence, vulnerability and exploitation; and a mapping and gapping exercise which outlines what the current place based response to violence, vulnerability and exploitation is are expected to inform the application. A stakeholder consultation event is planned in March (date to be confirmed), supported by a partnership led through BVSC.

Our further approach to funding will be to follow a public health pipeline. We will identify key themes, proposals currently include;

- Inclusive education, training and employment
- Sport and culture
- Health
- Criminal Justice

The WM-VRU will act as a conduit to work with communities and existing services to understand need and use intelligence and evidence to trial new approaches to reducing violence, vulnerability and exploitation. We will pump prime initiatives, learn what works and what doesn't and scale up the interventions across the region and embed them within existing structures and funding streams.



#### 5. Financial Implications

The WM-VRU is funded via a grant from the Home Office to the Police and Crime Commissioner. Additional resources from the VPA and PVVP are managed through existing budgets in 19/20, there is no commitment for this funding to continue into 20/21.

#### 4. Legal Implications

There are no known legal implications. The Police and Crime Commissioner has agreed to reflect the partnership approach to the WM-VRU through providing regular updates to the WMCA Board, PSR Board and Wellbeing Board as appropriate.

#### 5. Equalities Implications

The activity of the WM-VRU will focus on particular protected groups to prevent and reduce violence where appropriate. This may include interventions targeted at, for example, women and girls, BAME young men and looked after children.

## **6. Inclusive Growth Implications**

Violence imposes large costs on communities through lower property values, higher insurance premiums and reduced investment alongside the costs to taxpayers in responding to violence through emergency services, criminal justice, rehabilitation and support pathways.

By reducing violence, the WM-VRU will better enable the West Midlands economy to provide opportunity, strength and support to vulnerable people and a more inclusive and economically viable West Midlands.

## **7. Geographical Area of Report's Implications**

The WM-VRU will cover all areas of the West Midlands. There will be targeted areas based on evidence of demand and need which the WM-VRU will target interventions on, these have not yet been identified.

## **8. Other Implications**

## **9. Schedule of Background Papers**

Report to PSR Board September 2019

Report to Combined Authority Board January 2020

Draft Violence, Vulnerability and Exploitation strategy

Annex A breakdown of WM-VRU spend 19/20