



Overview & Scrutiny Committee

Date: Monday 7 March 2022

Time: 10.00 am **Public meeting** Yes

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

Membership

Councillor Cathy Bayton (Chair)	Association of Black Country Authorities
Councillor Lisa Trickett (Vice-Chair)	Birmingham City Council
Councillor Naeem Akhtar	Coventry City Council
Councillor Maya Ali	Coventry City Council
Councillor Kate Booth	Birmingham City Council
Paul Brown	Black Country Local Enterprise Partnership
Councillor Mike Chalk	Worcestershire Non-Constituent Local Authorities
Councillor Liz Clements	Transport Scrutiny Sub-Committee
Councillor Tony Diccio	Solihull Metropolitan Borough Council
Councillor Ian Kettle	Dudley Metropolitan Borough Council
Councillor Peter Fowler	Birmingham City Council
Councillor Nigel Lumby	Shropshire Non-Constituent Local Authorities
Councillor Charn Padda	Sandwell Metropolitan Borough Council
Councillor Simon Peuple	Staffordshire Non-Constituent Local Authorities
Councillor Paul Sweet	City of Wolverhampton Council
Councillor Vera Waters	Walsall Metropolitan Borough Council

Quorum for this meeting shall be 10 members

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

Contact Lyndsey Roberts, Scrutiny Officer
Telephone 07917 473824
Email lyndsey.roberts@wmca.org.uk

AGENDA

No.	Item	Presenting	Pages
Items of Public Business			
1.	Apologies for Absence	Chair	None
2.	Declarations of Interests Members are reminded of the need to declare any disclosable prejudicial interests they have in any 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	Chair	None
4.	Minutes - 10 January 2022	Chair	1 - 4
5.	Matters Arising	Chair	None
6.	Mayoral Question Time: Budget - Response from the Mayor to the recommendations presented to the WMCA Board on 14 January 2022	Chair	5 - 12
7.	Affordable Housing Delivery with Housing Associations: Progress update	Councillor Mike Bird Gareth Bradford	13 - 18
8.	Progress Update: Scrutiny Review - Helping to Deliver Affordable and Social Housing	Councillor Lisa Trickett	19 - 22
9.	Engagement of Independent Remuneration Panel	Satish Mistry	To Follow
10.	Trailblazer Devolution Deal	Ed Cox	23 - 82
11.	West Midlands Plan for Growth	Jonathan Skinner	83 - 108
12.	Annual Business Plan	Fiona Bebbington	109 - 112
13.	Grant Register	Kate Taylor	113 - 120
14.	Minutes: Transport Scrutiny Sub-Committee (a) Monday 17 January 2022 (attached) (b) Wednesday 23 February 2022 (attached)	Councillor Liz Clements	121 - 130
15.	Work Programme (a) Overview & Scrutiny Committee 2022/23 -	Chair	131 - 138

	Under Development (b) WMCA Board Forward Plan		
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West Midlands
Combined Authority

Overview & Scrutiny Committee

Monday 10 January 2022 at 2.00pm

Minutes

Present:

Councillor Cathy Bayton (Chair)	- Association of Black Country Authorities
Councillor Naeem Akhtar	- Coventry City Council
Councillor Maya Ali	- Coventry City Council
Councillor Kate Booth	- Birmingham City Council
Councillor Mike Chalk	- Worcestershire Non-Constituent Local Authorities
Councillor Liz Clements	- Transport Scrutiny Sub-Committee
Councillor Tony Diccio	- Solihull Metropolitan Borough Council
Councillor Peter Fowler	- Birmingham City Council
Councillor Ian Kettle	- Dudley Metropolitan Borough Council
Councillor Nigel Lumby	- Shropshire Non-Constituent Local Authorities
Councillor Charn Padda	- Sandwell Metropolitan Borough Council
Councillor Simon People	- Staffordshire Non-Constituent Local Authorities
Councillor Paul Sweet	- City of Wolverhampton Council
Councillor Vera Waters	- Walsall Metropolitan Borough Council

In Attendance:

Joe Acton	- University of Birmingham
William Bloss	- University of Birmingham
Councillor Ian Courts	- Portfolio Lead for Environment, Energy & HS2
Dan Essex	- Governance Services Manager
Jackie Homan	- Head of Environment
Philip Plowden	- Birmingham & Solihull LEP
Lyndsey Roberts	- Scrutiny Officer
Laura Shoaf	- Chief Executive
Mark Smith	- Chair of Audit, Risk and Assurance Committee

39. Apologies for Absence

An apology for absence was received from Councillor Lisa Trickett (Birmingham).

40. Chair's Remarks

The Chair welcomed Philp Plowden from the Birmingham & Solihull Local Enterprise Partnership and Councillor Ian Courts, Portfolio Lead for Environment, Energy & HS2.

41. Minutes - 8 November and 15 December 2021

The minutes of the meeting held on 8 November and 15 December were agreed as a correct record.

42. Matters Arising

(a) Response from Interim Chief Executive to the Recommendations Arising from the 'Economic Needs of the Black Country' Scrutiny Review (minute no. 25)

The Chair was in dialogue with the Vice-Chair to explore the possibility of revisiting and updating the deep dive undertaken on the delivery of local skills. The committee would be updated accordingly.

(b) Governance Review - Progress Update (minute no. 26)

At its last meeting, the committee was advised that a report seeking the approval to establish an Independent Remuneration Panel to review the WMCA's Members Allowances Scheme would be submitted to the WMCA Board in January 2022. However, the matter had not progressed to the timescale that was originally reported to the Overview & Scrutiny Committee in November, and the Director of Law & Governance had agreed to speak to the Chair prior to the WMCA Board meeting on 18 January to provide a further update.

(c) WMCA's Aims and Objectives (minute no. 28 refers)

In relation to the One Public Estate Programme, the Chair reported that she had received a copy of the Public Land Charter and enquired as to whether public consultation had been undertaken to help shape the document. The Housing & Land Scrutiny Champion added that the charter did not consider the differing needs of the different public bodies and there was no commitment in terms of what the developer would be required to deliver. He undertook to raise these concerns at the next meeting of the Housing & Land Delivery Board and report back to the Chair accordingly.

43. Mayoral Question Time: Policy - Response from the Mayor to Recommendations Presented to the WMCA Board on 19 November 2021

The committee noted the response received from the Mayor in respect of the observations it had identified following the Policy Q&A session on 14 October 2021.

Resolved:

The report be noted.

44. WMCA Air Quality Options

The committee considered a report of the Head of Environment that outlined two different approaches that were likely to be available to the WMCA and its constituent local authorities to improve air quality across the West Midlands Combined Authority area. This was important given the recent Environment Act and the anticipated additional targets on addressing particulates.

The Portfolio Lead for Environment, Energy & HS2 added that the Environment Act had an increased focus on air pollution caused by particulates that were emitted from non-tail pipe emissions from vehicles, including tyre and break wear, domestic and

industrial combustion sources. The Act also introduced new powers, including the ability for local authorities to co-opt air quality partners.

The Air Quality Options Paper outlined some of the work that had already been delivered across the region, including the activity that constituent local authorities were taking through their own air quality action plans. The Head of Environment added that the West Midlands Air Quality Framework should be considered as an enabler which would not have a negative impact the ambitions of local authorities.

Members discussed and shared comments on the Air Quality Framework and costings, the lack of and the importance of air quality data that was needed to identify hotspot areas and to quantify the impact of air quality measures within the region, officer engagement with constituent authorities and the need for better engagement with non-constituent authorities on the air quality agenda. To avoid displacement activity, the committee emphasised and supported a combined approach to address air quality and supported the development of an area-wide strategy to tackle the problem of air pollution in many areas.

In addition, members welcomed the design guide that had been developed by the University of Birmingham that provided information for planners on air quality. Members also shared their concerns on the effects of wood burners, and would welcome a combined approach to a behaviour change campaign.

With regards to working with non-constituent authorities, the WMCA had engaged on the natural environment and would welcome dialogue with non-constituent colleagues on the air quality agenda. In addition, it would also be important to understand which interventions lent themselves to working across which geographies.

In terms of monitoring hotspots, it was reported that a common approach to measuring particulates in different local authorities was important but also to have a collective approach to using the new low-cost sensors that private sectors were developing and promoting to individual local authorities.

Resolved:

- (1) A more proactive working arrangement with local authorities in developing air quality plans within a wider West Midlands Air Quality Framework, which clarified roles for different parties and identified a number of shared working practices, be supported.
- (2) The WMCA to oversee the collation of air quality data, storage and its availability be supported.
- (3) A shared approach to the use of low-cost sensors by local authorities be supported.
- (4) Consistent messaging relating to behavioural change factors necessary to improve area quality standards be supported.

- (5) The important role on non-constituent authorities on the air quality agenda and inclusion on air quality matters be supported.

45. Grant Register

The committee considered a report of the Director of Finance that provided an update on the grant register which contained all current 'live' grants where the WMCA was the accountable body and captured a comprehensive total of grants, awarding body, time period for delivery and a description of what the grant delivered.

The Community Renewal Fund of £5.2m was a new grant that had been added to the register since the last meeting of the committee. The Chair enquired as to whether there was any further detail available on the eight successful bids for this fund. The Head of Finance Business Partnering agreed to share a list on those projects and lead bidder.

Resolved:

The report and comments be noted.

46. Scrutiny Champions Update

The committee noted the updates received from the Housing & Land and Environment & Energy Scrutiny Champions on the latest activities being undertaken within their respective areas.

Resolved:

The update be noted.

47. Minutes - Transport Scrutiny Sub-Committee - 24 November 2021

The committee received the minutes of the Transport Scrutiny Sub-Committee meeting on 24 November 2021.

Resolved:

The minutes of 24 November 2021 be agreed.

48. Work Programme

The committee noted a work programme of items that were to be reported to future meetings of the committee and WMCA Board.

49. Date of Next Meeting

The next meeting of the committee would be held on Monday 7 March 2022 at 10.00am.

[The meeting ended at 4.10pm]

Overview & Scrutiny Committee Questions and Observations: Mayoral Responses

Questions

1. *What steps are to be taken to ensure that the WMCA and Transport for West Midlands review how Metro services came to be suspended, and that lessons would be learnt to ensure that a similar situation did not occur again?*

Following the suspension of the tram service in November a large amount of work has been undertaken between TfWM, Midland Metro Limited, and the manufacturer to accelerate the ongoing repair programme and enter into service new trams which had arrived, in order to reinstate a full service to Library.

Service was reinstated between Wolverhampton and Bull Street in December as a sufficient number of trams to make a safe and reliable service was available for customers. On 12th February, a full service to Library was resumed with a 12-minute frequency.

The decision to suspend service was not taken lightly but safety for customers was paramount. As a result of this action several reviews have been instigated to investigate the circumstances that led to this. A number of engineering reviews were already in progress (looking at the causes of the cracking issues) and a governance review has been instituted to assess the capacity and capability of the whole metro programme.

Now services have been reinstated fully, Mark Corbin, Interim Network Resilience Director, is currently preparing a “lessons learnt” exercise following the suspension of the tram service, including the level of response from TfWM. It is important to note that this exercise relates specifically to the resilience response of TfWM to support Midland Metro Limited (MML).

2. *Can further assurance be provided that the key transport infrastructure being developed for the Commonwealth Games will be operational in time so as to ensure that connectivity and sustainability of the region’s transport network was able to meet the challenges of hosting an international sporting event of the scale of the Commonwealth Games?*

The Commonwealth Games (CWG) Integrated Transport Programme (TfWM, Organising Committee (OC)) are working closely with the capital transport projects teams (TfWM, BCC, HS2, National Highways and other accountable delivery authorities) and are monitoring progress closely. Several cross-partner monthly working groups are held to ensure that projects remain on track and that any potential risks to completion are being addressed as necessary (through securing agreement over and planning for any mitigations needed).

Through the CWG Capital Transport Integration Group (CTIG) we are ensuring that capital transport projects due to be completed are progressing to schedule. This is

done through creating visibility on any risks/issues that need support pre-Games between the relevant leadership at the OC and the parties responsible for any capital transport projects scheduled to be completed in time for the Games. Similarly, CTIG works to ensure that there is effective integration and work on mitigations for any projects scheduled to be in construction during the Games. CTIG's efforts cover Sprint, Metro, Rail, Highways, and some minor Public Realm projects.

The Perry Barr Infrastructure Coordination Group (PBICG) chaired by Birmingham City Council has been set up to ensure the timely completion of several key capital projects being delivered in that area. That is to say, Perry Barr Station and Bus Interchange, A34 Highways, Alexander Stadium, Alexander Stadium Transport Malls, and A34 Sprint. PBICG is currently working on progressing completion, demobilisation, and reinstatement plans for these projects. All projects are currently forecast to finish in time for the Games and ahead of test events planned in May.

These completed projects will be assessed as part of 'test events' before the Games, likely through May, June, and July. The CWG Transport Operations team (OC, TFWM) will run a Testing, Exercising and Readiness (TER) programme, to prepare both the operations and wider transport network for smooth operations during Games time, safeguarding capacity whilst accommodating increased demand.

In addition, the Department for Transport (DfT) and Department of Culture, Media and Sport (DCMS) are working with TfWM on planning for major national projects such as HS2 and National Highways, to ensure that adequate mitigations are in place to enable their ongoing construction during the Games period.

The B2022 CWG Transport team have recently published the Games Transport Plan, the statutory plan for transport for the Games. This blueprint will ensure that sustainable, accessible transport will be delivered for the Games. It will also help deliver the longer-term legacy of the Games, insofar as it supports the completion of several key capital transport infrastructure projects.

As regards the Metro Edge Extension (part of Westside extension), the extension should be operational ahead of the games, subject to completion of matters associated with the relevant Transport Regulation Orders. TfWM and BCC are working together with relevant businesses within this location to ensure that these TROs are progressed and works can resume to complete the metro delivery taking into account concerns raised by these local stakeholders.

As regards the Wolverhampton extension, progress is being made with colleagues at Network Rail to resolve those outstanding design issue that remain a risk. Obtaining clear agreements with Network Rail (expected by the end of February) will solidify confidence in delivery ahead of the CWG. In the meantime, Midland Metro Alliance (MMA) is progressing with all works that are not subject to Network Rail approvals.

3. *What specific measures are Transport for West Midlands currently looking at that will seek to mitigate the potential removal of the Government's pandemic support funding for public transport from April 2022?*

The WMCA and TfWM are continuing proactively to manage the risks around funding beyond FY 2021/22 through discussions with Government and operators of buses and trams. These focus on understanding and considering the implications of funding reductions and falls in revenue to operators. The WMCA and TfWM also continue to engage and lobby through the Urban Transport Group (UTG) through which other city regions can come together in the face of similar challenges.

Issues around rail services are being managed centrally through Government. We are working closely with local rail providers to manage the impacts of emerging Government decisions, to review the impact of any changes, and to ensure that customers are appropriately kept informed. Much of the recent challenge facing rail services has been driven by substantial staff shortages linked to Covid, which we hope will continue to reduce.

Light rail funding is in place until 5th April 2022 to support services as they recover from the impact of Covid 19. Discussions are ongoing with DfT regarding funding after this date and the WMCA continues to actively engage in and support the development of cases for continued funding.

On the bus network, across the region the funding to bus operators is made up of a combination of revenue from customers, subsidy through concessions and tendered bus from TfWM, and direct temporary Government funding known as Bus Recovery Grant. The Bus Recovery Grant (BRG) and the concessions funding make up the revenue difference created by the reduction in the number of passengers through Covid. BRG funding is currently due to end at the start of April 2022. If funding is reduced or cut off prematurely before sufficient numbers of passengers have returned to the network, there may be a significant risk to bus services across the region. We are working with and lobbying Government to ensure continued funding to mitigate these risks. Government is considering continued recovery grant and we are lobbying for 12 months to assist with a managed transition of the bus network and to ensure we have minimal changes to the bus network during the commonwealth games.

Our region also faces a very particular issue, insofar as we need to ensure that the transport network remains stable to support the additional visitor numbers expected for the CWG. This element of the overall discussions with DfT (which also involves other departments such as DCMS) – i.e. to clarify that effective funding will be in place to support services both in the run up to and during the games period – presents a risk to the region. That is to say, the risk of cutting services prior to a major Global sporting event. There are promising signs from discussions but as yet no confirmation.

4. *Can further information be provided as to the considerations currently being undertaken regarding the financial viability of the Wednesbury - Brierley Hill Metro extension and any impact that these considerations may have on the construction timetable?*

The project is mostly funded from DfT and Investment Programme borrowing, with that borrowing being repaid via Gainshare grant. This is expected to be secure for the duration of the Investment Programme (subject to the necessary gateway reviews).

An element of funding for the scheme will be derived from passenger fares. The financial model underpinning that assessment includes variables around the number of passengers, metro fares, operating costs, cost of delivery, and interest rates. Over the course of the last two years (i.e. since the pandemic), these variables have been updated in line with the most up to date forecasts. However, since the financial model looks over a long-term horizon, the model will contain areas of uncertainty - as is common in any such financial model - against which scenario testing is applied to provide adequate assurance.

The WMCA is ensuring that stakeholders are kept abreast of the latest outputs from the model and continually reviews risks, opportunities, and appropriate mitigations with relevant stakeholder groups.

In terms of cost and programme, no deviation from the original business case has been presented to the WMCA Board. Should this position change, the WMCA will be required to submit a change control via the Single Assurance Framework for approval by WMCA Board.

The WMCA is working with colleagues across Dudley and Sandwell to ensure we have a robust plan for delivery, particularly in the context of the wider regeneration and investments that the metro line is generating. This work is due to report back to WMCA board members in July.

5. *What specific decision-making roles does the WMCA have within the proposed Affordable Housing Vehicle, and how might this vehicle help deliver more social housing supply within the region?*

For clarity and as set out to the Housing and Land Board and Housing Scrutiny Review, a brand new dedicated delivery vehicle or joint venture with housing associations as originally conceived in 2019 and 2020 is not proposed at this stage of the Board's programme of work on collaboration and co-investment with housing associations to deliver additional affordable housing in the region. To note, Kevin Rogers, the chair of the West Midlands Housing Association Partnership, the regional association for housing associations, is a member of the Housing and Land Board.

Work is taking place under the Housing and Land Board in 2022/23 as part of the broader work with housing associations, to develop and test an innovative

pilot joint approach to securing additional affordable housing delivery with a group of housing associations on a few (to be identified) WMCA sites. In line with the clear steers provided by the Housing and Land Delivery Board and the Overview and Scrutiny Committee, the proposed pilot approach will only be acceptable if it clearly demonstrates the key principle of maximising affordable housing delivery on all potential schemes, alongside strong commitments to low carbon, and wider inclusive growth requirements including social value and benefits. The housing associations are bringing forward some example schemes for consideration in a pilot approach against these clear steers from the Board and Scrutiny. These will be presented in due course to Housing and Land Board for consideration [and to Scrutiny's Housing Working Group]. Central to these proposals will be demonstrating clear evidence of the potential to deliver significantly more affordable housing on publicly owned sites than the conventional market approaches would achieve.

On decision-making, to repeat, a formal new delivery vehicle or joint venture with housing associations as originally conceived in 2019 and 2020 is not proposed at this stage. In terms of governance and decision-making on any pilot approach or any land or investment required for that pilot, the position here is quite clear. Any future consents or approvals (e.g. for land, investment, establishing new board structures) or decision-making within a joint approach will need to be robustly tested, scrutinised, and subject to the appropriate appraisal, business case, and approval processes in accordance with WMCA governance. The approach to Help to Own provides a good model here we can follow in terms of development, scrutiny, and challenge of a pilot approach. Where the pilot requires devolved housing and land investment it will also need to comply with the criteria and systems set out in the WMCA Single Commissioning Framework. An update is going to the next Housing and Land Board (3rd March) and the next stage after that is to receive the example proposals from the housing associations for the pilot approach against the criteria and to bring forward appropriate recommendations and advice on that basis.

Observations

A. In terms of the housing delivery vehicle, the committee sought confirmation as to whether it captured all of the housing associations with a significant allocation of the £8.1bn and questioned how they had been chosen. The Mayor agreed to provide a briefing note on this matter that provided the transparency sought by the committee. The nature of the £8.1bn and how it fitted with the delivery vehicle and housing need would be referred to the Overview & Scrutiny Housing Review for further investigation.

By way of an update - Cllr Lisa Trickett has asked for this information to be provided as part of the work being undertaken by the Housing Scrutiny Review. I am currently liaising with the Housing & Regeneration team.

Homes England's 2021 wave of Strategic Partnership announcements included over £1bn in allocations for Registered Providers (RPs) active in the West Midlands. (NB: this does not mean all the funding will be deployed in the region, due to the geographic spread of RP business across regions). The RPs included in this wave were:

Registered Provider	Funding
Bromford	£239.9m
EMH and Midland Heart	£171.7m
GreenSquareAccord	£212.9m
Orbit	£103.9m
Platform	£250m
Sanctuary	£99.5m
TOTALS	£1,077.9m

In order to deliver the additional affordable homes required in the region the WMCA is, amongst other things, working with RPs, including those designated as Strategic Partners by Homes England, to maximise Affordable Homes Programme investment in the West Midlands. It is also as part of the Housing and Land Board's affordable housing work programme securing more private sector investment into affordable homes in the region; leveraging the WMCA's existing and new brownfield funds to maximise increased delivery of affordable housing, supply of new products, and wider benefits to the region; working with Homes England to align funding programmes and systems for delivery of affordable housing; and maximising the impact of public sector land disposals to address housing needs and deliver the homes local areas need.

On the question of selection of the RPs for the pilot – the RPs put themselves forward for a joint approach with WMCA. To provide context, in 2019 housing association partners from the West Midlands Housing Association Partnership (WMHAP) first approached WMCA with proposals for an exciting joint approach to affordable housing delivery in the region on brownfield sites. WMHAP is a partnership of circa 30 housing associations across the West Midlands. All of the six Homes England West Midlands Strategic Partnerships include WMHAP members.

A subset of housing associations from WMHAP then put themselves forward to invest in a potential pilot affordable housing joint approach fully supported by the wider partnership. This support and approach has been reiterated several times by the chair of WMHAP at the Housing and Land Board, where they are a member. All WMHAP partners have been included in the ongoing developments on the pilot approach and had the opportunity to take part.

The five potential investing housing associations in the pilot (Accord Housing Association Limited, Bromford Housing Group, Citizen Housing Group Limited, Midland Heart Limited, and whg (Walsall Housing Group Limited)) are those that self-selected to commit to initial developments (subject to agreement). As set out to Housing and Land Board by the chair of WMHAP, other housing associations can of course join the group, and the affordable homes developed by the partnership will be

available for 'offtake' by any Registered Provider (subject to the necessary agreements).

Four of the five potential investor housing associations are included in Homes England Strategic Partnerships in the West Midlands: Bromford, Midland Heart, GreenSquare Accord and Citizen (as part of the Matrix group with GreenSquare Accord). It is worth noting that this is just the latest wave of strategic partner announcements. The fifth investor in the vehicle, Walsall Housing Group (WHG), were included in a previous wave announced in January 2019 and received £38.7m for 1,000 homes.

B. The Mayor assured members that within the 2022/23 budget, non-statutory travel concessions were maintained. However due to the deficit, in subsequent years the WMCA might need to make some difficult decisions. Members stressed the importance of maintaining the bus network that provided a vital service for the poorest communities. Further to the concerns raised by Councillor Vera Waters regarding National Express West Midlands, the Mayor agreed to ensure that she was provided with the opportunity to join National Express West Midlands Customer Panel.

Pete Bond, Director of Integrated Transport Services has spoken directly to Councillor Vera Waters and looked to engage her to support TfWM and the bus operators by getting her involvement and feedback. Councillor Waters has been passionate and hugely supportive of bus services.

C. The Mayor explained the changes made following the devolution of the Adult Education Budget to the WMCA, including the reduction in contracts and the improvements made in the quality of the level of the workforce across the region. The Mayor welcomed dialogue with the Young Combined Authority on the issues around the Kickstart Programme and the take up of apprenticeships.

The Mayor continues to welcome dialogue with the YCA and looks forward to speaking with them on issues such as the Kickstart Programme and the take up of apprenticeships as soon as time can be agreed for their next meeting. The Productivity and Skills Directorate would also welcome the opportunity to discuss these issues with the YCA.

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WMCA Housing & Land Delivery Board

Date	2 nd March 2022
Report title	Affordable Housing Delivery with Housing Associations: Progress update
Portfolio Lead	Cllr Mike Bird, WMCA Portfolio Lead for Housing and Land
Accountable Employee	Gareth Bradford, Director of Housing and Regeneration Rob Lamond, Strategic Planning Manager
Previous reports:	<ul style="list-style-type: none"> February 2022: Delivery Steering Group

The WMCA Board is recommended to:

- a) **Welcome and endorse** the positive progress with the work taking place under the Housing and Land Board to improve the **collaboration and co-investment in the region between housing associations and WMCA** to secure more social and affordable housing to meet local needs
- b) **Note this collaboration is** part of broad package of affordable housing measures and initiatives being progressed under the Housing and Land Portfolio.
- c) **Welcome and note** the specific work taking place on a **new innovative joint approach with a group of housing associations in the region** to deliver additional affordable housing and wider socio-economic outcomes on WMCA land.

*Notes:

1. The Board is not being asked at this stage to approve a pilot scheme, just to note and endorse the work taking place and the positive direction of travel.
2. This endorsement is **not an investment or land disposal decision** and any future consents or approvals will be subject to the appropriate appraisal, business case and approval processes in accordance with WMCA governance.
3. A delivery vehicle or joint venture is not being proposed at this stage.
4. Further detailed reporting on the approach and any pilot initiative will be brought forward to the appropriate WMCA Board for the necessary approval.
5. The new innovative joint approach proposed here is just part of a broad package of initiatives, as set out in Section 2.3, being developed to deliver additional affordable housing across the region.

1.0 Purpose

- 1.1 The purpose of this report is to provide the Housing & Land Delivery Board with a progress update and clear direction of travel on the ongoing work of WMCA and housing association partners to establish a more comprehensive collective approach to the delivery of additional affordable housing across the region - a key deliverable for the Housing & Land Delivery Board in 2022/23.
- 1.2 The report also specifically seeks endorsement for the work underway to develop an **innovative pilot approach** with a small group of Housing Associations based on a packaged land disposal. Any new affordable housing pilot that might come forward (following robust appraisal and due diligence) would naturally follow on and build from the successful Help to Own affordable housing pilot which was successfully delivered last year and supported by the Housing & Land Delivery Board. The piloting of innovative new approaches to housing, land and regeneration matters in the region by WMCA is a key role of the Housing & Land Delivery Board.

2.0 Background

- 2.1 As part of the formal process to determine WMCA's budget, levy and precept levels for 2021/22, the WMCA Board approves each portfolio's annual deliverables. The Deliverables for the Housing and Land Portfolio were presented in draft at the WMCA Board of 15th January 2021 and agreed by the WMCA Board on 12th February 2021.
- 2.2 An "Affordable Housing" deliverable was included as part of this process, with the development of proposals for additional delivery in the region forming a key part of this programme. The draft High Level Deliverables for 2022/23 (see separate report on agenda) also include the following items as part of delivering WMCA's Aims and Objectives:
- Establish a series of new partnerships, ventures and joint ventures with public and private sector partners
 - Support and enable Affordable Housing Delivery including new joint venture and Registered Provider / Homes England partnerships
- 2.3 In order to deliver the significant additional affordable homes required in the region, the WMCA, under the governance of the Housing and Land Board, is focusing on providing added value to affordable housing supply in the following key areas:
- Working with Registered Providers to maximise investment into affordable homes in the West Midlands
 - Securing more private sector investment into affordable homes in the region
 - Leveraging WMCA's brownfield funds to maximise increased delivery of affordable housing, supply of new products and wider benefits to the region
 - Working with Homes England to align funding programmes and systems for delivery of affordable housing
 - Maximising the impact of public sector land disposals to address housing needs and deliver the homes local areas need

- 2.4 These Aims, Objectives and High Level Deliverables form the basis on which WMCA has been working with partners to deliver additional affordable housing through various approaches/projects including those funded under the Single Commissioning Framework and exemplar pilots such as Help to Own.
- 2.5 Back in 2019, housing association partners from WMHAP first approached WMCA with proposals for an exciting joint approach to affordable housing delivery in the region on brownfield sites. From the wider WMHAP, a smaller group of housing associations decided to form a partnership to work directly with WMCA on a new joint initiative. The group of housing associations is a subset of the wider WMHAP and supported by the wider partnership, each association choosing individually whether or not they wished to be a part of the joint initiative. As a pilot, the proposal is similar to Help to Own which is a new affordable housing pilot at The Marches involving WV Living, Frontier Development Capital and the City of Wolverhampton Council.
- 2.6 The creation of a new innovative pilot approach between WMCA and housing association partners to deliver more affordable housing in the region has been the subject of detailed feasibility, assurance and due diligence work since 2019 and several reports and progress updates to Delivery Steering Group and Housing & Land Delivery Board in 2020 and 2021.
- 2.7 In January 2021, the Housing & Land Delivery Board approved the strategic context and rationale for developing a new joint affordable housing proposal between WMCA and a small group of housing associations. The Board was clear that the focus was to be on a proposition that could demonstrably help address regional need, support brownfield regeneration and provide true additionality.
- 2.8 As set out in previous reports, a joint approach has the potential to deliver multiple benefits to the West Midlands, for example:
- it can help to influence the quality, delivery and community benefits of new development;
 - it can secure further investment into affordable housing in the region and deliver genuine additionality above the existing delivery plans of providers; and
 - it can implement policy objectives centred on additional affordable housing, design, construction, brownfield development and promoting inclusive growth.
- 2.9 The pilot approach produced in this report brings together the combined expertise and resources of several of the largest housing associations within the region, who are themselves creating a dedicated Limited Liability Partnership known as the West Midlands Housing Association Partnership Investments (WMHAPI). **Other Housing Associations can join the group**, and the affordable homes developed by the partnership will be available for 'offtake' by any Registered Provider (subject to the necessary agreements).

- 2.10 The pilot approach will utilise the resources and expertise of WMCA and WMHAPI to directly deliver new affordable homes in the West Midlands. As set out in the report to the January 2022 meeting of the Housing & Land Delivery Board, WMCA is also expanding its work with all Registered Providers in the region in a range of ways to deliver more affordable homes to meet the needs of the region and local areas.
- 2.11 The wider context for affordable housing delivery also includes Homes England recently entering into 31 Strategic Partnerships with Registered Providers, committing almost £5.2bn in affordable housing grant over the next four years. Together, they will deliver nearly 90,000 grant-funded affordable homes that are much needed across the country. Included within the 2021 Strategic Partnership announcements is over £1bn in allocations for RPs active in the West Midlands (**NB: this does not mean all the funding will be deployed in the region, due to the geographic spread of RP business across regions**). It does indicate, however, that there are significant resources available amongst the partner housing associations (and others) to bring forward affordable housing.

3.0 Current position

- 3.1 Significant progress has been made in recent months regarding the innovative joint pilot approach and its potential to deliver additional affordable homes beyond those already being delivered in the region and in a way that is complimentary to local authorities and Homes England.
- 3.2 In line with the clear steers provided by the Housing & Land Delivery Board and WMCA's Overview & Scrutiny Committee, the proposed approach is focused on the key principle of maximising affordable housing delivery on all potential schemes, alongside commitments to low carbon, and wider inclusive growth requirements including social returns and benefits. The housing association partners are developing delivery proposals for example schemes and central to these proposals will be the potential to deliver significantly more affordable housing on WMCA sites than the conventional market would achieve.
- 3.3 The proposed pilot package would need to deliver:
- 100% affordable housing i.e. more than would be delivered by private developers
 - Other WMCA policy priorities, including:
 - provision of key worker housing adjacent to a new hospital
 - provision of new homes adjacent to a Metro station
 - progress towards Zero Carbon Homes
 - meeting high design standards and placemaking
- 3.4 Further detailed analysis of a potential pilot is ongoing and independent external advisors have been commissioned. Once this is complete any potential pilot project would be brought forward for approval to this Board and Investment Board, in a similar way to the Help to Own project. The pilot would then be evaluated and the lessons learned used to inform future investments.

4.0 Financial Implications

- 4.1 This purpose of this report is to endorse the new innovative pilot approach to dispose of a package of WMCA sites, delivering additional Affordable Housing through working with housing association partners. This is not the approval of the disposal of any WMCA land or any investment into a partnership of any kind.
- 4.2 As part of this pilot WMCA have commissioned independent external advisors to value the land, assess the costs and benefits and ensure risks and implications are fully understood before any decision can be made to progress.
- 4.3 There are no un-budgeted financial implications as a result of the recommendations within this report. There will be, in future, financial implications arising from disposing of Land and investment in into a partnership, both of which will require approval at Investment Board.
- 4.4 Any WMCA investment to deploy the funding or submit further business cases would be governed and administered through WMCA's Single Assurance Framework, Single Commissioning Framework, the Commissions Pathway and in line with the accounting and taxation policies of WMCA and HMRC.

5.0 Legal Implications

- 5.1 Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives WMCA a power of competence appropriate for the purposes of carrying-out any of its functions. Part 4 of The West Midlands Combined Authority Order 2016 (2016 No 653) confers that the functions relating to any economic development and regeneration in the constituent councils are exercisable by WMCA. Part 3 of The West Midlands Combined Authority (Functions and Amendment) Order 2017 confers functions corresponding to the functions of the Homes and Communities Agency has in relation to the combined area. Paragraph 10 (2) (a) of the 2017 Order confers the function of improving the supply and quality of housing to the Combined Authority, 10 (2) (b) to secure the regeneration or development of land or infrastructure in the combined area, 10 (2)(c) to support in other ways the creation, regeneration or development of communities in the combined area or their continued well-being and 10 (2)(d) confers the function of contributing to the achievement of sustainable development and good design.
- 5.2 It is noted that the purpose of this report is to: i) provide the Housing & Land Delivery Board with an update on the progress of the ongoing work of the WMCA and Housing Association partners to establish a more comprehensive joined up approach to the delivery of additional affordable housing across the region; and ii) to endorse the work being undertaken to develop an innovative pilot approach with a small group of Housing Associations based on a packaged land disposal.
- 5.3 Legal input should be sought as and when required and any co-investments including grant/and or loan funding from WMCA will be subject to necessary approvals and will need to comply with the criteria and governance systems set out in the WMCA Single Commissioning Framework. Each scheme will be considered on a case by case basis.

6.0 Equalities Implications

6.1 A full Equalities Impact Assessment will be completed in parallel with the development of an investment case for the pilot project. This will assess the potential impacts of the proposed pilot and any mitigations required.

7.0 Inclusive Growth Implications

7.1 The proposed pilot project would operate via the WMCA's Single Commissioning Framework which includes Inclusive Growth outcomes including affordable housing, use of local labour and suppliers, and quality of design and placemaking as part of the key criteria for investment by the WMCA.

8.0 Geographical Area of Report's Implications

8.1 The pilot proposal covers the whole geography of the WMCA region.

9.0 Other Implications

9.1 None

10.0 Schedule of Background Papers

10.1 None.



Scrutiny Review - Scoping Document

A Review of West Midlands Combined Authority's Housing & Land Policy Helping to Deliver Affordable and Social Housing	
Work to be carried out by:	Councillor Lisa Trickett Councillor Naeem Akhtar Councillor Simon Peale Councillor Vera Waters
Specialist Officer:	Rob Lamond, Strategic Planning Manager, Housing & Regeneration
Support Officer:	Lyndsey Roberts, Scrutiny Officer
Date of Review:	October 2021 – March 2022
Purpose of the Review:	
To examine the role and remit of the WMCA to deliver affordable and social housing within the West Midlands through the use of the Brownfield Land Remediation Fund, and to consider how this supported and added value to the responsibilities of the constituent authorities in respect of affordable and social housing provision.	
Objectives:	
<ul style="list-style-type: none"> • How is the region's affordable and social housing needs determined and what account is taken for sub-regional socio-economic differences in the calculation of regional need? • What is the role of the WMCA in the supply of affordable and social housing in the West Midlands? How does the Brownfield Land Remediation Fund help support this role, and how clearly is this role understood across the region and amongst partners? • How does this role support and contribute to the constituent authority's responsibility for the delivery of affordable and social housing within their district? • To understand the number of sites funded through the Brownfield Land Remediation Fund to date, the number of housing units delivered on these sites, and the percentage of these units that have been designated as affordable and social. • Does the Brownfield Land Remediation Fund adequately use its commissioning and contracting influence to maximise the delivery of affordable and social housing units within the individual schemes it funds? • What are the impacts and implications on the Brownfield Land Remediation Fund of the differential cost of Land Remediation across the region? 	
Scope	
As part of the evidence gathering to achieve the objectives, the review group will invite the following individuals to share their views and suggestions:	

- Gareth Bradford, Director of Housing & Regeneration
- A representative from Homes England
- A representative from Shelter
- Representatives from Housing Associations
- A representative from Civic Square (Port Loop Development)
- A planner from a local authority
- Chair of the West Midlands Housing Association Partnership

Intended Outcome:

The Chair of the review will submit a report, with recommendations as appropriate, to the Overview & Scrutiny Committee for consideration.

Overview & Scrutiny Committee's Objective for 2021/22:

To establish whether the West Midlands Combined Authority's policies are helping those that are most in need - to ensure that the hardest to reach communities feel the benefit of the WMCA's work.

WMCA Officer Responsible:

Dan Essex, Governance Services Manager

Review Timetable	Lead person(s)	Completion by
Meeting with the Chair and Vice-Chair of the Overview & Scrutiny Committee to discuss the purpose/objectives of the review.	Lyndsey Roberts	7 July 2021
Submit draft scope to Dan Essex, Governance Services Manager for review.	Lyndsey Roberts	9 July 2021
Submit draft scope to Gareth Bradford for early review.	Lyndsey Roberts	9 July 2021
Draft scoping document to be submitted to Overview & Scrutiny Committee for review/comments/changes.	Lyndsey Roberts	13 July 2021
Meeting of the Review Group to discuss way forward and key witnesses	Lyndsey Roberts	6 October 2021
Evidence Pack to be circulated to the review group	Lyndsey Roberts	December 2021
Second Meeting of the Review Group to discuss evidence received and to meet with the Director of Housing and Regeneration	Lyndsey Roberts	28 January 2022
Scrutiny Review Group/key participants session	Lyndsey Roberts	7 March 2022
Draft report prepared	Rob Lamond/Lyndsey Roberts	8 March 2022

Draft report to be shared with key individuals engaged in the review (electronically)	Lyndsey Roberts	9 March 2022
OSC report to be shared with Overview & Scrutiny Committee members (electronically)	Lyndsey Roberts	9 March 2022
OSC report to be submitted to WMCA Board for consideration (if required)	Dan Essex	10 March 2022

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Overview & Scrutiny Committee

Date	7 March 2022
Report title	Trailblazer Devolution Deal
Accountable Employee	Ed Cox, Director of Inclusive Growth & Public Service Reform email: ed.cox@wmca.org.uk

The Overview & Scrutiny Committee is recommended to:

- (1) Note the report and presentation.
- (2) Suggest those areas of a Trailblazer Devolution Deal that it may wish to closer attention to over the coming months.

Purpose

1. To inform the Overview & Scrutiny Committee of the proposed plans for co-ordinating our response to the Government's invitation to negotiate a Trailblazer Devolution Deal and invite their feedback and reflections.

Context

2. The Levelling Up White Paper (LUWP) was published on 2 February. It defines 'levelling up' as:
 - Increasing opportunity across the UK;
 - Reducing disparities between and within regions.
3. It also challenges some of the existing orthodoxy on theories of regional growth and development. A separate briefing note covers the analysis and policy topics discussed in the LUWP in more detail.
4. The LUWP announced a number of policy initiatives for the West Midlands, including an Innovation Accelerator, £28m from the Brownfield Housing Fund and funding for Digital Bootcamps in the region.
5. The LUWP sets out 12 levelling up 'missions' and makes the case for long-term 'system change' involving more effective spatial considerations in policy-making and further devolution to empower local decision-making.
6. The 12 missions of levelling up are all to be achieved by 2030:
 1. *By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.*
 2. *By 2030, domestic public investment in Research & Development outside the Greater South East will increase by at least 40% and at least one third over the Spending Review period, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.*
 3. *By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.*
 4. *By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.*
 5. *By 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.*
 6. *By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.*

7. *By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by 5 years.*
8. *By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.*
9. *By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.*
10. *By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.*
11. *By 2030, homicide, serious violence, and neighbourhood crime will have fallen, focused on the worst-affected areas.*
12. *By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.*

7. In addition to the announcements mentioned above, which we are already working to implement in the region, the LUWP discussed deepening devolution across the UK, offering a number of devolved powers to regions who want them.
8. However, the offer for the West Midlands goes even further. We, alongside Greater Manchester, have been invited to negotiate a Trailblazer Devolution Deal (TDD) which goes beyond what is on offer to the rest of the country. We have the opportunity to seek ambitious changes to increase the powers and resources devolved to us, strengthening our region and setting us up for future success.
9. With nothing apparently 'off the menu', this represents a significant opportunity to secure new powers and resources for the region across a wide range of policy areas in order to drive forward local and regional priorities to bolster economic recovery and build a fairer, greener, healthier West Midlands.

Principles

10. There have been a number of informal meetings of the mayor, local authority leaders and other regional stakeholders, as well as initial meetings with government officials and ministerial aides. Based on these, a number of principles have been articulated to help guide the TDD process. These can be framed as follows:
 - It is essential that we are very clear about our priorities and focus our efforts on those matters that align with local and regional plans which align with the levelling up missions.
 - There needs to be extensive involvement of local authorities and wider stakeholders, including the private and voluntary sectors, throughout the policy development and negotiation process.
 - It will be essential to secure private sector support for many of our devolution propositions and, where relevant, demonstrate their co-investment in key priorities.

- In order to address intra-regional inequalities and local pockets of deprivation, it is important that the devolution process makes provision for the ‘double-devolution’ of certain powers and resources.
- The opportunity provided by the TDD should be focused on drawing powers down from government and not ‘sucking powers up’ from local authorities.
- There will be a strong emphasis on data and accountability and the ability to demonstrate progress on achieving the levelling up missions for any devolution proposition.

Policy opportunities and workstreams

11. The LUWP is extensive and mentions in excess of 100 different policy topics on which we could take a stance or seek deeper devolution.
12. In order to initially process these opportunities, we have identified 20 workstreams through which to progress this work. These are as follows:

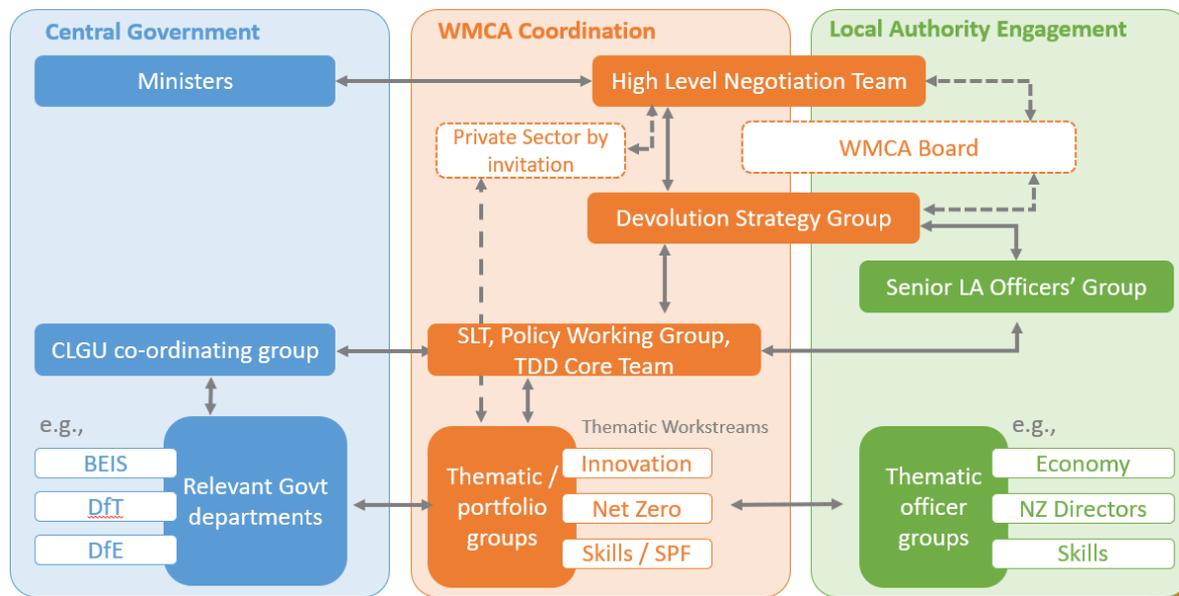
Inclusive economic growth	Innovation
	*WM Smart City Region
	LEP Integration
	Trade and Investment
	Business Support System
Building human capital	Skills
	Education
	*UKSPF (Multiply)
Connecting communities	*Housing, regen and planning
	Transport
	Net Zero (BEIS)
	Digital
Building social capital	Homelessness prevention
	Health
	Crime, community safety and resilience
	Social capital and social economy
	Culture
Cross-cutting	Funding
	Benefits for non-constituent authorities
	Data and transparency

**Indicates workstreams where there is some work which can be taken forward outside of the TDD itself but will be part of our joined-up approach to responding to the LUWP.*

13. Each workstream has been allocated a lead co-ordinating officer with a Strategic Leadership Team sponsor. Workstream leads are responsible for developing a stakeholder engagement plan to ensure the involvement of relevant partners in policy development. It is vital that as far as possible they use existing boards, forums, officer groups and other bodies in order to progress their work.
14. There are clearly overlaps between different workstreams and over time it is likely that some will merge or cease activity as priorities become clearer.

Process and Negotiation Arrangements

15. TDD negotiation arrangements will take place through a set of arrangements set out in the diagram below.



16. Thematic workstream discussions on key policy issues will take place using the existing thematic boards and other discussion forums. For example, matters concerning net zero will be discussed with the local authority Net Zero Directors officers' group, the Environment and Energy Board and, where appropriate, through the Net Zero Business Forum, the Energy Capital Partnership and WM Greener Together Forum. Workstream lead will also be responsible for leading bilateral discussion with government officials' relevant departments.
17. Workstream discussions and bilateral negotiations will be co-ordinated through a co-ordinating group in government and through Strategic Leadership Team and TDD Core Team in WMCA. These matters will be fed up through a Senior Local Authority Officers Group into a Devolution Strategy Group (see below).
18. As policy positions crystallise, they will come to the High Level Negotiating Team and to the WMCA Board as appropriate. When a composite TDD Proposition comes together it will be brought to the WMCA Board for approval. No final deal will be agreed without the endorsement of the WMCA Board. Given the lack of WMCA Board meetings during the pre-election period until May, it is proposed that we hold meetings of the Mayor and Portfolio Leads Liaison Meeting as required to update about the TDD process and discuss any immediate policy issues.
19. Devolution Strategy Group – this group will be formed of the 7 Met Chief Execs, 1 Non-con Chief Exec, plus 2 WMCA Exec Directors. The DSG will be supported by a Senior LA Officers' Group.
20. High-level Negotiating Team – this team will be led by the mayor together with up to 3 local authority leaders. On occasion the team may choose to invite private sector or other stakeholders to support their negotiations.
21. We are committed to working closely with non-constituent authorities to explore how a TDD might bring wider benefits to the West Midlands region. A Non-Con Chief Executive will be part of the Devolution Strategy Group and we expect non-constituent authorities to be part of all stakeholder engagement plans.

22. Regular updates – the WMCA is committed to providing regular updates on the progress of the TDD process through in-person and online briefing sessions as requested and through regular e-mail updates.

Timeline

23. We are awaiting further clarity from Government regarding the timelines and expected submission dates for this process, however we expect it to broadly fall in line with the following:
- Now - May:
 - Development of ambitious policy proposals brought together into a coherent TDD Proposition.
 - Continuous internal and external engagement, including with local authorities, wider regional partners, and central Government.
 - Regular meetings of the Mayor and Portfolio Leads Liaison meetings to keep leaders informed about key issues.
 - June: TDD Proposition submitted to WMCA Board.
 - July / August: Initial TDD announcement from central Government.
 - Autumn: Potential further detail in announcement linked to fiscal event.

Levelling Up White Paper: Full Briefing Note

8 February 2022

15



West Midlands
Combined Authority

Introduction

This briefing note has been developed by the WMCA's Policy Working Group to analyse the key announcements from the Levelling Up White Paper, published Wednesday 2 February. This note serves to breakdown the main elements of the White Paper announcements, extrapolating many of the implications for the West Midlands, with additional context and comment where appropriate. It does not attempt to be completely comprehensive.

1 System Change: A New Policy Regime for Levelling Up

The Levelling Up White Paper runs to 332 pages and is intended to tackle the stark geographical inequality in the UK. It is founded on the principle that to achieve this the programme will need to be “broad, deep and long-term”. It provides significant critique of the failures of past policies, summarising these failures as a lack of:

- longevity and policy sufficiency
- policy and delivery coordination
- local empowerment
- evidence, monitoring and evaluation.
- transparency and accountability

The White Paper attributes the lack of longevity and policy sufficiency to a failure to “provide the stability and predictability necessary to nurture long-term investment by the private sector and civil society”. This uncertainty also creates difficulties for programming by public sector bodies, who could not plan or budget for the long term. The White Paper recognises that the centralised nature of decision-making has hampered past efforts to level up, and says the Government “under-utilises local knowledge, fails to cultivate local leadership and has often meant anchor institutions in local government have lacked powers, capacity and capability.” It also provides significant critique of ‘standard economic theory’.

To address these issues, the White Paper sets out five mutually reinforcing pillars that provide the framework for future success.

- Firstly, the Government will set **medium term ambitious missions** to provide consistency and clarity over the levelling-up policy aims. (See below).
- Secondly, the decision-making in central government will be reoriented to align policies with the levelling up agenda and **hardwire spatial considerations across Whitehall**.
- Third, the UK Government will **empower decision-makers in local areas** by giving leaders and businesses the resources that they need.
- Fourthly, the UK Government will change its approach to **data and evaluation** to make local decision-making better. The Office for National Statistics’ Subnational Data Strategy aims to improve the UK’s subnational data, mapping local economic geographies and helping improve transparency to the public.
- Fifthly, the UK Government will create a **new regime to oversee its levelling missions** creating a duty to publish an annual report which will analyse progress, as well as a new Levelling Up Advisory Council.

The White Paper also highlights six ‘capitals’ that contribute to driving levelling up:

- physical capital
- human capital
- intangible capital
- financial capital
- social capital
- institutional capital

When these six factors come together places benefit from having highly skilled people, outstanding schools, good roads and public transport systems, and fast internet. In places whereby these factors don’t, the pride in local communities declines as well as the overall quality of life and living experience.

There is extensive analysis of these factors in the White Paper. At a very general level, the West Midlands could be identified as an ‘average’ performer in relation to other regions. However, the region has some notable weaknesses including:

- In terms of human capital: it has three LAs meeting three of the following criteria - the bottom quartile for level 3+ equivalent skills in the adult population, Gross Value Added (GVA) per hour worked, Median Gross Weekly Pay and healthy life expectancy.
- In terms of social capital: all 7 WM LAs, life satisfaction is in the bottom three quintiles, community need is in the highest two quintiles, and people’s satisfaction with their local area is the lowest of all regions at 74%.

The 12 Missions to Level Up the UK

The vision for Levelling Up is incorporated into 12 ‘Missions’, as below. These have been aligned with WMCA Aims and Objectives in Annex 3.

1. By 2030, **pay, employment and productivity** will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.
2. By 2030, **domestic public investment in Research & Development** outside the Greater South East will increase by at least 40% and at least one third over the Spending Review period, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.

3. By 2030, **local public transport connectivity** across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.
4. By 2030, the UK will have **nationwide gigabit-capable broadband** and 4G coverage, with 5G coverage for the majority of the population.
5. By 2030, the number of primary school children achieving the expected standard in **reading, writing and maths** will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.
6. By 2030, the number of people successfully completing **high-quality skills training** will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.
7. By 2030, the gap in **Healthy Life Expectancy (HLE)** between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by 5 years.
8. By 2030, **well-being** will have improved in every area of the UK, with the gap between top performing and other areas closing.
9. By 2030, pride in place, such as people's **satisfaction with their town centre and engagement in local culture and community**, will have risen in every area of the UK, with the gap between the top performing and other areas closing.
10. By 2030, renters will have a **secure path to ownership** with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.
11. By 2030, **homicide, serious violence, and neighbourhood** crime will have fallen, focused on the worst-affected areas.
12. By 2030, every part of England that wants one will have a **devolution deal** with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.

2 Trailblazing Devolution Deal

The White Paper makes provision for a new framework to extend, deepen and simplify local devolution in England with opportunities for every part of England to have some form of Mayoral Combined Authority (MCA) if it wants one.

The West Midlands has been identified as an area that will be at the forefront of devolution and serve as a model for other MCAs, in line for a ‘trailblazer’ deepening devolution deal: “We will open negotiations on trailblazer deeper devolution deals with the West Midlands and Greater Manchester combined authorities. These deals will act as the blueprint for other mayoral combined authorities (MCAs) to follow, with bids for more powers welcome.”

Annex 1 provides an indication of the types of powers and functions that will be considered for each devolution level. These are not minimum offers. Some powers may only be available to certain authorities or geographies. There will also be scope to negotiate further powers, on a case-by-case basis, and an opportunity to adopt innovative local proposals to address specific challenges and opportunities – for example, the improvement of health and social care outcomes.

In addition to the core elements in the table, there may be scope to consider public sector boundaries on a case-by-case basis, when requested, to support devolution. Proposals to pool local authority functions, where it can improve services and increase efficiency, will also be supported.

The devolution framework therefore acts as a starting point, and details that advanced areas can explore ‘off-menu’ items. This is particularly important as it will allow us to continue to push our existing asks around additional skills powers like on careers and powers of trade and investment that are not listed in the framework. This framework is designed to be dynamic so that it can evolve and be informed by devolution deal discussions over the coming years. Many of the functions listed in the framework will allow local leaders to help shape partnerships with key public sector bodies including Great British Railways, Homes England and/or the Department for Work and Pensions.

Only a small number of WMCA’s ‘devolution asks’ (see Annex 2) have been addressed directly in the White Paper but the commitment above makes it clear that we can now enter into a process of negotiation on some of our key asks. The WMCA will identify a process by which regional stakeholders will be able to have a meaningful contribution to this process and it will maintain consistent communication with partners as this process develops.

3 Policy commitments and spending allocations

The White Paper sets out many policy commitments and spending allocations. Much of the spending was already announced as part of the Comprehensive Spending Review 2021 but the White Paper provides a little more detail to these. Similarly, there are many policy commitments which will require further details from relevant Government departments.

Some of the most relevant headline commitments are set out below:

UK Shared Prosperity Fund ['SPF']

- The White Paper commits to giving mayoral combined authorities control of SPF: “Institutions with already existing strong and accountable governance should be given full responsibility to plan and manage investment of the fund from the outset.” ‘**Pre-launch guidance**’ was published alongside the White Paper providing further details.
- Places will be allocated (and not compete for) an SPF envelope based on a formula taking account of need. Places will be asked in the spring to develop a local ‘Investment Plan’ to be submitted in the summer for Government sign-off.
- The purpose of the SPF is to deliver, by March 2025, visible, tangible improvements to the places where people work and live, giving communities up and down the UK more reasons to be proud of their area. The Investment Plans will cover the three elements of the SPF:
 1. Communities and place: including strengthening social fabric, green spaces and crime prevention.
 2. Local business: including support for new jobs, start-ups, retail/leisure/hospitality sectors and business collaboration and innovation.
 3. People and skills (local activity in 2024/5 only): including boosting core skills, helping adults progress in work, tackling economic inactivity and helping disadvantaged people in a way that complements mainstream support.

- SPF funding confirmed as:

FY	Total	Notes about coverage
2022/3	£0.4bn	No locally initiated activity on People and skills. National Multiply programme plus HMG will maintain flexibility to fund voluntary sector organisations delivering local people and skills provision, where this is at risk due to the tail off of EU funds
2023/4	£0.7bn	
2024/5	£1.4bn	
3yr period	£2.6bn (incl. £0.3 cap)	

- Delivery is expected to encompass procured activities, local competition and in-house delivery. Strategic lead authorities like MCAs will be able to top-slice for administration, assessment, monitoring and evaluation costs; and there could be further support to bolster the capability of institutions.
- Use of the SPF should seek to complement other funding programmes, such as larger-scale capital funds like the Levelling-Up Fund and Community Ownership Fund.

The suggested next steps are for lead authorities to start early conversations, especially with constituent authorities and other local partners, to ensure that the needs of places within the strategic geography can be effectively addressed. These conversations should take account of the Fund's objectives and investment priorities, based on insight from local partners and stakeholders about needs and visible outcomes. Lead authorities are also able to collaborate with neighbouring areas if interventions – particularly on employment and skills – make it sensible to do so.

Innovation/Research and Development

- **SR21 committed to spending £20bn on public R&D support by 2024-25 as a step towards the economy-wide target to invest 2.4% of GDP in R&D by 2027.** This represents an increase of £5bn, with Government committed to increasing the share invested outside the Greater Southeast to at least 55% by 2024/25.
- **The Government will target £100m of investment in three new Innovation Accelerators.** Private-public-academic partnerships which will aim to replicate the Stanford-Silicon Valley and MIT-Greater Boston models. These will be piloted in Greater Manchester, the **West Midlands** and Glasgow City-Region.

The £100m is BEIS R&D capital money that will be administered by UKRI, who will have a decision-making role. The majority of funding will be spent in 2023/4 and 24/5.

Along with the potential funding, the intensive BEIS-led Accelerator development process offers a valuable opportunity to build relationships across Government to strengthen the West Midlands' broader innovation ecosystem, including potentially:

- Helping universities forge stronger links with UKRI and research councils, particularly where the region currently does less well.
- Supporting new and existing translational innovation facilities like the MTC, WMG, Tyseley Energy Park and National Brownfield Institute, Wolverhampton.
- Providing public support for stimulating demand-led business innovation and connecting innovation opportunities across sectors.
- Linking innovation strengths and needs to stronger internationalisation activity.
- Helping target business support to innovative firms or potential innovators by using HMRC data about R&D tax credits and Super deduction.

The White Paper says Accelerators will build on the R&D strengths of each area – it mentions the future of mobility and data-driven population health in the West Midlands. While it's useful to build on strengths, one of the reasons why the West Midlands was identified is because of our imbalance between private and public R&D spend (with much of the former focused on future of mobility). Therefore, there is an opportunity to diversify the region's publicly funded R&D base to crowd-in new private investment.

The private sector-led West Midlands Innovation Board will lead this process, advising, and accountable to, the Economic Growth Board. Its membership will be refined to cover specific private sector perspectives and reflect the region's diversity.

- **Smart City Region proposal included with commitment from Govt to necessary financial pump-priming:** “The programme will be managed through a special purpose vehicle (SPV) that will bring together the public sector, a range of private sector players – from start-ups to leading institutional investors – and the region’s leading research institutions, all under the leadership of the region’s metro mayor. The UK Government welcomes the innovative, partnership approach being taken by the West Midlands and will provide the necessary financial pump-priming support for the proposal as part of the deeper devolution deal process”.

This programme will be developed by partners across the region for discussion through the Deepening Devolution Process to draw together digital opportunities across:

- Scaling-up health tech, future mobility and smart energy programmes.
- Practical business support for digital start-ups (drawing on learning from 5PRING) and a supply of patient venture capital to attract global innovators.

Housing and Regeneration

- **Wolverhampton is named as one of the two first (of 20) transformational regeneration places in England** (the other being Sheffield). This will move forward ambitious plans developed by the council to reinvigorate the city centre, creating a more diverse housing offer and mix of land uses, and giving the city a new economic purpose by attracting new residents and businesses and builds on the £20m Levelling Up Fund investment in the City Learning Quarter.

The document notes that Homes England will be asked to work with the Council and West Midlands Combined Authority to promote transformational regeneration opportunities that not only benefit the City itself but also maximise benefits to the wider area including across the Wolverhampton to Walsall Corridor.

- **West Midlands to get new brownfield funding** (NB these figures don’t include the departmental underspend also expected). £28 million for WMCA from the £120m total for MCAs. In total £1.8bn Brownfield & Infrastructure Funding will be allocated “to regenerate underused land and deliver transport links and community facilities”.
- HMG Regeneration policy programme to focus on:
 - a) transformational projects;
 - b) high street rejuvenation; and
 - c) green spaces

WMCA Housing & Regeneration team are in ongoing discussions with senior officials at DLUHC to secure further funding from the £1.8bn fund – arising from the Commercial Land proposal in the Spending Review representation and targeting a broader impact on unlocking commercial, residential and mixed-use schemes and enabling infrastructure.

- The ‘80/20 rule’, which resulted in HMG housing funding being targeted towards London and the South East, will be scrapped, with much of the £1.8 billion brownfield funding instead being diverted to transforming brownfield sites in the North and Midlands.
- The government has also launched a £1.5 billion Levelling Up Home Building Fund providing loans to small and medium sized builders and developers to deliver 42,000 homes with the vast majority going outside London and the South East – helping to rebalance the economy and spread prosperity and opportunity more equally.
- Homes England is to play a wider role in regeneration by “supporting mayors and local authorities” to realise their ambitions for new affordable housing and regeneration in their areas.

“In England, the UK Government will refocus Homes England so that it uses its extensive statutory powers to partner with local leaders to unlock barriers and drive forward regeneration. Homes England will deliver a practical regeneration offer to places by:

- a) forming partnerships with local leaders and wider government to support places’ levelling up and regeneration ambitions;
- b) using its statutory powers, funding and expertise to support delivery of regeneration schemes, with a focus on unlocking barriers that are preventing the private sector from investing;
- c) working with relevant partners to enable the pooling of funding, including from local sources and from across government, to maximise the impact of specific schemes;
- d) tailoring opportunities to be attractive to institutional investors to crowd-in private sector investment to deliver on long-term change; and
- e) establishing the right delivery vehicle that will give both local leaders and their communities a voice, but also deliver surety of decision making for the long-term, to establish credibility and confidence in plans.”

The WMCA Housing & Regeneration team is working closely with regional Homes England colleagues and the national leadership team to develop stronger partnership working – collaborating to maximise investment in the region.

Skills, Education and Employment

- **55 Education Investment Areas**, where school outcomes are weakest, have been identified for investment, support and action over the next decade. In the West Midlands, this includes **Dudley (8th), Walsall (16th), Sandwell (18th) and Coventry (29th)**. Selection criteria for areas is based on sustained low attainment at key stage 2 and key stage 4 – See annex for further detail. Birmingham is ranked 54th but not included as an EI area.

While the WMCA welcomes the focus on underperforming areas, it is not yet clear what interventions and investment will be made in these areas – and the extent to which this will be imposed nationally. WMCA does not currently have a role on schools and does not anticipate doing so.

- **A national mission to ensure 90 per cent of children leaving primary school in England are reaching the expected standard in reading, writing, and maths by 2030**. In 2019, just 65 per cent of pupils met all three standards, with the proportion substantially varying across the country.

The focus on raising literacy and numeracy levels within the school system is welcome. However, concerns have been expressed across the sectors about whether the target will distort and narrow the curriculum. Mindful that inequalities are often baked-in before children reach primary school, a focus on early years support would be beneficial. Although the WMCA does not currently have, nor does it anticipate having, a role on schools, through adult skills funding it delivers English and maths training to adults who left their formal education with poor skills in these areas.

- **A new skills mission to support 200,000 more people to train each year by 2030**, including 80,000 more completing courses with the lowest skills levels. The target will be measured against pre-Covid (2018/19) 19+ further education and skills training achievement.

The WMCA welcomes a focus on increasing participation and achievement in adult skills. Achieving this target, however, would merely be a return to 2016 levels, reversing only a quarter of the fall since 2010. There is no new investment associated with this target, though engagement with DfE on further devolution of existing skills funding is ongoing.

- A new **Future Skills** Unit to look at the data and evidence of where skills gaps exist and in what industries.

The WMCA welcomes the creation of a Future Skills Unit to support a better understanding of skills needs. There is appetite to develop a strong relationship with the Unit, so that it supports better regional intelligence to underpin devolved policy and programmes.

- A **£560m National Youth Guarantee** providing access to regular clubs and activities, adventures away from home and volunteering opportunities by 2025.

The WMCA welcomes additional investment in activities for young people, and would want to ensure that this is connected into the WM network of Youth Hubs. The WMCA would also welcome further discussions about how a ‘youth guarantee’ could be extended to include access to skills and employment opportunities.

- **Walsall to get a Pathfinder:** “These will bring together local delivery partners from DWP and DfE, including Jobcentre Plus, careers services, local employers, education and training providers, and local government to respond to intelligence about local employers’ skills needs, supporting people into work and identifying progression opportunities for people in part-time work. These employment and skills Pathfinders will help individuals and employers take advantage of the extensive range of skills provision on offer”

The WMCA is excited about this opportunity to build on our already strong relationships with DWP to develop a coherent high quality employment offer, that can then be replicated across the region. In particular, we are keen to use this opportunity to co-develop/co-commission locally tailored provision that will support residents into work and support in-work progression.

Transport

- **New powers on the Key Route Network and taxis:** “The UK Government will also explore devolving more transport powers and responsibilities in England. In MCA areas, the UK Government will provide new powers of direction to increase mayors’ control over Key Route Networks. The UK Government will also explore transferring control of taxi and private hire vehicle licensing to both combined authorities and upper-tier authorities.”

The WMCA area responded to a technical DfT consultation on fully devolved road powers for Mayor’s in Summer 2021. The West Midlands response did not support this approach.

That consultation identified the possible advantages of the Mayor having full access to London style highway duties for the KRN. It was felt that those arrangements would undermine the progress made on collaborative delivery and management of the network over the last 5 years (RTCC etc) and the principles of the original Devolution Deal.

However, the constituent authorities and Transport for West Midlands (TfWM) did reach a regional consensus on exploring how a ‘power(s) of direction for the Mayor over the KRN’ could potentially help regional collaboration and improve cross boundary delivery of critical infrastructure projects (i.e. Sprint – BRT and Cross City Bus projects). This could also be aligned to an emerging WM LTP.

The WMCA currently has no role in taxi and private hire vehicle licensing and is not a licensing authority. This solely sits with the constituent authorities and whilst the issue has been raised in the past, to date there has been no desire to coordinate this at a WMCA geography.

Subject to the ambitions of our LAs, collaboration on taxis and PHVs could be explored on the standardisation of licencing conditions (i.e. vehicle ages, vehicle emission standards, shift zero emission vehicles, enhanced DBS checks) across the WMCA area. This consistency could be achieved without changes in powers.

- **Bus Service Operators Grant commitment:** “As set out in the National Bus Strategy, in line with previous devolution of bus funding to Transport for London and Transport for Greater Manchester, the UK Government will work to devolve the Bus Service Operators Grant, including once it has been reformed, to MCAs and other LTAs that request it. Devolving this funding further empowers LTAs to drive improvements in local bus services.”

The WMCA welcome this commitment. TfWM have already published an ambitious Bus Service Improvement Plan (BSIP) and regional Enhanced Partnership Plan, which these reforms would support. Reforming BSOG is essential in achieving our aims of a zero emission WM bus fleet by 2030 and wider #WM2041 targets.

- **Further support for Local Transport Plans:** “The UK Government will support all LTAs by publishing new guidance on Local Transport Plans, so that all LTAs can deliver updated plans by the end of this Parliament, with clear project pipelines and comprehensive strategies to improve local transport for people and reduce carbon emissions.”

The WMCA welcomes this updated guidance to LTPs; this helps to support the emerging West Midlands LTP and draft CRSTS programme. Setting defined carbon targets aligns to the ambitions of a draft new LTP Core Strategy. TfWM are beginning public engagement on the Core Strategy from the 7th February 2022.

- **Confirmed role for local leaders in GBR via partnership agreements:** “As set out in the Williams-Shapps Plan for Rail published last year, the UK Government will also use the newly created Great British Railways (GBR) to give local leaders greater say over how their local railways are run through new partnership agreements.”

WMCA fully supports this. TfWM, working through West Midlands Rail Executive, have already begun close engagement with GBR on how local leaders can specify and influence a future West Midlands Rail Franchise.

Health and Communities

- **Potential for more health duties for mayoral combined authorities:** “Opportunities will be explored for MCAs to take on a duty to improve the health of their residents, concurrent with the existing duty of their constituent upper-tier councils.”

The WMCA currently has no devolved statutory role in health and care. This solely sits with the constituent authorities and whilst the issue has been raised in the past, there is no indication from the system that a move towards any statutory responsibilities would be welcomed.

The WMCA did however publish the Health of the Region report in late 2020 to shift focus as a system towards addressing health inequalities. We have worked with the local health and care system to carve out a role in addressing health inequalities using the devolved powers of the WMCA which correlate with the wider determinants of health that drive inequalities.

There was broad regional consensus on this approach as well as sign off from the WMCA Wellbeing Board. There is willingness from the newly formed ICS's to consider a convening role around health inequalities.

It should be noted that the White Paper has left a lot of details on addressing inequalities to be answered through the forthcoming white paper on Health Disparities expected later this year. Any decisions we do take in regard to additional responsibilities in this space may well be impacted by this paper.

- The Government will consider a Community Wealth Fund, financial inclusion and other social investment as part of its consultation on £880m in Dormant Assets funding, and focus lottery cash to reach into the most deprived small areas of the country.

The WMCA identified the importance of a flourishing community and voluntary sector during the pandemic and its Community Recovery work recommended both a Radical Health Prevention Fund and a VCSF Resilience Fund. A Community Wealth Fund could also be targeted to support the region's Social Economy Growth Strategy.

Culture and Creative

- **The Government will launch an expansion of the Creative Scale Up Programme with more than £18m of new funding** to support high-growth businesses in regions outside London. More than £8m of funding will help support start-up businesses and young entrepreneurial talent in the video games sector through the Dundee-based UK Games Fund.
- The Government intends to publish a Creative Industries Sector Vision in 2022, and will collaborate with the devolved administrations to make this a UK-wide strategy to support the creative industries.
- **The White Paper commits to distribute 100% of the additional funding for Council England (ACE) agreed at SR21** to support culture and creativity outside London.
- **London-based organisations will be encouraged to establish a presence outside London.** ACE will identify a number of nationally significant as well as smaller NPOs that wish to establish a presence outside London and provide them with support to succeed. This will mean encouraging London-based organisations to establish new long-term offices, venues or partnerships outside London, and giving them practical and financial support to do so.

- **DCMS to identify over 100 levelling up priority places outside of London** that will be the focus for additional ACE engagement and investment. This will mean that places like Stoke-on Trent, Barnsley, Rochdale and Wigan are given the support they need to build on their rich cultural heritage – from the world-renowned ceramics of Stoke to Kirklees’ plan for a vibrant cultural centre in Huddersfield.

The WMCA welcomes the decision to distribute 100% of Arts Council Funding outside of London and indeed the identification of 100 levelling up priority places outside of London for additional investment. To be truly proportionate of population, a large number of other places in the West Midlands will need to be identified as part of the Priority Places List.

The West Midlands has a number of assets in the culture sector, including the world-renowned RSC. The commitment to increase the impact of London-based organisations is a worthwhile pursuit but may be to the detriment of our own regional assets.

Other funding mechanisms

As well as these specific policy and funding commitments, the White Paper also addresses some possibilities for wider reform of sub-national funding including:

- **New funding sources for Combined Authorities:** “Alongside the upcoming revaluation in April 2023, Government will explore with the Combined Authorities further flexibilities to enable them to raise their own funding through the business rates system to fund local priorities.”

It is worth noting that this refers only to the business rates supplement. WMCA previously perused this funding as a pillar of the Investment Programme but the Mayor and Leaders opted not to proceed to a ballot of effected businesses. The text in the White Paper suggests “MCAs will need to consider the impact on business” which implies the requirement for a ballot could be dropped from the existing legislation.

- **Streamlining funding.** “The Government will set out a plan for streamlining the funding landscape this year which will include a commitment to help local stakeholders navigate funding opportunities.”

The WMCA strongly welcomes this reform, in line with previous representations made to HM Treasury around fiscal devolution. This, alongside the devolved approach to UKSPF distribution, is certainly a step in the right direction.

- **Local Government Pension Scheme to increase local investment.** Infrastructure investment by the LGPS has grown from under £1bn in 2016 to £21bn in 2021. To build on this established capacity and expertise, and ensure that all LGPS funds play their full part, the Government is asking LGPS funds, working with the LGPS asset pools, to publish plans for increasing local investment, including setting an ambition of up to 5% of assets invested in projects which support local areas. The new UK Infrastructure Bank, will explore opportunities alongside LGPS.
- **Financial Resilience of Local Authority Partners:** The paper references a commitment to ensuring that funding allocations for councils are based on an up-to-date assessment of their needs and resources. Over the coming months, the UK Government will work closely with the sector and other stakeholders to update the needs assessments and look at the challenges and opportunities facing the local government sector before consulting on any potential changes. As part of this, the UK Government will look at options to support local authorities through transitional protection.

This is welcomed by WMCA who have consistently lobbied Government in various CSR submissions to address this matter.

- **Levelling Up Fund:** The Levelling Up White Paper includes no further, specific details on the LUF other than to reference it as a £4.8bn national fund which stretches beyond 2024/25 and that, as a cross-departmental fund, it is illustrative in demonstrating how the complexity of the funding landscape can be addressed.

WMCA submitted a bid for £50m during LUF phase one which was not successful, and it is understood WMCA can continue to re-apply for up to £50m (for Transport only) until it is successful in obtaining LUF funding.

4 Changes to Institutions and Systems

The White Paper identifies a number of opportunities for changes in regional institutions and systems to drive effective delivery of the Levelling Up agenda. These include:

- **The Government is encouraging the integration of LEPs with MCAs:** “Government is encouraging the integration of LEPs and their business boards into MCAs, the GLA and County Deals, where these exist. Where a devolution deal does not yet exist, LEPs will continue to play their vital role in supporting local businesses and the local economy. Where devolution deals cover part of a LEP, this will be looked at on a case by case basis. Further detail on this transition will be provided in writing to LEPs as soon as possible.”
- **PCC functions and Fire Governance to be “folded in under MCA where geography permits”:** “The UK Government will look to have all Combined Authority Mayors lead on public safety, taking on the PCC role, where boundaries align.... Where there are existing or planned Mayoral Combined Authorities with coterminous boundaries to PCC’s and Fire and Rescue Authorities the UK Government will look to transfer these functions to the Mayor.”

The White Paper suggests this will strengthen the Mayor’s role on public safety, public health and resilience. The White Paper suggests the possibility of a consultation process and removing local barriers to enabling the transfer of powers.

The three main implications (beyond the transfer or establishment of office structures) will be:

- the need for the Mayor to have a Police and Crime plan clarifying if this is a Mayoral document or a WMCA approved plan;
- the determination of where corporation sole lies following the transfer (i.e., with the Mayor, the head of paid service, or the WMCA Chief Executive);
- and establishing the level of innovation this model can bring to governance and accountability.

- **Changes to MCA geography possible:** “We will likewise recast the geography of MCAs, where necessary, to ensure there is greater economic coherence.”
- **Levelling Up Directors to be appointed:** “The UK Government is pursuing a new approach to places through Levelling Up Directors, forming a key bridge between local actors and central government; and act as champions for their places.”
- **Levelling Up Advisory Council to advise Government.** The Council will be charged with providing independent expert advice on matters relating to the design and delivery of levelling up. Its analysis will be commissioned and published, at the discretion of the Levelling Up Cabinet Committee, chaired by the Secretary of State for Levelling Up, working with other ministers.

The WMCA is looking forward to further details of these proposed changes.

5 Data and Transparency

The White Paper also places significant emphasis on the importance of data in order to enhance public accountability for those with responsibility for delivering the Levelling Up agenda.

- **Government Statistical Service’s Subnational Data Strategy:** This strategy was published in December 2021 and provides a framework for producing and disseminating more timely, granular and harmonised subnational statistics. To reach this objective, it has four aims:
 1. Produce more timely, granular and harmonised subnational statistics, particularly for small area geographies. This will provide users with the flexibility they need to select geographical options according to their needs, including user-defined areas.
 2. Build capability and capacity by improving the way data, methods and expertise is shared across government, devolved administrations and private sector organisations.
 3. Improve the dissemination of subnational statistics so that local decision makers and residents can access data-led evidence.
 4. Creation of the **Explore Subnational Statistics** service on the Office for National Statistics, which is a tool for local users and decision makers to extract insight from a wide range of local authority level data on economic and social outcomes. This should in turn create more transparency and accountability.
- **Spatial Data Unit:** To complement the Government Statistical Service’s Subnational Data Strategy, the Department for Levelling Up, Housing and Community will establish a new Spatial Data Unit to drive forward the data transformation required in central government. It will also support the delivery of levelling up by transforming the way the UK Government gathers, stores and manipulates subnational data so that it underpins transparent and open policy making, and delivery decisions.

“The UK Government intends to base the headquarters of the new body outside of London, and will co-design this proposal with local government to ensure that it reflects and supports local ambitions.”
- **Investment in Spatial Modelling Techniques:** The Government recognises that most local government functions do not have in-house spatial modelling capability. The Government is therefore investing in spatial modelling techniques to help local government in their planning. This will be supported by a small team of modellers and hopes to avoid replication of modelling effort and expense in multiple local jurisdictions.

- **Transparency:** Well defined policy goals and mechanisms for evaluations are essential for credible policy regimes. Therefore, the Government will introduce a statutory obligation to report annually on progress to meeting the Levelling Up Missions. This will draw on the metrics set out in the Whitepaper to monitor progress against reducing regional disparities. This report will be published annually and subject to external and parliamentary scrutiny. As referenced above, a Levelling Up Advisory Council will be established to bring a diverse, independent and expert group of voices into the policy making process.

The WMCA welcomes the renewed emphasis on data and transparency and looks forward to working with government to co-design the various arrangements and services to ensure they complement existing strengths and local approaches.

6 Notable mentions

The West Midlands appears several times throughout the White Paper, which highlights a number of success stories from the region – some of which are listed here:

- **Devolution - Adult Education Budget:** The WMCA was mentioned in relation to benefits of devolution which is complemented by strong leadership and accountability. The White Paper also references the WMCA's devolved responsibility in managing the Adult Education Budget, which allows it to “invest in the skills provision that reflect local needs”. Some of the examples include the skills needed to retrofit buildings, undertake electric vehicle maintenance and one of the areas to pilot new digital bootcamps.
- **Devolution - Energy Capital:** The Energy Capital project, created and led by the WMCA was highlighted in relation to the benefits of devolution as it brought together businesses, utilities and academics to provide low cost, clean and efficient power.
- **Coventry High Street Heritage Action Zone:** The Coventry High Street Heritage Action Zone was referenced as a demonstrator project for the Heritage Action Zone (HAZ) Scheme. The project received over £2m in funding, enabling the transformation of The Burges and Hales Street area of the city centre. This was an excellent example of cross-organisation partnership as it was led on the ground by Historic Coventry Trust, with support from the Coventry Business Improvement District and Coventry City Council. The project attracted new businesses to the area, including Draper's Hall, which was previously abandoned, and now reborn as a concert and events venue.
- **Sprint:** The West Midlands was mentioned regarding transport connectivity boosting productivity through bringing people and businesses closer together. Here, the “Sprint” project, a new bus rapid transit system which is a cross between a bus and a tram, was referenced as it aims to connect Birmingham Airport with Solihull and Walsall with Birmingham City Centre. This is being led by Andy Street, Mayor of the West Midlands.
- **Coventry Very Light Rail System:** Coventry was noted for developing a brand-new railway system (Very Light Rail System) for Coventry City, starting with a demonstrator route between Coventry Rail Station to Pool Meadow Bus Station.
- **Coventry City – all electric bus city:** Coventry City was awarded £50m to become the first all-electric bus city, with almost 300 new zero emission buses to be delivered over the coming years.

- **Transport-led regeneration:** In relation to transport-led regeneration, the Curzon Street Station project in Birmingham City Centre which will eventually house HS2 project was used as an example of unlocking land around public transport sites. The HS2 Growth Strategy anticipates 43,600 gross, and 19,600 net, additional jobs, along with 2,200 new homes and £1.6bn per annum in net additional GVA around the Curzon Street area.
- **Public-Private Partnerships:** The WMCA was referenced as an example of public sector-led partnerships with the private sector to realise the ambition of the West Midlands to become a “Smart City”. The West Midlands Smart City Region Programme will Scale-Up Digital opportunities across the region using a special purpose vehicle (SPV) that brings together the public sector, the private sector (including start-ups and leading institutional investors) as well as the region’s pioneering research institutions, under the leadership of the WMCA Mayor, Andy Street.
- **West Midlands 5G:** The West Midlands 5G programme was highlighted as success story as one of the 5G Testbed and Trail areas, in relation to digital connectivity. The Government provided £21m over three years, alongside support from local government and private sector organisations, such as Mobile Network Operators, to create the West Midlands 5G programme. This resulted in the roll out of 5G in the West Midlands being accelerated by over 6 months, meaning that the West Midlands is among the best-connected places for 5G in the UK. Alongside this, WM5G has delivered several firsts, including a 5G road sensor network, 5G connected ambulances and capsule endoscopy trials.
- **Institute of Technology:** The Black Country and Marches Institute of Technology in Dudley was used as a case study in reference to the policy of strengthening institutions. It outlined how the Black Country and Marches Institute of Technology delivered high level technical training in areas such as manufacturing, construction and medical engineering in order to meet the needs of the local employers and learners. The Department for Education will be investing £17m in new facilities and equipment for this institute of technology. The courses were co-designed with local such as Avensys, Fulcro Engineering, Thomas Dudley Ltd and the Dudley Group NHS Foundation Trust.
- **Commonwealth Games:** The Commonwealth Games was highlighted as a case study of good practice in public sector procurement. It has embedded social value in its business and supply chain to measure the difference the Games can make to Birmingham, the West Midlands and its people. This includes the benefits and changes for local people around jobs, sustainability, health and well-being, inclusivity and human rights.

Annexes

Annex 1

Devolution Framework

Level 3 – A single institution or County Council with a directly elected mayor (DEM), across a FEA or whole county area

Level 2 – A single institution or County Council without a DEM, across a FEA or whole county area

Level 1 – Local authorities working together across a FEA or whole county area e.g. through a joint committee

Function	Detail	L1	L2	L3
Strategic role in delivering services	Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies	✓	✓	✓
	Opportunity to pool services at a strategic level	✓	✓	✓
	Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets	✓	✓	✓
Supporting local businesses	LEP functions including hosting strategic business voice		✓	✓
Local control of sustainable transport	Control of appropriate local transport functions e.g. local transport plans*		✓	✓
	Defined key route network*			✓
	Priority for new rail partnerships with Great British Railways – influencing local rail offer, e.g. services and stations			✓
	Ability to introduce bus franchising		✓	✓
	Consolidation of existing core local transport funding for local road maintenance and smaller upgrades into a multi-year integrated settlement			✓
Investment spending	UKSPF planning and delivery at a strategic level		✓	✓
	Long-term investment fund, with an agreed annual allocation			✓
Giving adults the skills for the labour market	Devolution of Adult Education functions and the core Adult Education Budget		✓	✓
	Providing input into Local Skills Improvement Plans		✓	✓
	Role in designing and delivering future contracted employment programmes			✓
Local control of infrastructure decisions	Ability to establish Mayoral Development Corporations (with consent of host local planning authority)			✓
	Devolution of locally-led brownfield funding			✓
	Strategic partnerships with Homes England across the Affordable Housing Programme and brownfield funding			✓
	Homes England compulsory purchase powers (held concurrently)		✓	✓
Keeping the public safe and healthy	Mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align^			✓
	Clear defined role in local resilience*		✓	✓
	Where desired offer MCAs a duty for improving the public's health (concurrently with local authorities)			✓
Financing local initiatives for residents and business	Ability to introduce mayoral precepting on council tax*			✓
	Ability to introduce supplement on business rates (increases subject to ballot)			✓

Annex 2

Summary of our regional asks (based on September 2021 paper agreed by Mayor & Leaders)

Category	Ask	Situation following LUWP
Building Human Capital	Endow MCAs with single devolved funding pot aligning the Adult Education Budget with the National Skills Fund and the 'people' element of UKSPF	UKSPF secured for MCAs. No explicit devo commitment on NSF – will have to be part of negotiations
	Devolve services provided by the Careers and Enterprise Company and National Careers Service to MCAs	No explicit commitment here - will have to be part of negotiations
	Give MCAs co-commissioning responsibilities for technical and vocational training for 16-18 year olds, including T Levels	No explicit devo commitment here - will have to be part of negotiations
	Give MCAs co-commissioning responsibilities for employment support programmes such as Restart	MCAs to be able to get “role in designing and delivering future contracted employment programmes” – exact scope TBD in negotiations. Walsall to get employment and skills pathfinder
Supporting Growth and Enterprise	Ensure that the multi-billion increase in R&D spending guaranteed at the last Budget is targeted outside the golden-triangle, including by directly devolving appropriate R&D budgets to MCAs (such as UKRI's Strength in Places fund)	R&D mission commits to substantial rebalancing by 2030 of where R&D budget goes
	Invest in strategic assets that enable translational innovation linked to regional cluster growth opportunities	WM to be one of three innovation accelerators. To also get support for Smart City Region proposal
	Close the gap between the South East and the West Midlands in SME investment by providing funding to support a WM SME Investment Fund	No explicit devo commitment here (CSR commitments around more money for BBB etc rehearsed) – will have to be part of negotiation
	Devolve DCMS funding relating to urban connectivity and trials and testbeds to MCAs	Smart City Region Proposal may cover this (not clear which funds it will draw from)
	Ensure a strong role for MCAs in the specification, selection, and management of rail contracts as Great British Railways is rolled out	Secured
	Ensure that MCAs have maximum freedom of manoeuvre to manage contracts with bus operators (within the context of agreed enhanced partnership of franchising models), in particular by giving MCAs any further Covid recovery bus funding and the ability to agree how this should be disbursed with operators	Commitment to BSOG devolution noted but Recovery Funding not mentioned explicitly

Category	Ask	Situation following LUWP
Supporting Growth and Enterprise (Cont...)	Devolve further investment promotion powers to the region	No explicit devo commitment here - will have to be part of negotiations (NB OfI establishing regional presence and other activities driven from centre will not substitute for devo here)
	Resource regions to enhance their ability to handle all relevant trade investment and promotion responsibilities, and so that they can create strategic subsidy and incentive funds to compete for high value investment	No explicit devo commitment here - will have to be part of negotiations (NB OfI establishing regional presence and other activities driven from centre will not substitute for devo here)
Net Zero	Provide MCAs with a clear role in delivering regional energy infrastructure investment alongside the Future Systems Operator	No explicit devo commitment here - will have to be part of negotiations
	Give MCAs responsibility and resourcing for Local Area Energy Planning through a Net Zero Infrastructure Delivery Board	No explicit devo commitment here - will have to be part of negotiations
	Expand the powers and scope of regional Energy Innovation Zones	No explicit devo commitment here - will have to be part of negotiations
	Devolve further portions of existing retrofit funds in BEIS through a regional Retrofit Commissioning Framework	No explicit devo commitment here - will have to be part of negotiations
	Devolve portions of existing EV infrastructure funds to MCAs (such as OZEV's LEVI and Project Rapid funds) to deploy critical infrastructure such as rapid-charging spines	No explicit devo commitment here - will have to be part of negotiations

NB. These proposals were submitted for a proposed devolution deal. Whilst some will have been directly address by the White Paper, the majority will form part of the Deepening Devolution Deal negotiations.

Annex 3

Leveling Up White Paper 12 missions – and alignment with WMCA Aims & Objectives

12 Levelling Up Missions		WMCA Aims & Objectives
Focus Area	Mission	Aligned Objectives
Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging		
Living Standards	By 2030, pay, employment and productivity will have risen in every area of the UK, with each region containing a globally competitive city, and the gap between the top performing and other areas closing.	<p>Create optimum conditions for businesses to grow, by ensuring they have the support needed to start up, scale up and succeed. [1.2]</p> <p>Ensure public and private investment opportunities create good work opportunities for local people and more contracts for local businesses. [1.5]</p>
Research & Development (R&D)	By 2030, domestic public investment in R&D outside the Greater South East will increase by at least one third over the Spending Review period and at least 40 percent by 2030, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.	<p>Drive growth by developing regional strategies and plans focussed on priority clusters, boosting innovation, and securing investment. [1.1]</p> <p>Support social innovation to tackle complex and longstanding challenges facing our communities, where mutually agreed with partners. [2.3]</p> <p>Be national pioneers in advanced methods of construction, zero carbon housing... [4.2]</p> <p>Convene partners to drive industrial decarbonisation and grow the low carbon and circular economy. [4.3]</p> <p>Pioneer and embed transport innovations and behaviour change to reduce emissions, improve air quality and create green jobs. [4.4]</p>

12 Levelling Up Missions		WMCA Aims & Objectives
Focus Area	Mission	Aligned Objectives
Transport Infrastructure	By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing	<p>Deliver and operate a safe, accessible, affordable, reliable and sustainable transport system together with our partners. [3.1]</p> <p>Build and develop transport infrastructure that is sustainable, active, low congestion and integrated with key projects like HS2. [3.2]</p> <p>Work with partners to attract investment in and deliver programmes to support net zero development and infrastructure. [4.1]</p> <p>Pioneer and embed transport innovations and behaviour change to reduce emissions, improve air quality and create green jobs. [4.4]</p>
Digital Connectivity	By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.	<p>Create optimum conditions for businesses to grow, by ensuring they have the support needed to start up, scale up and succeed. [1.2]</p> <p>Work with partners to identify and address the different barriers faced by our diverse communities [2.2]</p> <p>Work with partners to attract investment in and deliver programmes to support net zero development and infrastructure. [4.1]</p>

12 Levelling Up Missions		WMCA Aims & Objectives
Focus Area	Mission	Aligned Objectives
Spread opportunities and improve public services, especially in those places where they are weakest		
Education	By 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.	<p>Work with partners to identify and address the different barriers faced by our diverse communities [2.2]</p> <p>Work with partners to understand their priorities, convene around shared opportunities, and deliver together. [5.1]</p>
Skills	By 2030, the number of people successfully completing high quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.	<p>Create optimum conditions for businesses to grow, by ensuring they have the support needed to start up, scale up and succeed. [1.2]</p> <p>Invest in training and skills programmes that help businesses grow and our citizens secure good jobs. [1.3]</p> <p>Work with partners to give our communities access to training and employment support to secure and succeed in new opportunities. [2.1]</p>

12 Levelling Up Missions		WMCA Aims & Objectives
Focus Area	Mission	Aligned Objectives
Health	By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by 5 years.	<p>Work with partners to identify and address the different barriers faced by our diverse communities. [2.2]</p> <p>Support social innovation to tackle complex and longstanding challenges facing our communities, where mutually agreed with partners. [2.3]</p> <p>Work with partners to understand their priorities, convene around shared opportunities, and deliver together. [5.1]</p>
Wellbeing	By 2030, measures of wellbeing will have improved in every area of the UK, with the gap between top performing and other areas closing.	<p>Work with partners to identify and address the different barriers faced by our diverse communities. [2.2]</p> <p>Support social innovation to tackle complex and longstanding challenges facing our communities, where mutually agreed with partners. [2.3]</p> <p>Work with partners to understand their priorities, convene around shared opportunities, and deliver together. [5.1]</p>

12 Levelling Up Missions		WMCA Aims & Objectives
Focus Area	Mission	Aligned Objectives
Restore a sense of community, local pride and belonging, especially in those places where they have been lost		
Pride in Place	By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between top performing and other areas closing.	<p>Work with local authorities to support the role of culture and sport in making the region a good place to live, work, visit and invest. [1.4]</p> <p>Work with partners to identify and address the different barriers faced by our diverse communities. [2.2]</p> <p>Deliver and operate a safe, accessible, affordable, reliable and sustainable transport system together with our partners. [3.1]</p> <p>Build and develop transport infrastructure that is sustainable, active, low congestion and integrated with key projects like HS2. [3.2]</p> <p>Invest in and support housing and regeneration schemes, working closely with private sector and local authorities to unlock to unlock and accelerate sustainable delivery. [3.3]</p> <p>Support and deliver co-ordinated investment packages with our partners across key corridors and local, town, and city centres. [3.4]</p> <p>Pioneer and embed transport innovations and behaviour change to reduce emissions, improve air quality and create green jobs. [4.4]</p> <p>Work with partners to increase investment in nature and our surroundings. [4.5]</p>

12 Levelling Up Missions		WMCA Aims & Objectives
Focus Area	Mission	Aligned Objectives
Housing	By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas	Invest in and support housing and regeneration schemes, working closely with private sector and local authorities to unlock to unlock and accelerate sustainable delivery. [3.3]
Crime	By 2030, homicide, serious violence and neighbourhood crime will have fallen, focused on the worst affected areas.	<p>Work with partners to identify and address the different barriers faced by our diverse communities. [2.2]</p> <p>Support social innovation to tackle complex and longstanding challenges facing our communities, where mutually agreed with partners. [2.3]</p> <p>Deliver and operate a safe, accessible, affordable, reliable and sustainable transport system together with our partners. [3.1]</p> <p>Work with partners to understand their priorities, convene around shared opportunities, and deliver together. [5.1]</p>

12 Levelling Up Missions		WMCA Aims & Objectives
Focus Area	Mission	Aligned Objectives
	Empower local leaders and communities, especially in those places lacking local agency	
Local leadership	By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution with a simplified, long-term funding settlement	<p>Work with partners to understand their priorities, convene around shared opportunities, and deliver together. [5.1]</p> <p>We will work with central government to gain new powers and resources for the region, including double devolution. [5.2]</p>

- Effectively WMCA Objective 5.2 – We will work with central government to gain new powers and resources for the region, including double devolution – aligns with all 12 Missions and underpins the Levelling Up White Paper’s identified ‘deeper devolution deal’ opportunity.



West Midlands
Combined Authority

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Levelling Up White Paper

Overview & Scrutiny

7 March 2022

Analysis

What is 'levelling up'?

Increasing opportunity across the UK

“While talent is spread equally across our country, opportunity is not. Levelling up is a mission to challenge, and change, that unfairness.”

Reducing disparities within regions

“The UK has larger geographical differences than many other developed countries on multiple measures ... these disparities are often larger within towns, counties or regions than between them.”

A challenge to orthodoxy?

“Standard economic theory does not assign these [civic] institutions much of a role in explaining patterns of growth... Recent research has fundamentally changed that thinking, giving institutions a central role in explaining economic development.”



System Change: 5 pillars of reform

“System change is not about a string of shiny, but ultimately short-lived, new policy initiatives. It is about root and branch reform of government and governance of the UK.

It is about putting power in local hands, armed with the right information and embedded in strong civic institutions.”

“This programme has to be broad, deep and long-term.”



1

Setting clear and ambitious **medium-term missions** to provide consistency and clarity.

2

Central government decision-making will be fundamentally reoriented to **hardwire spatial considerations** across Whitehall.

3

Empower decision-makers in local areas by providing leaders and businesses with the tools they need.

4

A transformational approach to **data and evaluation** to improve local decision-making.

5

A **new regime** to oversee the levelling up agenda.

Six capitals

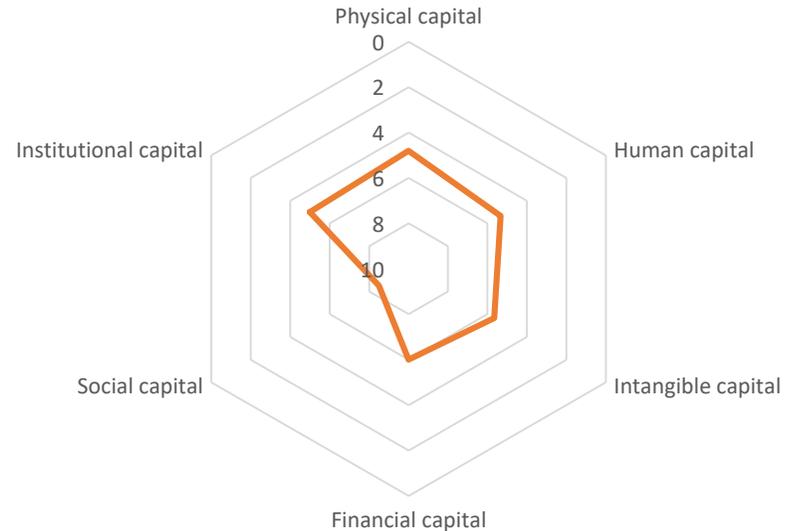
LUWP refers to ‘six capitals’ which together drive long-term success and are mutually reinforcing



West Midlands ranked performance on the six capitals¹

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- 1 Physical capital
- 2 Human capital
- 3 Intangible capital
- 4 Financial capital
- 5 Social capital
- 6 Institutional capital



Key takeaway: The West Midlands performs as a middling player across all the capitals apart from social capital (community activity, relationships, trust).

This emphasises the necessity of working to boost social capital and the risk of not doing so is that growth in the other capitals may be undermined.

1. Method: This subjective analysis looks at figures from chapter 1.5 of LUWP. Excluding Scotland, Wales and Northern Ireland (which often perform worse than the West Midlands), performance is ranked from 1 to 9 or approximated where necessary, with 1 being strongest performance.

12 Levelling Up Missions

Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.

- Living Standards
- Research & Development
- Transport Infrastructure
- Digital Connectivity

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Spread opportunities and improve public services, especially in those places where they are weakest.

- Education
- Skills
- Health
- Wellbeing

Restore a sense of community, local pride and belonging, especially in those places where they have been lost.

- Pride in place
- Housing
- Crime

Empower local leaders and communities, especially in those places lacking local agency.

- Local Leadership

Data, monitoring & evaluation

- Statutory Obligation to report
- Spatial Data Unit & tools
- 'New body' to co-ordinate

Policy

Deepening Devolution

“We will open negotiations on trailblazer deeper devolution deals with the West Midlands and Greater Manchester combined authorities. These deals will act as the blueprint for other mayoral combined authorities (MCAs) to follow, with bids for more powers welcome.”

“These are not minimum offers. There will also be scope to negotiate further powers, on a case-by-case basis, and an opportunity to adopt innovative local proposals to address specific challenges and opportunities – for example, the improvement of health and social care outcomes.”

Function	Detail	L1	L2	L3
Strategic role in delivering services	Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies	✓	✓	✓
	Opportunity to pool services at a strategic level	✓	✓	✓
	Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets	✓	✓	✓
Supporting local businesses	LEP functions including hosting strategic business voice		✓	✓
Local control of sustainable transport	Control of appropriate local transport functions e.g. local transport plans*		✓	✓
	Defined key route network*			✓
	Priority for new rail partnerships with Great British Railways – influencing local rail offer, e.g. services and stations			✓
	Ability to introduce bus franchising		✓	✓
Investment spending	Consolidation of existing core local transport funding for local road maintenance and smaller upgrades into a multi-year integrated settlement			✓
	UKSPF planning and delivery at a strategic level		✓	✓
Giving adults the skills for the labour market	Long-term investment fund, with an agreed annual allocation			✓
	Devolution of Adult Education functions and the core Adult Education Budget		✓	✓
	Providing input into Local Skills Improvement Plans		✓	✓
Local control of infrastructure decisions	Role in designing and delivering future contracted employment programmes			✓
	Ability to establish Mayoral Development Corporations (with consent of host local planning authority)			✓
	Devolution of locally-led brownfield funding			✓
	Strategic partnerships with Homes England across the Affordable Housing Programme and brownfield funding			✓
Keeping the public safe and healthy	Homes England compulsory purchase powers (held concurrently)		✓	✓
	Mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align^			✓
	Clear defined role in local resilience*		✓	✓
Financing local initiatives for residents and business	Where desired offer MCAs a duty for improving the public's health (concurrently with local authorities)			✓
	Ability to introduce mayoral precepting on council tax*			✓
Financing local initiatives for residents and business	Ability to introduce supplement on business rates (increases subject to ballot)			✓

Economic Opportunities

Innovation and R&D

- Innovation Accelerator (£100m)
- 55% Domestic R&D Funding
- WM Smart City Region

Skills, education & employment

- Education Investment Areas
- Employment Programmes
- National Youth Guarantee
- Walsall Pathfinder

UK Shared Prosperity Fund

- To be led by MCAs
- Place & communities; Business support; People & Skills (2024/5)

Other mentions:

- LEP Review
- £400m Midlands Engine Investment Fund
- Places for Growth

Housing & Transport

Housing

- New brownfield funding & 80/20 rule scrapped
- Wolverhampton transformational regeneration programme

Transport

- New powers available on the Key Route Network (KRN) and taxis
- Bus Service Operators Grant
- Further support for LTPS
- Local leaders say on Great British Rail

Table 3.1 Brownfield Funding

Place	Funding (Rounded to nearest £m)
West Midlands	£28m
Greater Manchester	£27m
West Yorkshire	£22m
Liverpool City Region	£15m
South Yorkshire	£13m
North of Tyne	£8m
Tees Valley	£6m
MCA BHF, sub-total:	£120m
Further locally-led brownfield funding, sub-total:	£180m
Total	£300m

Note: Funding to MCAs does not sum to £120m due to rounding

Health, Culture & Communities

Health

- Opportunity for MCAs to take on duty to improve public health

Communities

- Community Wealth Fund using £880m of Dormant Assets

PCCs and Fire Governance

- “The UK Government will look to have all Combined Authority Mayors lead on public safety, taking on the PCC role, where boundaries align.”

Culture & Creative

- £18m Creative Scale Up programme
- 100% of Arts Council England funding uplift outside London
- 100 DCMS levelling up priority places

Funding issues

- Levelling Up Fund
- Commitment to local government funding & up to date assessments
- Single pot / streamlined funding
- New funding sources for Combined Authorities (business rates)
- Unlocking LGPS



“The UK Government will empower local leaders with the resources they need to level up their communities. This means a **commitment to ensuring that funding allocations for councils are based on an up-to-date assessment of their needs and resources**. The data used to assess this has not been updated in a number of years, with some dating back as far as 2000.

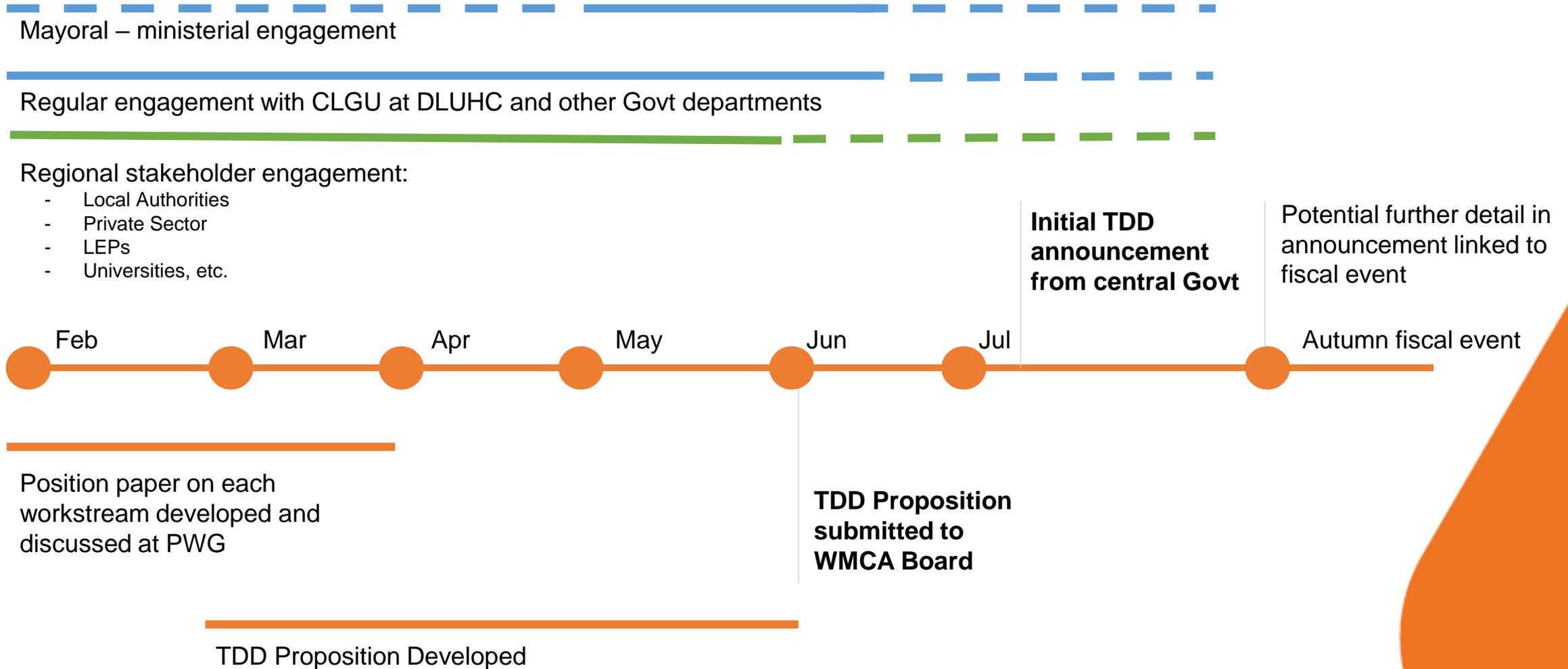
... As part of this, the UK Government will look at options to support local authorities through **transitional protection**. One-off grant funding provided in the Local Government Finance Settlement in 2022-23 will be excluded from potential transitional protections.”

Next steps

Possible TDD Development Timeline

Non-exhaustive; full stakeholder engagement plan in development

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Proposed policy development and stakeholder engagement

TDD Policy Development:

- 20 thematic workstreams
- Developed through existing thematic structures and officer groups e.g. EGB

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High-level Decisions

- Key decisions go through WMCA Board
- High-level negotiating team of mayor plus x leaders

Devolution Strategy Group:

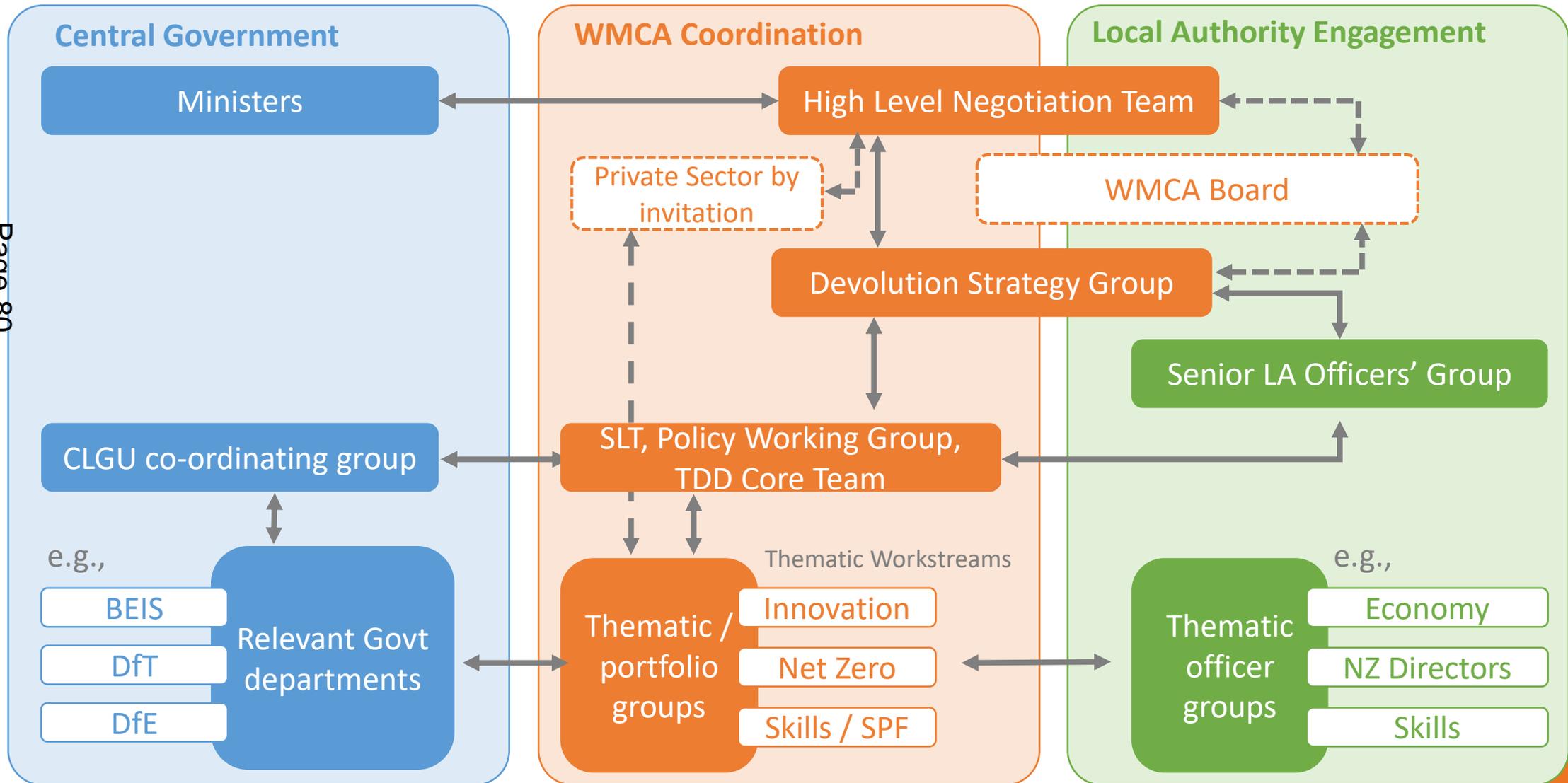
- 2 WMCA Exec Directors
- 7 Met Chief Execs or designated director-level representatives
- 1 Non-con Chief Exec or designated director-level representative
- Supported by senior LA officer group

Briefings:

- Bulletins
- Briefings at all relevant WMCA meetings
- Presentations at stakeholder meetings

Proposed TDD Negotiation Arrangements

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Workstreams (1/2)

Each workstream responsible for:

- Policy positions
- Stakeholder engagement
- Government engagement

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Directorate	Workstream	SLT lead	WMCA Workstream co-ordinator
Economy	Innovation	Julie Nugent	Jonathan Skinner
	WM Smart City Region	TBC - Ed Cox	Robert Franks
	LEP Integration	Julie Nugent	Jonathan Skinner
	Trade and Investment	Julie Nugent	Jonathan Skinner / WMGC
	Business Support System	Julie Nugent	Jonathan Skinner
	Skills	Julie Nugent	Fiona Aldridge
	Education	Julie Nugent	Fiona Aldridge
	UKSPF (Multiply)	Julie Nugent	Fiona Aldridge
Housing & Regeneration	Housing, regeneration and planning	Gareth Bradford	Pat Willoughby / Rob Lamond

Workstreams (2/2)

Directorate	Workstream	SLT lead	WMCA Workstream co-ordinator
Fairer, greener, healthier	Homelessness Prevention	Ed Cox	Neelam Sunder
	Health	Ed Cox	Mubasshir Ajaz
	Crime, community safety and resilience	Ed Cox	Claire Dhami
	Social capital and social economy	Ed Cox	Claire Spencer
	Net Zero (BEIS)	Ed Cox	Cheryl Hiles
Transport	Transport	Anne Shaw	Adam Harrison
Strategy & Chief Exec's Office	Digital	Ed Cox	TBC - Ed Cox
	Culture	Ed Cox	Salla Virman
	Funding	TBC	Carl Pearson
	Non-constituent authorities	TBC - Ed Cox	TBC – Dan Essex
	Data and transparency	Ed Cox	Bec Riley

Each workstream responsible for:

- Policy positions
- Stakeholder engagement
- Government engagement



Overview and Scrutiny Committee

Date	7 March 2022
Report title	West Midlands Plan for Growth
Portfolio Lead	Councillor Ian Brookfield Portfolio Lead for Economy and Innovation
Accountable Chief Executive	Laura Shoaf, West Midlands Combined Authority email: laura.shoaf@wmca.org.uk
Accountable Employee	Julie Nugent, Director of Productivity and Skills email: julie.nugent@wmca.org.uk

Recommendation(s) for action or decision:

The Overview and Scrutiny Committee is recommended to:

- a) Note and comment on the purpose and content of the West Midlands Plan for Growth (summarised in Appendix 2 and the video presentation given to EGB).
- b) Note that EGB identified the need for interventions to be aligned and streamlined to catalyse additional growth in key clusters. Recognising a complex picture on economic functions, the EGB agreed to establish a task and finish group, chaired by Cllr Brookfield, to develop recommendations for aligning and streamlining economic development activity across organisations.

1. Purpose

- 1.1 After a period as the fastest-growing region outside London, the West Midlands has been hit hard by the economic impact of the Covid pandemic and new trade frictions with the EU. Modelling by Oxford Economics indicates that, without further intervention, the region will experience below-average growth over the next decade, with a negative impact on employment and earnings in key parts of the region.
- 1.2 Alongside regional partners, the WMCA commissioned a detailed analysis to set out the risks and opportunities for additional growth. Its purpose was to provide an independent assessment of where the West Midlands has comparative advantage, market confidence and a credible path for growth and job creation above forecasted levels. The plan does not seek to be an economy-wide approach or intervene where there is a strong growth trajectory without intensive intervention.
- 1.3 The work to develop Plan for Growth (PfG) was overseen by a steering group of the Portfolio Lead for Economy and Innovation (Cllr Ian Brookfield), the LEP Chair of the previous SED Board (Tim Pile) and the Mayor (Andy Street). A summary of the analysis was presented to the Economic Growth Board on 2nd February. The opportunity exists for the region to catalyse additional growth, in both output (+£3.9bn) and jobs (+58,000), and become the fastest growing region outside London, by 2030.

2. Background

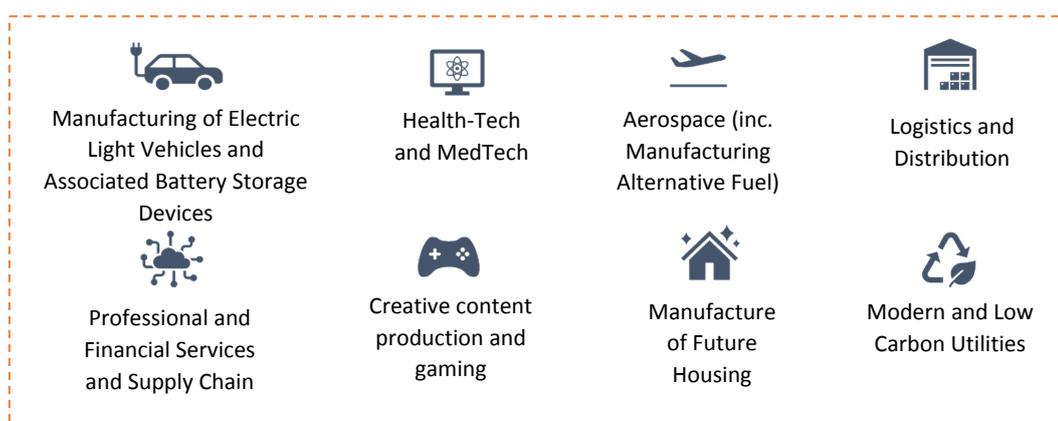
- 2.1 A video of the EY presentation to Economic Growth Board can be found [<here>](#). Appendix 2 contains the presentation which the EY team used for the EGB meeting at which the key findings and recommendations from the West Midlands Plan for Growth were presented. The Plan for Growth includes a twin-track approach to securing new economic growth:
 - i. Capitalise on **existing clusters of scale and strength** where the West Midlands has UK and global competitive advantage, clear market confidence, and credible opportunity for additional growth in high-value employment over the next 2-5 years. This is forecast to generate approximately £2.9 - £3.2bn additional output by 2030 and up to 44,800 additional jobs.
 - ii. **Supporting nascent clusters and emerging technologies** that might spur additional growth of around £900m over the next 5-10 years and up to 15,000 additional jobs.
- 2.2 The findings will be used to:
 - Inform and challenge where we prioritise resources already devolved to the region and, when necessary, seek further resources. This does not just relate to WMCA programmes, but those in LEPs, local authorities, WMGC, universities etc.
 - Inform the region's economic narrative about the next decade: without further action, there's a difficult challenge with strong economic headwinds but partners have come together with a proactive plan to support market-led growth.
- 2.3 It is important to note that Plan for Growth has deliberately focused on clusters with the necessary scale and depth of comparative advantage to drive additional growth in high-value jobs that will best benefit residents. However, these sectors currently only comprise about 12%-15% of employment in the region. Further work will be needed to identify how we can support wider sectors such as retail, administration and hospitality to create an

inclusive economy. The Plan also excludes those sectors where there is already relatively strong growth forecast, and therefore no credible path to driving significant further growth.

- 2.4 The analysis considered additional growth opportunities that can benefit the whole region. In line with the principle of the original WMCA Scheme, all communities will benefit, but not necessarily at the same time and in the same way. The pattern of clusters shows concentrations across Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall, Wolverhampton, Cannock Chase, Tamworth, Stratford, Warwick, Nuneaton and Bedworth and Wyre Forest. Places can benefit in different ways, such as by being the location of business activity, home to workers, or the site of research and innovation assets. As the region applies the analysis to decision making, we will need to ensure that growth opportunities are accessible to all the region’s communities.
- 2.5 The West Midlands Plan for Growth has been developed with input from partners. For example, WMGC, LEPs and local authorities shared details of their private sector investment leads to build a picture of market confidence in the West Midlands. Insight about barriers to growth for clusters was drawn from work led by LEPs, the WMGC and business-led groupings like Create Central. There has also been testing with business, including at the Regional Business Council on 26 November and Economic Impact Group on 25 November 2021.

Identifying key growth opportunities for the West Midlands

- 2.6 The analysis has identified eight primary clusters for the region. These are consistent with the Local Industrial Strategy and Business and Tourism Programme, and provide an additional, sharper focus on the barriers to growth and/or potential for new opportunities:

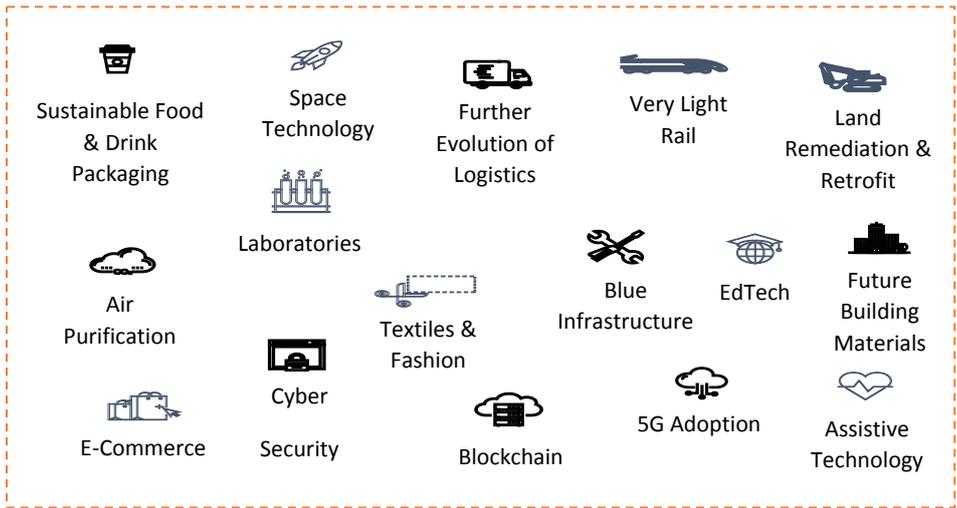


- 2.7 The Plan for Growth identifies six cross-cutting interventions which will address barriers to growth across multiple clusters, thereby maximising growth. Improvements in structures to better streamline and align cross-cutting interventions will have positive benefits for all regional delivery, including potential new areas through the Trailblazer Devolution agreement announced in the Levelling-Up White Paper. The cross-cutting Interventions are:

<p>1. Develop future skills pathways</p>	<p>Single pot intervention that brings together a specific view of required skills and provide funding linked to an attractive pathway for learners and links to employers and potential job opportunities once trained. Providers (e.g. FE colleges) would deliver for employees as well as individual learners.</p>
<p>2. Target funding to anchor projects alongside private sector</p>	<p>Competitive fund that works alongside the private sector on specific projects through rounds of available co-funding. A process allows WM to directly stimulate the specific projects according to a set of criteria aligned to the cluster priorities (but open to all firms)</p>

3. Land development fund	Leveraging the UKIB, develop a patient capital fund to invest in land projects for industrial and commercial purposes (or mixed development) where land assembly and infrastructure is required and payback periods are long. Would also support physical hubs for clusters where this is relevant
4. Location coordination	A team that co-ordinates the myriad local and national incentives and funding available as well as helping firms negotiate local and planning issues of locating to the WM. If there is a desire to anchor a particular firm, e.g. a non-UK firm, help with funding at local and UK level, planning etc
5. Infrastructure and transport fund	Establish a WMCA controlled fund that has sufficient scale to invest in large local interventions (e.g. light rail or bus rapid transport) and also support specific infrastructure (e.g. junction improvements) aimed at unlocking land development for manufacturing and other sectors
6. Early growth fund	Work with British Business Bank and Business Growth Fund to set up an early growth fund with an emphasis on the clusters where this is critical, and ensure the fund has flexibility on instruments and the expertise to invest.

2.8 Drawing on business insight from LEPs and universities, the West Midlands Plan for Growth also identifies emerging clusters or technological strengths which can create new industries and sources of growth. Because of their relatively modest scale in the West Midlands, currently, the strategy is to provide fertile conditions for development across a relatively broad range of these nascent clusters to support longer-term exponential growth.



2.9 Significant growth by 2030 within these technologies and industries requires action now to give the time to grow and add up to £900m of additional output and new jobs. These are inherently riskier than the more established primary clusters with less of a distinctive West Midlands comparative advantage. The strategy here is to create the conditions for private sector-led investment and growth by acting on several dimensions of the business support system, which is subject to LEP-led work with partners across the region:

- **Ensuring access to funding and financing** – ensuring a supply of risk capital to help businesses scale operations, with potential benefits from risk-sharing.
- **Attracting and developing the necessary skills and resources** - developing the West Midlands’ human capital to ensure demand for skilled workers is met using existing infrastructure and capability

- **Boosting the local supply chain to provide capacity as well as capability** – helping broker relationships and incentivising businesses to buy local to establish a local supply chain with the critical mass to improve competitiveness
- **Championing clusters and helping them mature** – helping foster networks and facilities for SMEs to collaborate and attract further workers and investors

Delivering new growth opportunities

- 2.10 The analysis has indicated the scale of additional public investment required for the growth potential identified using a model of benefit-cost ratios for similar programmes. However, this does not reflect the full funding ‘ask’ for interventions which will also include expected funding. The key point about resources is that partners leading the six cross-cutting interventions for the primary clusters secure appropriate funding taking account of the scale of the opportunity and that these are targeted to unlock private sector investment and jobs. The targeting is particularly important where decisions include trade-offs, for example about job numbers, job quality, location and environmental improvements.
- 2.11 The Plan for Growth can also be used to influence direct spend from other funding streams or Government departments by providing a clear, coherent strategy. This other funding could cover, for example, business support services or public R&D funding.
- 2.12 The West Midlands Plan for Growth makes a powerful case about the need for strong alignment between partners to better meet businesses’ needs. This requires institutions and ways of working across public and private sectors that deliver in a more integrated way. The Portfolio Lead for the Economy has therefore commissioned an initial overview of current activity across key economic development functions and interventions. This is set out in **Appendix 1**. This also helps civic and business leaders to build a collective view about how the region will respond positively to the Levelling-Up White Paper.
- 2.13 It is intended that the Economic Growth Board should lead a more cohesive approach to regional economic development, with greater streamlining and integration across public and private partners to boost productivity and inclusive growth. Initial discussions have already begun – for example, with LEPs, the WMGC and WMCA – to look at how the region might better align arrangements for economic development. The EGB agreed to establish a new task and finish group, chaired by Cllr Brookfield and supported by the WMCA to develop recommendations for greater alignment across organisations.

Next steps

- 2.14 The West Midlands Plan for Growth was endorsed by the Economic Growth Board on 2 February. Following further input from Overview and Scrutiny Committee and the Young Combined Authority, it will be proposed to the WMCA Board later in 2022. This will be scheduled to incorporate findings from the Task Group to streamline and align economic functions to ensure partners are able to effectively support that additional cluster growth.

2.15 The task group has begun its work, actively engaging with Met Leaders, non-constituent authorities, LEP Boards, business groups, universities and Government officials. Overview & Scrutiny Committee will also be engaged in this work to enable its perspective to inform the recommendations that will be made to the Economic Growth Board and other partners.

2.16 The insight and findings from the West Midlands Plan for Growth will also be used to inform a consistent and compelling economic narrative for business and government. This has already been used for the draft Investment Prospectus and will be further applied to the WMCA and partners' products as appropriate.

3. Financial Implications

3.1 There are no direct financial implications as a result of this report. The report focuses on the principle of aligning funded interventions – some of which are already resourced within the WMCA or partners and can be targeted differently. Other interventions will require additional resources, subject to the resources and structures made possibly by the Levelling-Up White Paper. Decisions about those particular programmes will be made according to the funding channels available. Economic Growth Board's role will be to understand their strategic alignment and impact on cluster growth.

4. Legal Implications

4.1 There are no direct legal implications from this report.

5. Equalities Implications

5.1 There are no equalities implications from this report.

6. Inclusive Growth Implications

6.1 The report moves the region towards better aligned interventions. In doing so, it highlights where inclusive growth (and environmental) considerations can be more clearly considered as part of the related trade-offs to incentivise jobs and economic growth.

7. Geographical Area of Report's Implications

7.1 The West Midlands Plan for Growth applies across the '3 LEP' area. Each of the eight clusters have different degrees of depth in different localities, with the current level of local job coverage ranging from 10% (in the Black Country) to 12% (in Greater Birmingham and Solihull and 15% in Coventry and Warwickshire). Cluster growth opportunities provides both an opportunity to create jobs in neighbouring areas, and for workers in neighbouring areas to access new jobs.

8. Schedule of Background Papers

8.1 EGB 2nd February. Consideration of 'West Midlands Plan for Growth' to SED Board: 28 October and 10 September.

Appendix 1 – Summary of economic functions as they are currently delivered across the West Midlands

Functions and different elements	WMCA	LEPs and Growth Hubs	WMGC	Local Authorities	Universities and business groups
Economic strategy, intelligence and business engagement / account management					
<p>Economic Strategy: To develop and implement a clear and coherent vision and plan to drive inclusive green economic growth. Needs to be:</p> <ul style="list-style-type: none"> • Agile, capable of adapting to changing economic conditions. • Owned – have traction with investment and tangible activity • Inclusive – must benefit region’s communities • Focused – identifies clear priorities, and trade-offs, recognising other activity will continue as well. 	<p>WMCA has devolved mandate to lead regional economic strategy, working with and through local partners and democratically elected members.</p> <p>Economic Growth Board will make recommendations on strategy to wider WMCA Board.</p>	<p>Responsible for previous Strategic Economic Plans – underpinned decisions on Growth Funds.</p> <p>Articulate sub-regional priorities</p> <p>Sector growth plans</p> <p>Some work on business support policy (subject to LUWP and BEIS business support review).</p>	<p>Lead on some thematic plans – eg tourism and export.</p>	<p>Lead local economic/place strategies.</p> <p>Champion local priorities</p> <p>Responsible for ensuring regional strategies deliver for local places.</p>	<p>Midlands Engine</p>
<p>Economic Intelligence: To provide insight and evidence for decision-making.</p>	<p>Office for Data Analytics</p> <p>Significant capability in TfWM</p>	<p>Black Country Consortium</p> <p>LEPs commission primary research on ad hoc needs</p>	<p>Research team</p>	<p>Some capacity, but varies across authorities</p>	<p>Midlands Engine</p> <p>Universities – eg WM-Redi</p> <p>Chambers and BROs have good survey data</p>
<p>Business engagement and key account management (KAM):</p> <p>Provide key account management of strategically important firms</p> <p>Engage with regional businesses</p>	<p>Convene business leadership groups (e.g. Regional Business Council, EIG, Create Central Board)</p> <p>Direct support on recruitment and training activities – larger organisations</p> <p>Commission WMGC</p>	<p>Convene sector leadership groups</p> <p>Engage businesses through Growth Hubs</p>	<p>Funded by DIT to manage a small number of key accounts</p> <p>Run key accounts with strategically important businesses.</p>	<p>Run key accounts with locally significant businesses to understand and respond to priorities</p>	<p>Universities have strong links with key accounts.</p> <p>Chambers and BROs play vital role in being a representative voice of business</p>
Maximising public and private investment					

<p>Securing investment – public: To maximise public investment in the region</p>	<p>Investment Programme (gainshare, retained business rates)</p> <p>Accountable Body and decision-maker about devolved funds (eg. Brownfield, CRSTS, Getting Building Fund, etc.)</p> <p>Influence further HMG investment in regional infrastructure development (e.g. via NIC / National Infrastructure Strategy)</p>	<p>Local Growth Fund – new funding now ended</p> <p>Use of Enterprise Zone receipts</p>	<p>Public sector relocations</p>	<p>Principal project promoters / developers</p> <p>Major capital funders, including decisions on the business rates pools.</p> <p>Accountable Body for Towns Fund, Levelling-Up Fund, Future High Streets Fund, Additional Restrictions Grant, Welcome Back Fund, etc.</p>	<p>Universities as major capital spenders (with UKRI funds)</p> <p>Midlands Engine</p>
<p>Attracting investment – private: To maximise private investment in the region, using agreed priorities to target incentives because of economic and place impacts</p>	<p>To commission and resource WMGC on behalf of local authorities</p>	<p>Used Local Growth Fund to lever private investment – new funding now ended</p>	<p>Lead Capital Attraction Strategy and relationship with DIT / Office for Investment</p> <p>Proactive and reactive private sector FDI service</p> <p>Deliver CWG Business and Tourism Programme</p>	<p>Local investment services, joining-up premises, planning, support packages, etc.</p>	<p>Midlands Engine relationship with DIT and Office for Investment</p> <p>Universities – alumni networks and research capabilities</p>
<p>Commissioning and delivery of business support services</p>					
<p>Business advice, signposting, and services</p> <ul style="list-style-type: none"> • And initial point of contact for SMEs looking to access wider business support and advice • Start-up / entrepreneurship support 	<p>Accountable Body for commissioning some business and employment programmes from the Community Renewal Fund</p>	<p>Growth Hubs funded by Government to deliver diagnostic and signposting service.</p> <p>Growth Hubs also deliver several time-limited programmes (related to ERDF, CRF, etc.). These generally cover advice with business planning, leadership and technical work like marketing,</p>		<p>Huge delivery role, but varies across LAs:</p> <ul style="list-style-type: none"> • Planning • Trading standards • Business location service & landlord • Some business advice and grant programmes 	<p>Private sector plays huge role – particularly banks, accountants</p> <p>BROs – Chambers, including networking, peer learning, advice</p> <p>BIDs, funded by local levies</p> <p>Central Govt Depts – Help to Grow, DIT international advisers</p>

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		product development and diversification.		Funded through various sources, including locally and ESF/ERDF	
Support with relocation	Developer-facing support with land remediation, planning support and risk mitigation		Business-facing coordination with relocation and some signposting to other services	Support with relocation and some signposting to other services	Private sector land agents
Support with innovation	Deliver £3m WM Innovation Programme Accountable body for West Midlands Made Smarter	Local Growth Fund – new funding now ended			Universities – eg Knowledge Transfer Partnerships, ERDF / Horizon programmes UKRI
Other specialist/sector-based support	Accountable Body and deliver on creative and cultural industries, with some delivery, including Creative Scale-up, commissioning of Business and Tourism services		Deliver the CWG Business and Tourism Programme		
Recruitment and skills	Commissioning of all post-19 funding and delivery, excluding Higher Education Accountable body for Community Renewal Fund programmes	Some skills commissioning - through ESF funding Some skills capital commissioning – through Local Growth funds		Some skills delivery – adult education, ESF funding.	HE provision – institutionally-led

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Appendix 2

(Presentation)

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West Midlands – Plan for Growth Update

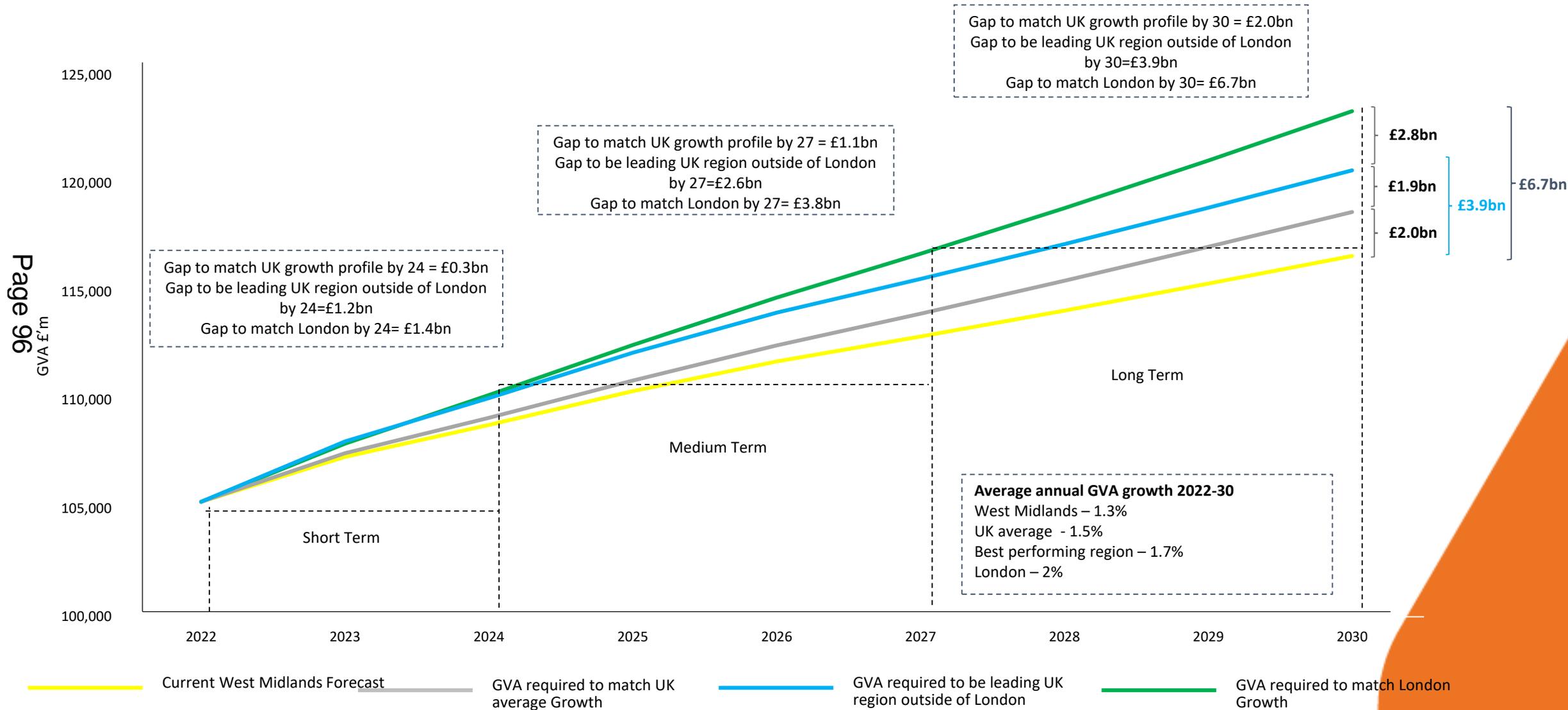
Summary Overview for Economic Growth
Board

February 2022

- Forecasts indicate that The West Midlands Combined Authority Area (represented by the 3 LEPs coverage) needs to close a growth gap of **£3.9bn** by 2030 to be the best performing UK region outside of London (as it was between 2010-2019), with a total growth gap of **£6.7bn** to match London's growth performance.
- In preparing its strategic response to this challenge, a significant, collaborative response is required which:
 - Secures the West Midlands' position to grow industrial clusters of the future where the West Midlands has the ingredients of competitive advantage and where there is already private sector confidence and market investment.
 - Champions the conditions for an inclusive economy where the region's business base is more productive, offers high-quality and high-wage work, unlocks and develops talent across the region and adapts business models to meet environmental limits as the region pursues its net zero goal.
- Our analysis proposes that the Plan for Growth (PfG) comprises two strands to accelerate and amplify growth:
 1. The development of **interventions in primary clusters** where there is opportunity for differential growth in the short to medium term.
 2. Identifying and supporting a **portfolio of nascent clusters** now, to deliver growth in the longer term.
- Eight primary clusters have been identified (listed overleaf) which show strong potential to deliver growth based on their size, growth potential, regional competitive advantage and capacity for high value jobs.

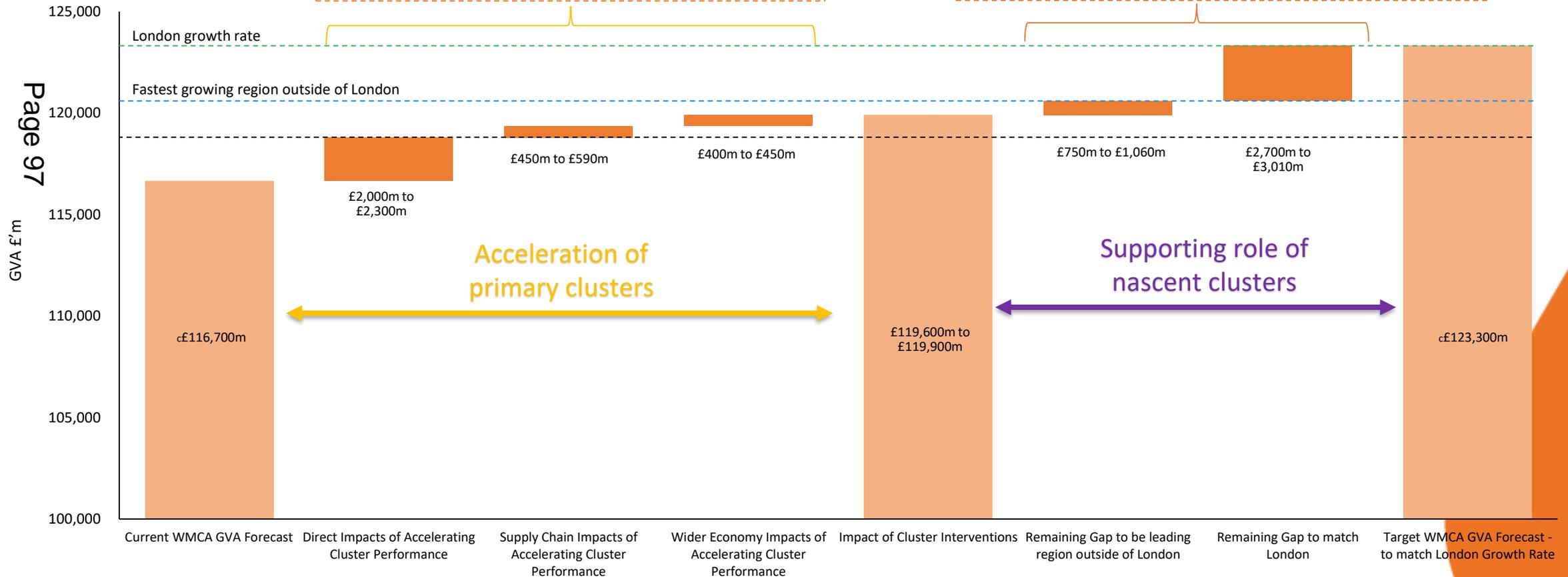
- Through a review of opportunities, strengths and gaps, we have identified a set of interventions for primary clusters that could deliver an additional **£2.9b - £3.2b** of GVA and between **40,300 and 44,800 jobs**. Achieving this would bring growth in the West Midlands to just ahead of the UK average by 2030.
 - The suite of interventions include 6 cross cutting interventions which support multiple clusters, as well as 16 specific cluster or sub regional activities/ interventions for further development with key stakeholders. They require indicative incremental, aggregate investment of **£570m - £790m** in the early years to deliver the benefits within 2-5years.
 - Focusing on nascent clusters or emerging opportunities for the future through the provision of seed funding and early stage support today will help bridge the gap to outperforming UK average performance in the medium to long term. To be the fastest growing region outside of London – WMCA would need to deliver an extra **£0.75b - £1.0b** of GVA (an extra **15,000 – 20,000 jobs**).
- To best leverage the multiple strengths and potential of the region and continue to build in resilience while fostering the innovative culture the region is famous for, closing the gap in the longer term must be done through a **portfolio of opportunities** rather than a single big bet. Sixteen potential targets are summarised overleaf.
- To deliver maximum benefit, the Plan for Growth must be part of the broader regional strategy for inclusive, sustainable, greener growth. This will require the WMCA and its partners to work collaboratively towards a clear and compelling vision; engaging and **bringing together the public and private sector**, and supporting the **capability and capacity development** of all parties to deliver upon its ambition.
 - This pack sets out the highlights of the analysis and resultant proposed interventions

The West Midlands needs to bridge a £3.9bn gap by 2030 to be the fastest growing region of the UK outside of London. The gap to London is £6.7bn.



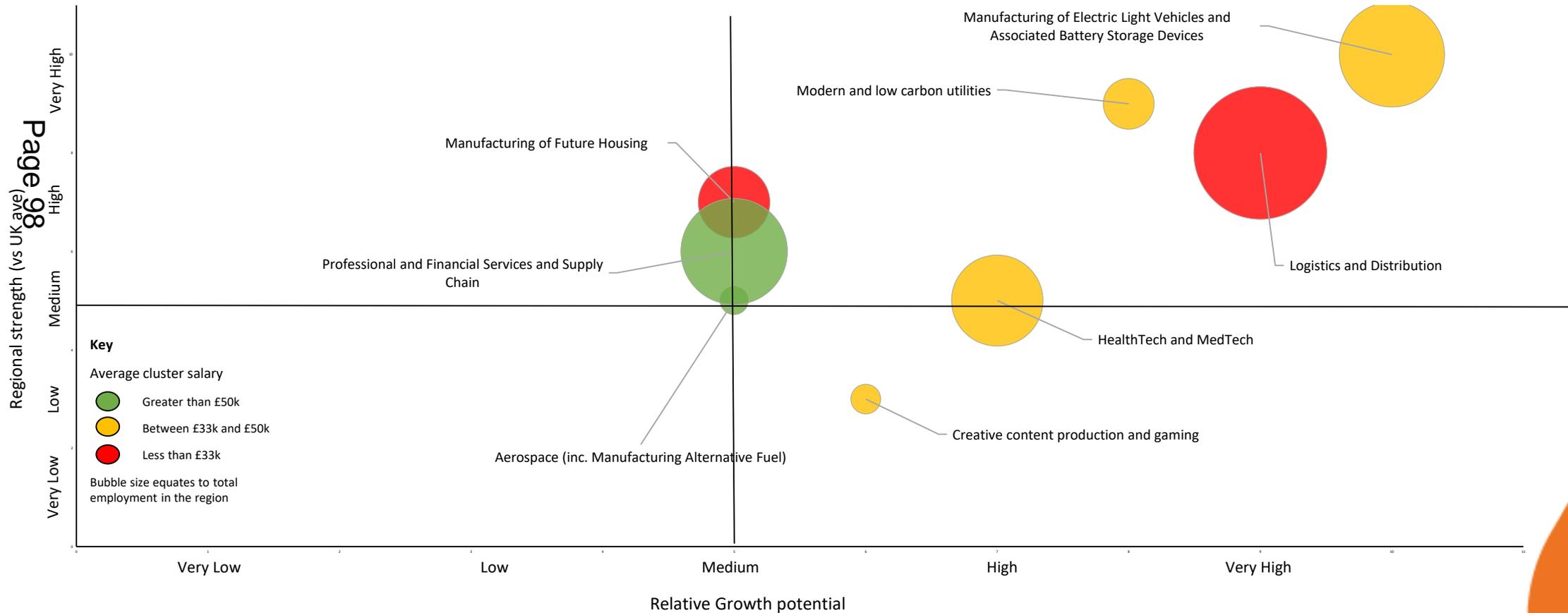
Quantifying the impact of the two strands highlights the need for interventions to accelerate and amplify sustainable growth across a regional portfolio. There is no single solution or sector.

- 1 Beating the UK average**
 Under the base scenario targeted interventions in the eight primary clusters are expected to deliver additional GVA in the West Midlands of between £2.9bn and £3.2bn. These interventions will raise the West Midlands growth rate above the UK average. Delivering between 40,300 and 44,800 additional jobs.
- 2 Targeting best performing region**
 Additional GVA of between £750m and £1bn will need to be generated over the period for the West Midlands to be the fastest growing region outside of London, while the additional gap to match London is between £2.7bn and £3.1bn



Our analysis has identified a number of existing regional clusters where there are opportunities to accelerate growth, resulting in primary clusters

An initial list of 10 clusters was identified for which there are identified investments and that have the potential to deliver meaningful and differential growth in the region in the next 2-5 years; this list has then been narrowed down utilising the indicative comparison demonstrated below, with clusters relating to Rail Connectivity and Food Manufacturing being discounted as priorities.



A proposed approach to growth across two time horizons: focus on primary clusters in the short to mid term, support to nascent clusters in the longer term

1

Matching UK average growth rates: A focus on Primary Clusters

Optimise and deepen: Consider existing regional strengths, market opportunity, existing employment, GVA and productivity to identify a limited number of clusters that can be prioritised for investment and interventions to deliver growth in the short to medium term.

- Target primary clusters to drive job creation.
- Focus on mature clusters that can generate employment at scale with focused immediate investments.
- Broader ecosystems of skills, infrastructure etc already in place to support rapid expansions.
- Understand barriers and enablers for growth
- Focus on/ support growth of higher value-added clusters with higher wages, GVA etc through mixture of investment and development of extended ecosystems to create conditions for growth.

0-2 years

- Respond to existing trends to maximise short term impact
- Main intervention focus likely to be targeted investments to enhance existing assets or services
- Most likely achieved through partnership and incentivisation

2-5 years

- Anticipate new trends and behaviours
- Broaden impact by deepening supporting broader network, extending supply chains / enhancing cross-overs
- Main interventions to include mix of company investments, investment in supporting enablers e.g. infra, human capital, planning powers etc

2

Targeting best performing region: A focus on Nascent Clusters and Emerging Opportunities

Catalyse: Generate longer list of emerging and nascent clusters for seed funding and support with recognition that not all will pay back.

- Target evolving and emerging sectors to meet future consumer preferences, and other market and technology trends
- Place long-term bets to drive next horizons of growth and employment.
- Support catalytic interventions to support early stage, high value clusters with significant potential for high value growth to gain critical mass.
- Create new trends and behaviours.
- Create enabling environment for placing of bets and seeding new clusters to capture new trends.
- Main interventions include support to develop new products, services and businesses – upskilling people with relevant skills, incentivising delivery embedding of R&D locally and driving wider secondary benefits to the community.

8 Primary clusters and 16 Nascent clusters have been identified which seek to optimise the regions competitive advantage and indication of private sector activity



Primary Clusters

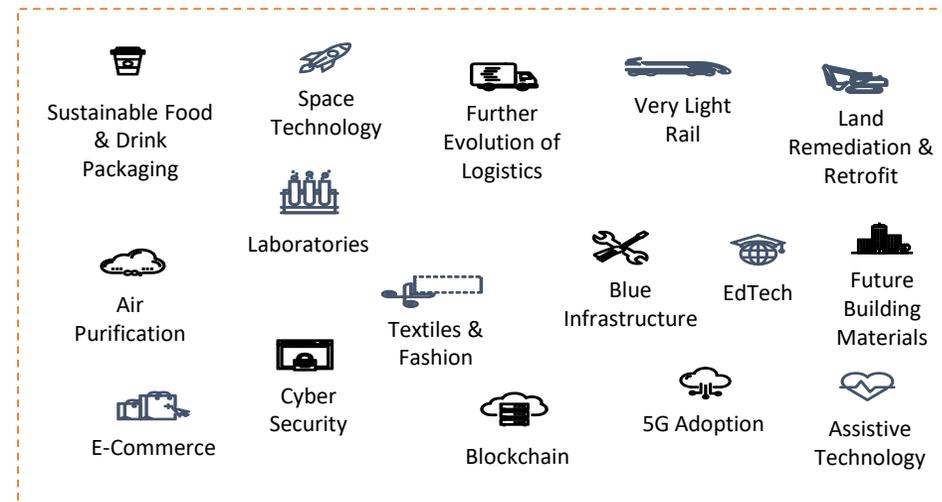
- A small group of 8 primary clusters to deliver near term, high value growth.
- Primary clusters build on regional comparative and competitive advantage to remove barriers (actual or perceived) and activate or amplify near term market opportunities to drive sustainable in region growth.
- Interventions seek to streamline and synthesize existing supply and demand levers, responding to known market conditions to optimise and deepen supply chains, skills and scale to embed sustainable growth drivers across the region.
- Interventions represent cross cutting themes as well as cluster specific opportunities.
- They can be broadly categorised as financial interventions, policy interventions and organisational interventions, and seek to build on the work already being undertaken by WMCA and its partners to accelerate and amplify private sector driven growth.

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Nascent Clusters

A broad portfolio of clusters and emerging opportunities, recognising that not all will result in high value growth due to external influences.

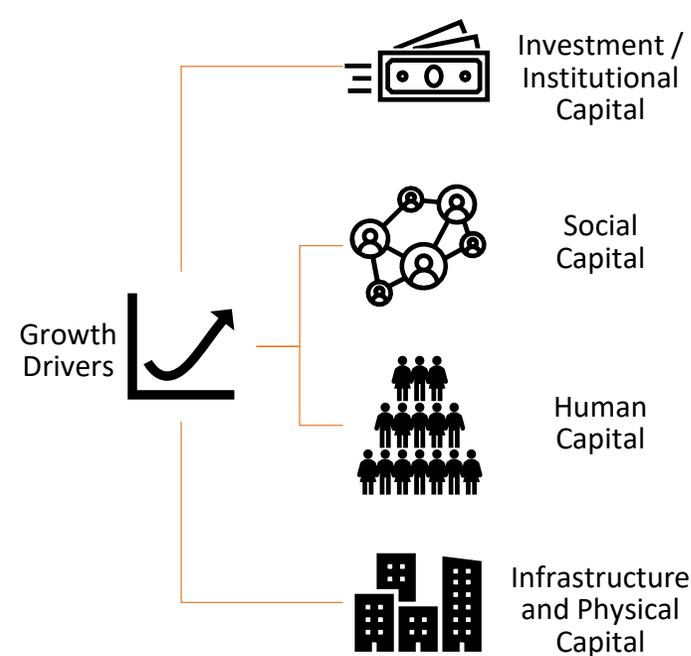
- They seek to support the PfG in the outer years by:
 1. Evolving existing primary or maturing clusters over the medium term to prevent decline or stagnation
 2. Broadening impact of existing clusters, enhancing crossovers and reinforcing regional strategy themes
 3. Targeting evolving and emerging sectors (in WMCA area or beyond) to meet future consumer preferences
 4. Creating new and innovative clusters to drive next horizons of growth through creation of new trends and behaviours
- Interventions focus on early stage support; providing patient capital into organisations, boosting the local supply chain to provide capacity as well as capability and creating opportunities for collaboration and community connectivity.



The framework for intervention identification drew on international and domestic best practice to identify potential solutions which optimised growth drivers through supply and demand levers

Intervention Purpose

- Interventions seek to draw upon the Drivers for Growth Framework and Best Practice to:



Intervention Levers

- In consultation with the LEPS and SLT, interventions were identified which sought to amplify outcomes through:



Outputs

- Two types of intervention packages:
 - 6 cross cutting interventions pulling multiple levers and applicable across multiple clusters designed to scale and streamline processes for all
 - 16 sector specific interventions or activities, designed to target geography or specific activity, activating the entire cluster
- Indicative aggregate funding of between £570m and £790m, based on comparator benchmark ROIs
- This is the indicative public sector amount required to activate private sector activity and therefore it is assumed additional private sector leverage or match funding is also required
- It excludes any cost for enabling activities such as existing initiative evaluation, or internal WMCA operating model evolution

The six cross-cutting interventions which will address barriers to growth across multiple clusters, thereby maximising growth opportunities

1 Develop future skills pathway

Meets skills needs of different clusters by focusing funding on needs

How: Single pot intervention that brings together a specific view of required skills and provide funding linked to an attractive pathway for learners and links to employers and potential job opportunities once trained. Providers (e.g. FE colleges) would deliver for employees as well as individual learners.

2 Direct competitive co-funding

Target funding to anchor key projects alongside private sector

How: Competitive fund that works alongside private sector on specific projects through rounds of available co-funding. A process allows WM to directly stimulate the specific projects according to a set of criteria aligned to the cluster priorities (but open to all firms)

3 Land development fund

Long term finance for land assembly, infrastructure

How: Leveraging the UKIB, develop a patient capital fund to invest in land projects for industrial and commercial purposes (or mixed development) where land assembly and infrastructure is required and payback periods are long. Would also support physical hubs for clusters where this is relevant.

4 Location co-ordination

A group at WM level that co-ordinates funding and other help to locating firms

How: A team that co-ordinates the myriad local and national incentives and funding available as well as helping firms negotiate local and planning issues of locating to the WM. If there is a desire to anchor a particular firm, e.g. a non-UK firm, help with funding at local and UK level, planning etc.

5 Infrastructure and transport fund

A publicly funded infra and transport fund that can support large and small projects

How: As part of the devo programme, establish a WMCA controlled fund that has sufficient scale to invest in large local interventions (e.g. light rail or bus rapid transport) and also support specific infrastructure (e.g. junction improvements) aimed at unlocking land development for manufacturing and other sectors.

6 Early Growth Fund

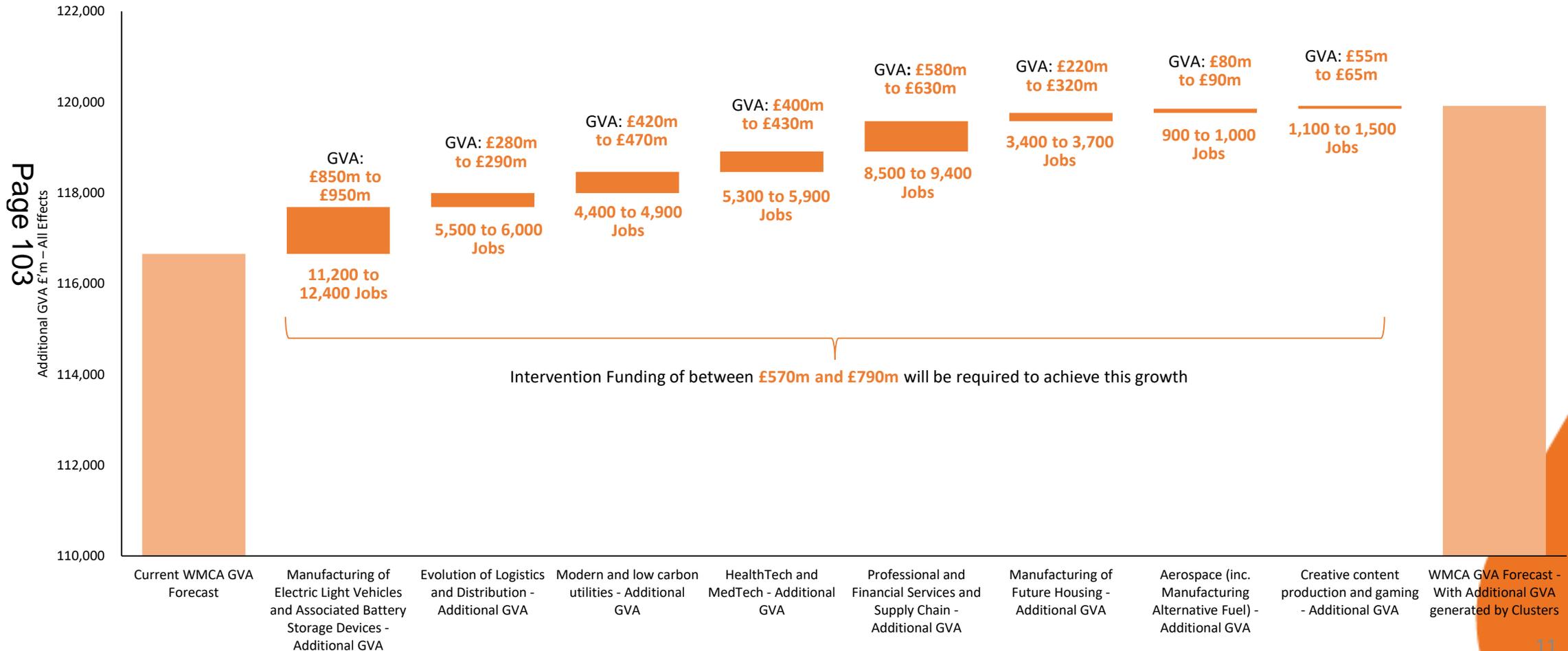
Driving high growth firms

How: Work with British Business Bank and Business Growth Fund to set up an early growth fund with an emphasis on the clusters where this is critical, and ensure the fund has flexibility on instruments and the expertise to invest. Would do so *pari-passu* with other investors (debt or equity) to complete funding requirements for growing firms.

Successful implementation of interventions could deliver GVA uplift of between £2.9bn and £3.2bn, and incremental employment of 40,000 to 45,000

Calculations of cluster contribution have been compiled using the following approach:

1. Credible growth plans have been identified by comparing regional and UK performance.
2. Market opportunity has been assessed by reviewing forecast revenue growth for the clusters.
3. Estimates of funding per intervention have been compiled utilising benchmarked estimates of impact for each of the intervention types*.



In identifying and selecting emerging opportunities, consideration must be given to the characteristics of the portfolio to diversify risk and optimise success.

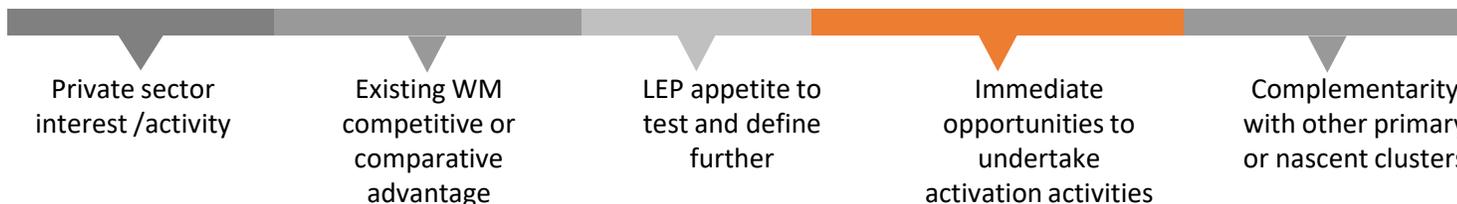
Clear Strategic Purpose

- To best leverage the multiple strengths and potential of the region, closing the gap should be done through a portfolio of opportunities rather than a single big bet.
- Acceleration of investment in the emerging opportunities should address one (or more) of four strategic purposes.

- 1 Evolving existing primary or maturing clusters over the medium term to prevent decline or stagnation
- 2 Broadening impact of existing clusters, enhancing cross overs and reinforcing regional strategy themes
- 3 Targeting evolving and emerging sectors (in WMCA area or beyond) to meet future consumer preferences
- 4 Creating new and innovative clusters to drive next horizons of growth through creation of new trends and behaviours

Common Characteristics

- By their nature and longer term horizon focus, the emerging opportunities are less well defined than the primary clusters.
- Regardless of sector or technology, they share similar characteristics in order to demonstrate potential, which were used for identification and selection of the examples provided.



Alignment to Regional Priorities

- To enhance synergies across the region, opportunities should be complementary to the wider PfG and LEP priorities.



Sustainability

Contributing to reducing our impact on the environment and depletion of its resources



Circular Economy

Contributing to a sustainable future with a focus on reusing, recycling and refurbishing



Innovation

Contributing to the introduction and uptake of new goods and services

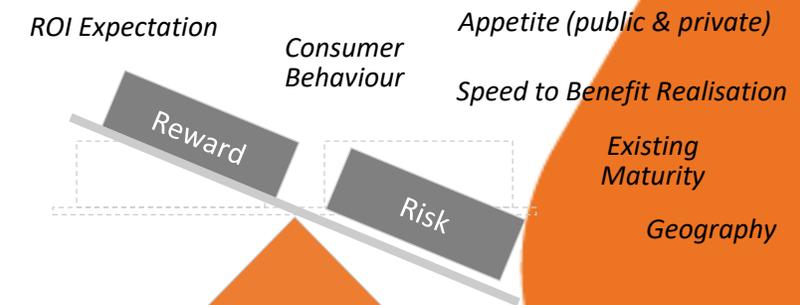


Digital

Contributing to technological enablement of the region and information processing

Balancing the Portfolio

- There is considerable volatility in each clusters potential to contribute to growth.
- Trade offs exist and must be managed.



Focusing on nascent clusters or emerging opportunities for pay back in the medium to longer term

Quantifying the challenge

Target	Additional GVA	Required additional growth	Implied jobs
Fastest growing UK region	£750m - £1.0bn	0.09%-0.12%pa	15,000 - 20,000
Matching London	£2.7b - £2.9bn	0.32%-0.37%pa	50,000 - 58,000

Approach – seeding new clusters

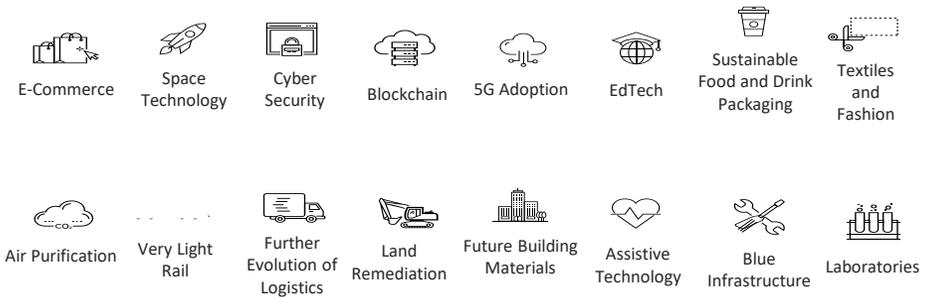
Early stage seed funding and support to multiple nascent and “blue sky” clusters to establish comparative advantage (e.g. via technology leadership). This requires tolerance of high risk/high reward model. Other approaches – such as addressing long term productivity in the region – have been considered, while these are important, the causes are multi-dimensional and challenging to address

Barriers facing emerging clusters

- ▶ Access to finance incl. seed investment/grants
- ▶ Availability of required skillset in local workforce
- ▶ Absence of existing supply chains
- ▶ Lack of established local industry groups

Example clusters

Considering current emerging clusters in the region, adjacencies on existing clusters and existing players, plus consideration of market opportunities – a further 16 clusters have been identified, that could be supported now to realise growth in the long term.



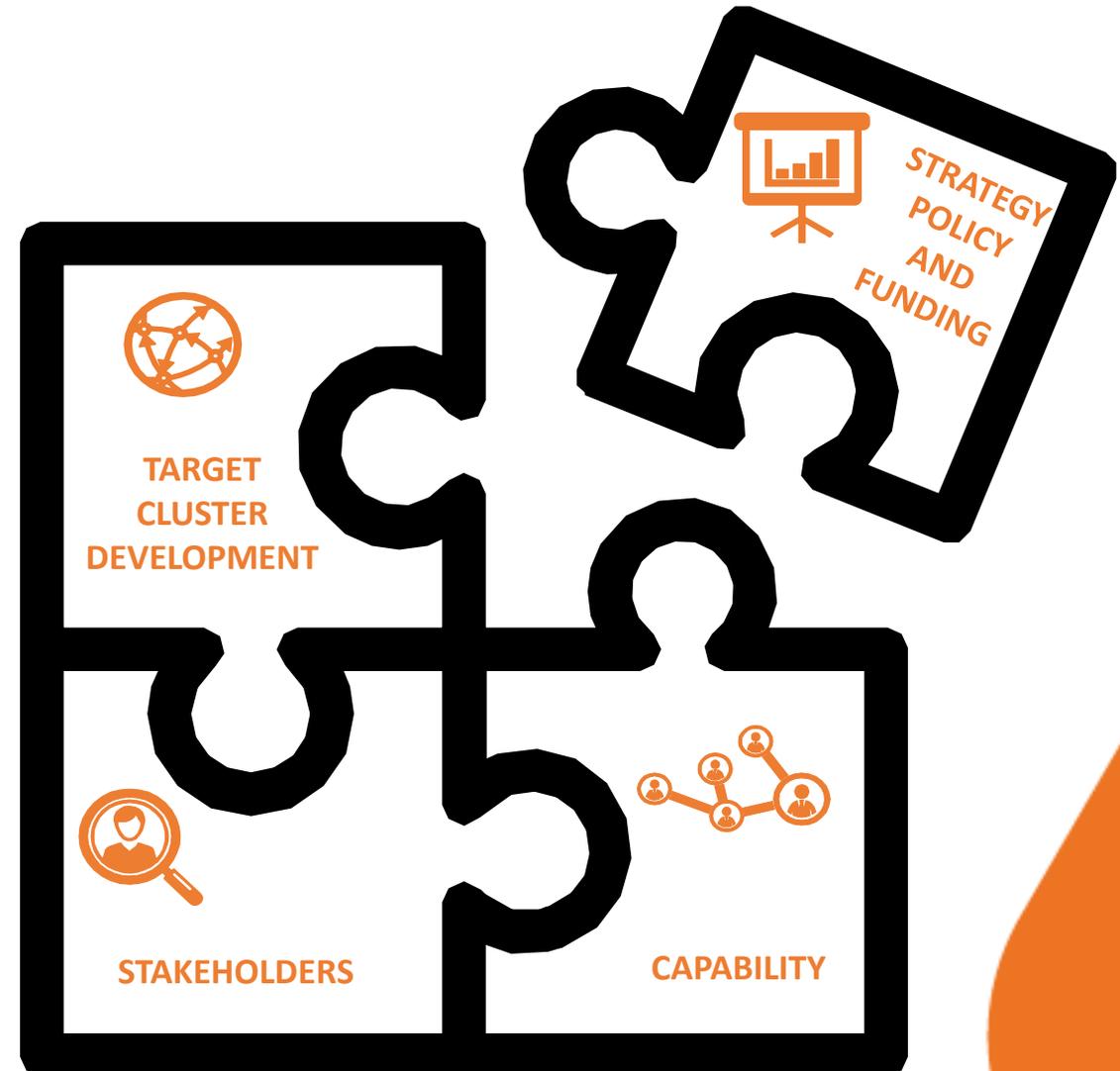
Suggested intervention types

- ▶ Ensuring access to funding and financing for sustainable growth
- ▶ Attracting the necessary skills and resources to the West Midlands
- ▶ Boosting the local supply chain for cluster participants
- ▶ Collaboration and community-creation for economic maturing

Developing the target clusters and associated interventions require a series of strategic choices to deliver required outcomes in a cohesive, efficient manner

Design/refining cluster strategy and interventions: detailed qualitative and quantitative analysis at cluster and PfG level considering:

- **Influence on existing regional strategy** - balancing tension of cluster based/supply side intervention vs sector action plans
- **Interdependencies** - within and between interventions as well as existing interventions
- **Integration with existing interventions** – including streamlining process, purpose and programming
- **Balancing trade offs** – including form and realisation timetable of outcomes, geographical activity and affordability constraints
- **Roles and responsibilities** – recognising the role of central and local government in an evolving policy context
- **Market testing** – attractiveness to targets/funders/stakeholders, capacity and capability to deliver, route to market given competing initiatives



1. A package of cluster specific and cross-cutting interventions targeted at *existing clusters* would bring growth in the West Midlands to just *ahead of the UK average* by 2030, and deliver an additional **£2.9b - £3.2b** of GVA and between **40,300 and 44,800 jobs** requiring additional investment of **£570m - £790m**.
2. A focusing on *emerging* clusters – through the provision of seed funding and early stage support - will help bridge the gap to becoming a fastest growing region, and would need to deliver:
 - ▶ An extra **£0.75b - £1.0b** of GVA (an extra **15,000 – 20,000** jobs) - *to be the fastest growing region outside of London*
 - ▶ A further **£2.7b-£2.9b** of GVA (**50,000-58,000** jobs) to *match London's expected growth trajectory*

Next Steps

- ▶ Partners work together so the region acts on the cross-cutting interventions (potentially taking account of new powers and resources through the Levelling-Up White Paper).
- ▶ That partners, through the Economic Growth Board, work to align interventions according to the needs of business and the economy based on clear positions about the policy trade-offs highlighted.

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Overview & Scrutiny Committee

Date	7 March 2022
Report title	Annual Business Plan
Accountable Chief Executive	Laura Shoaf, West Midlands Combined Authority email: laura.shoaf@wmca.org.uk
Accountable Employee	Linda Horne, Finance Director email: linda.horne@wmca.org.uk

Recommendation(s) for action or decision:

The Overview & Scrutiny Committee is recommended to

1. Review and comment on the Annual Business Plan.

1. Purpose

This paper provides the background to the development of the Annual Business Plan, an overview of content and how it will be used, monitored and measured supporting the move towards data-driven, evidence-based decision making.

In addition, a designed Annual Business Plan is appended, this will be shared to WMCA Board on 18th March for information.

2. Background

- 2.1 The Annual Business Plan (ABP) is a vital link in the 'golden thread' between the WMCA Aims and Objectives, agreed by WMCA Board in November 2021, through Directorate and team plans and into the Individual Performance Management (IPM) goals of staff across the organisation. The ambition was to produce a plan setting out all activity to be delivered in 2022/23 aligned to those aims and objectives.

Identifying all planned activity was undertaken collaboratively with the Business Planning & Performance Reporting Team (BP&PR) working alongside finance and HR colleagues. It was vital to not only look at activity but also establishment numbers and funding/resources to deliver a balanced budget.

Engagement with Directorates cascaded from SLT, with Linda Horne as the sponsor and Ed Cox, Director of Inclusive Growth & PSR, supporting his peers by identifying where there were consolidation and integration opportunities across activity.

- 2.2 The Annual Business Plan adds value in a number of ways. It will provide a single source of the truth for delivery activity to achieve the Aims & Objectives expressed as outputs called High Level Deliverables, there is also greater visibility of the funding sources and through monitoring and reporting it provides accountability.

It is an internal document intended as a valuable reference guide; a resource for all staff across the organisation to clearly see how the work they are doing supports the delivery of the strategic aims and, ultimately achieve the vision of a more prosperous and better connected West Midlands that is fairer, greener and healthier. In addition to the Aims, Objectives and HLDs there is an overview from each Director on how they will deliver the ABP, content on the Enabling Services functions and the Corporate Management Team. In the finance section there is improved visibility and transparency of the sources of funding and detail on how the plan will be measured and reported.

3. Performance Monitoring of the Annual Business Plan

- 3.1 There are 136 High Level Deliverables (HLD) underneath objectives and these are statements that set out the activity at quite a high level over the financial year. The BP&PR Team have worked with Directorates and performance colleagues to support the identification of SMART milestones beneath each HLD; these provide the detail at a much more granular level of delivery activity and are profiled by month with measures and targets.

Each milestone has an appointed owner and they are responsible for providing monthly updates on progress. There are a number of milestones for each HLD and they are weighted depending on how much they contribute to the completion of that HLD. The profiling of activity will also be used by finance colleagues in budget phasing.

- 3.2 The BP&PR Team will collate and analyse milestone and HLD activity against profile monthly and produce a report for the SLT. There will also be a 'real-time' dashboard, using Power Bi, that can be accessed at any time that provides a RAG-rated view of performance against profile from the 6 WMCA Aims down to milestone level and where achievable, into individual project level.
- 3.3 This reporting solution delivers a 'single version of the truth' through data that will be triangulated with the Strategic Risk Register and finance cost codes, providing a visually rich dashboard with a hierarchy of data from a strategic aim and objective view down to individual milestone. This will support evidence-based decision making.
- 3.4 HLDs were approved by the WMCA Board in February alongside the Budget report and performance against the Annual Business Plan will be reported to WMCA Board half-yearly, together with any changes to output measures that may arise as a result of Levelling-up or new sources of funding that may influence a change in priorities.

4. Agile Business Planning and Reporting process

- 4.1 This first Annual Business Plan, nested underneath the corporate Aims and Objectives, presents an opportunity to continue the engagement across Directorates and continuously improve the process. Rather than an intensive period of business planning aligned to the annual budget planning round, it is proposed that there are regular conversations and a more iterative process that considers current performance and the resources (both financial and people). This agile or dynamic process is intended to provide greater engagement across staff teams, alignment to the overall vision and regular reporting will give SLT the assurance where is the flexibility to respond to new opportunities. Fig 1 below illustrates the planning and reporting cycle.



Fig 2

5. Legal Implications

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

6. Impact on Delivery of Strategic Transport Plan

None

7. Equalities Implications

None

8. Inclusive Growth Implications

None

9. Geographical Area of Report's Implications

None

10. Other Implications

11. Schedule of Background Papers

11.1 Appendix – Annual Business Plan 2022/23 (to follow)



West Midlands
Combined Authority

Overview & Scrutiny Committee

Date	7 March 2022
Report title	Grant Register
Accountable Chief Executive	Laura Shoaf, West Midlands Combined Authority email: laura.shoaf@wmca.org.uk
Accountable Employee	Linda Horne, Finance Director email: linda.horne@wmca.org.uk

Recommendation(s) for action or decision:

The Overview & Scrutiny Committee is recommended to:

- (1) Note and comment on grant register

1. Purpose

This paper provides an update on the grant register. This contains all current 'live' grants where the WMCA is the accountable body and captures a comprehensive total of grants, awarding body, time period for delivery and a description of what the grant delivers.

2. Grant Register Update

2.1 The grant register is attached as an appendix to this report.

2.2 There have been 2 new grants added to the register since the last update to the Committee:

- Brownfield Housing Fund – an additional £17.5m secured from this fund
- Social Prescribing Cycling and Walking - £0.098m

3. Legal Implications

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

4. Impact on Delivery of Strategic Transport Plan

None

5. Equalities Implications

None

6. Inclusive Growth Implications

None

7. Geographical Area of Report's Implications

None

8. Other Implications

None

9. Schedule of Background Papers

Appendix – grant register

REVENUE GRANT REGISTER

Grant Name	Awarding Body	Date Grant Awarded	End Date	Total Grant Awarded (£)	Notes
Revenue Grant - over £100k					
Active Travel Fund	DfT	May-20	Mar-22	3,765,980	Phase 1 of Active Travel Fund to support temporary walking and cycling schemes in response to Covid 19 pandemic
Sales, Fees & Charges	MHCLG	Apr-20	Mar-21	1,186,388	The sales, fees and charges scheme compensates local authorities for irrecoverable income losses due to COVID-19. The sales, fees and charges scheme compensates local authorities for irrecoverable income losses due to COVID-19. Expanded to June 2021.
Employment Support Pilot	DWP	Jun-18	Dec-21	4,700,000	The Employment Support Pilot is a 3-year programme started in June 2018, aimed at tackling unemployment and low pay within 9 communities across the WMCA region.
20/21 Adult Education Budget (Devolution)	DfE	Annual	Jul-21	130,614,575	Devolved budget from DfE for delivery of adult education (19+) in West Midlands region
21/22 Adult Education Budget (Devolution)	DfE	Annual	Jul-22	131,678,142	Devolved budget from DfE for delivery of adult education (19+) in West Midlands region
Adult Education Budget (Covid-19)	DfE	Aug-20	Jul-21	5,306,839	Devolved budget to support Covid 19 response for delivery of adult education
Adult Education Budget (Level 3)	DfE	Apr-21	Jul-22	11,446,329	Devolved budget from DfE for delivery of level 3 education offer open to adults without an existing L3 qualification in West Midlands
Adult Education Tech Grant	DfE	Apr-20	Jul-21	1,000,000	To deliver 4 digital skills projects. 1) Online learning platform with embedded artificial intelligence 2) Three demonstrator sites that will embed EdTech including AI, VR and big data across the curriculum delivery and business operation of the pilot sites 3) Cybersecurity and Hacking Lab 4) An open fund for innovation and creativity
Careers & Enterprise Company	Careers & Enterprise Company	Sep-19	Aug-21	120,000	This grant is to support the delivery of a NEET prevention project. The purpose of the project is to better understand the role that the Careers Strategy and the Gatsby Benchmarks can play in directing high quality work to prevent young people becoming NEET by the age of 19.
Digital Skills	DCMS	Sep-19	Feb-22	187,500	Funding to support entitlement to digital skills training across the region.
Digital Skills Pilot	DfE	Jun-19	Mar-23	5,000,000	Funding to support entitlement to digital skills training across the region.
Digital Bootcamp	DfE	Aug-20	Mar-22	1,726,699	Funding to hold more digital bootcamps focussing on building digital skills required by local employers with guaranteed interview opportunity.
FE Skills & Productivity	Gatsby Charitable Foundation	Jul-18	Dec-21	200,000	This grant is to support the preparation for and implementation of T Levels in the region.
Creative Scale Up	DDCMS	Apr-18	Mar-22	1,300,000	Support to Creative Businesses in the West Midlands with targeted support including Access to Finance, Marketing and Branding, Value and Pricing, Intellectual Property and Contract Law and Sales, Pitching and Presenting support. This will be delivered through a series of workshops, seminars and peer to peer mentoring sessions.
BFI National Cluster Growth Fund	BFI	Apr-20	Mar-22	1,000,000	Activity delivered by Create Central. Delivery a programme of activities to support the continued growth of the region's screen sector heavily focused on the 'future of media', with innovation, digital infrastructure, immersive storytelling and digital employability programmes taking place amongst more traditional elements such as attracting film and TV production to the region and promoting the West Midlands screen sector on a global stage.
Tourism, Trade & Investment	DCMS			13,200,000	An integrated programme of tourism, trade and investment jointly developed and to be jointly delivered by the West Midlands Growth Company, DCMS, DIT and Visit Britain. It will leverage the 2022 Commonwealth Games in Birmingham to deliver a legacy of economic benefits across the region.
West Midlands Regional Energy Systems Operator	Innovate UK	Jan-20	Dec-21	263,405	RESO project is a £2.62 million 2-year evidence based design project which started in January 2020 and will develop a detailed design for a new local energy system for the city of Coventry and beyond. WMCA are one of the partners in this project run by Coventry City Council.
Bus Services Operating Grant	DfT	Annual		1,792,259	A discretionary grant paid to operators of eligible local bus services to help them recover some of their fuel costs.
Covid Bus Services Support Grant	DfT	Mar-20	Aug-21	3,503,802	The COVID-19 bus service support grant has been set up to support commercial bus operators in England in recognition of the impacts of coronavirus (COVID-19) on their revenue due to reduced patronage.
Intracity Prep Fund	DfT		Mar-22	8,900,000	Preparation fund to support development of capital projects in ICTS (now CRSTS) bid.
Commonwealth Games	DCMS	Apr-18	Aug-22	28,305,213	This grant is for the Transport Budget of the overall Games Delivery Budget which was allocated to the Organising Committee for the delivery of the CWG. The transport Budget has delegated to TFWM. Grant is paid based on expenditure incurred.
Travel Demand Management Grant	DfT	Aug-20	Oct-21	225,000	Grant awarded for the Impact on the local transport network on the full re-opening of schools and colleges in September; and on the level of travel demand management (TDM) support required with managing any impact. Specifically the travel demand management grant is for revenue TDM activities
Made Smarter	BEIS	Apr-21	Mar-22	1,900,000	Made Smarter Adoption support for businesses in West Midlands in 2020/21 in line with delivery plan agreed with BEIS.
European Social Fund Find Your Futures	DWP	Oct-21	Nov-23	2,620,730	Tailored engagement and support project for residents that will enable those less likely to benefit from the opportunities provided by the Commonwealth Games and City of Culture to do so.
Rough Sleeping Initiative	MHCLG	Apr-20	Mar-22	1,162,800	Providing local support to people living on streets including mobilisation of accommodation.

REVENUE GRANT REGISTER

Grant Name	Awarding Body	Date Grant Awarded	End Date	Total Grant Awarded (£)	Notes
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Revenue Grant - over £100k

Sport England	Sport England	Mar-19	Mar-22	479,000	This consist of two workstreams: 1. Active Communities - this is for evidence led place based work such as Public Space and Black Country Moving 2. Resilient Communities - focuses on for example getting more disabled citizens active including staffing, the WM physical activity joint leadership and the digital training for sports clubs emergency response to lockdown
Midland Engine	Coventry University	Jun-19	Jun-22	963,998	Thrive At Work is one of the 4 pilots funded by MHPP through Coventry University. It is a workplace wellbeing programme, aiming to improve the health, wellbeing and resilience of employees by getting organisations to sign up to and advance in an accreditation programme on wellbeing. Thrive Into Work is a collaboration with WHU and local healthcare partners on specialised support (IPS) into sustained employment for people with long term health conditions.
Supported Bus Services	DfT	Apr-20	Mar-22	879,000	Provided to as revenue support to help provide more bus services in areas by improving current services, restoring lost services or supporting new services
Mobility Credits	DfT	Feb-21	Mar-23	922,500	Mobility credits scheme for eligible residents to scrap vehicles in return for mobility credits. Pilot launched in Coventry in March 2021.
Transforming Cities Fund (FMZ)	DfT	Jun-19	Mar-23	2,000,000	The purpose of the Future Mobility Zones is to: trial new transport services modes and models, creating a functioning marketplace for mobility that combines new and traditional modes of transport; improve integration of services; increase the availability of real-time data; and provide access to digital planning and payment options. The fund also aims to explore options for: providing mobility credits, or other low-cost options, for lower income households; and delivering efficiencies through shared (dynamic) demand responsive transport.
National Lottery	National Lottery	May-21	Dec-22	834,669	The project is to support disadvantaged young people to access the Commonwealth Games Volunteering Programme delivered through the Jobs and Skills Academy. To use the Commonwealth Games brand and leverage to create more employment, training, and volunteering opportunities to support young people who have been hardest hit as a result of COVID-19. To engage with a minimum of 800 young people on JSA To support a minimum of 280 young people into jobs To support a minimum of 320 individuals to volunteer To support a minimum of 64 individuals into specialist support Other positive outcomes for the young people will include accessing further training; access to Kickstart and Apprenticeships; personal development, the development and monitoring of soft skills. The outcome for each young person will be dependent on their bespoke plan.
Bus Capacity Grant	DfT	Apr-20		100,000	Funding to support LTAs in developing local bus proposals as outlined in the National Bus Strategy (NBS), in particular, it is being offered to help LTAs towards the development of their Enhanced Partnership Schemes(EPS) or franchising scheme, and Bus Service Improvement Plans (BSIP) work, and to meet the timescales that go alongside that work.
Local Transport Authority Bus Recovery Funding (BRG)		Oct-21	Apr-22		This funding is designed to support bus services as they recover from the legacy of the Covid-19 pandemic.
Light Rail Recovery Grant		Oct-21	Apr-22	2,970,000	This funding is designed to support light rail and tram services as they recover from the legacy of the Covid-19 pandemic.
Community Renewal Fund	DLUHC	Nov-21	Jun-22	5,201,014	WMCA acting as lead authority. 8 projects awarded funding following assessment by DLUHC.

Revenue Grant (less than £100k)

Commonwealth Sports Foundation	Commonwealth Sports Foundation	Jan-21	Jul-22	120,000	To support the delivery of the Birmingham 2022 Jobs and Skills Academy, Funding to support a post focused on the delivery of this programme.
Rugeley Feed Project	Innovate UK	Jan-20	Dec-21	34,039	One of 11 main partners. WMCA (Energy Capital) activities: - Lead the investment and finance work - Creation of investor panel to input into design process - Translation of Energy Innovation Zone program into the energy system design
TinnGo (Euros)	European H2020	Jan-19	Nov-21	41,054	One of 20 partners in this 3 year project aiming to create a framework and mechanisms for a sustainable game change in European transport through a transformative strategy of gender and diversity sensitive smart mobility.
SPROUT (Euros)	European H2020	Sep-19	Aug-21	53,916	SPROUT (Sustainable Policy RespOnse to Urban Mobility Transition) is a network of over 20 European cities and regions. The main objective of the project is to put cities at the heart of the urban mobility transition. By building on the solutions to urban mobility challenges - related to both passenger transport and urban freight logistics - the work of SPROUT will be focused on producing new and practice-based knowledge and tools.

REVENUE GRANT REGISTER

Grant Name	Awarding Body	Date Grant Awarded	End Date	Total Grant Awarded (£)	Notes
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Revenue Grant - over £100k

SUITS (Euros)	European H2020	Jun-18	Feb-22	75,346	The project aims to help cities cut congestion and pollution while improving their growth capacity and quality of life for urban dwellers and commuters. Coventry University is the co-ordinator of 4m Euro total project.
Virgin Park and Charge Phase 2	Innovate UK	Oct-19	Dec-21	420,133	
Social Prescribing Cycling and Walking	DfT	Jan-22	Apr-22	98,000	Feasibility study under the Active Travel Social Prescribing pilot

Specific Revenue/Devo Grants

Devo Deal Grant	MHCLG	Annual		36,500,000	Devolution Grant Deal (Investment Programme)
Mayoral Capacity Fund	MHCLG	Apr-18	Mar-22	4,000,000	Funding provided by central government to support funding of Mayoral Office
Devo Office of Data Analytics	MHCLG	Apr-18	No end date	800,000	Devolution funding to support operational activities of ODA
Devo Housing Package	MHCLG	Apr-17		6,000,000	Revenue grants to support capital housing grant activity delivery
Brownfield Housing Fund	MHCLG	Apr-20		2,826,498	Revenue grants to support capital housing grant activity delivery
One Public Estate	Local Government Association		Apr-22	1,246,141	Support OPE activity - drawn down by partners delivering OPE activity as required.

Other Revenue Contributions

IPS Programme	DWP	Mar-17	Jun-22	2,059,911
Brexit Support	MHCLG	Apr-18	No end date	1,375,059

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CAPITAL GRANT REGISTER

Grant Name	Awarding Body	Date Grant Awarded	Total Grant Award £	Notes
DfT - Highways Maint	DfT	Apr-21	11,304,000	Rolling annual settlement (due to finish March 2022), formula applied to distribute in full to LAs based on DfT direction. The value for 21/22 only is shown here and is inclusive of the DfT Highways Supplement (c.£2m). Grant distributed to all 7 LAs expect Birmingham who have a PFI arrangement for Highways.
DfT - ITB WMCA	DfT	Apr-21	17,755,000	Annual rolling settlement from DfT (due to finish March 2022). Funding is distributed to WMCA and all LAs on a formula basis which is agreed locally. The 21/22 annual value only is shown here.
DfT - Pot Hole Fund	DfT	Apr-21	9,043,000	Rolling annual settlement (due to finish March 2022), formula applied to distribute in full to LAs based on DfT direction. The value for 21/22 only is shown here. Grant distributed to all 7 LAs expect Birmingham who have a PFI arrangement for Highways.
DfT - NPIFF	DfT	Sep-17	17,055,000	National Productivity Investment Fund including projects in Birmingham (Growth Point Public Transport Package), Walsall (Economic Growth and Infrastructure Project) and Solihull (Strategic Cycle Network)
DfT - Clean Bus Technology	DfT	Feb-18	5,987,750	Projects that work with bus operators or technology providers to retrofit buses to reduce emissions
DfT - Transforming Cities Fund	DfT	Apr-18	321,500,000	The purpose of the Transforming Cities Fund is to boost productivity, transform intra-city connectivity and reduce congestion through investment in public and sustainable transport in the West Midlands. No detailed constraints as to what it can be spent on, but the WMCA should have regard to the national objectives of the Fund. Programme agreed Nov 2018.
DfT - ECAMS	DfT	n/a	92,800	Enhanced Continuous Asset Monitoring Solution (ECAMS)
DfT - Joint Air Quality	DfT	Jan-19	3,456,520	Fund retrofit buses with kits that tackle exhaust emission in Birmingham
DfT West Midlands Trains	DfT		4,430,058	Car park and station works for Wolverhampton Interchange
DfT - A45 Sprint	DfT	Jul-20	35,000,000	Delivering SPRINT A45 scheme for Commonwealth Games in Summer 2022.
DfT - ADEPT Live Labs	DfT	Jul-19	2,650,000	Network Resilience Live Lab funding covering the transport network to build up a detailed picture of traffic and transport movements around the region through collection of data
DfT - Future mobility Zones	DfT	Jun-19	20,000,000	The purpose of the Future Mobility Zones is to: trial new transport services modes and models, creating a functioning marketplace for mobility that combines new and traditional modes of transport; improve integration of services; increase the availability of real-time data; and provide access to digital planning and payment options. The fund also aims to explore options for: providing mobility credits, or other low-cost options, for lower income households; and delivering efficiencies through shared (dynamic) demand responsive transport.
DfT - TFWM Bus Priority	DfT	Jul-20	24,225,000	Funding bus priority measures in Birmingham City Centre and between Dudley and Druids Heath.
DfT-Emergency Active Travel Fund	DfT	Nov-20	13,182,667	Phase 2 of Active Travel Fund to support longer term walking and cycling schemes (Phase 1 classed as revenue grant)
DfT - AEBT	DfT	Mar-21	50,000,000	Coventry All Electric Bus City project to be delivered by Winter 2025.
MHCLG - CG Athlete's Village	MHCLG	Mar-21	17,300,000	Delivery of Transport for Commonwealth Games 2022.
MHCLG - West Midlands Land Fund	MHCLG	Mar-18	100,000,000	Quarterly reporting to MHCLG as part of the grant. This is against the outputs specific to Housing of 8,000 homes and the wider West Midlands target of 215,000 homes by 2031, which includes outputs from the Local Authorities
MHCLG - Getting Building Fund	MHCLG	Sep-20	66,000,000	Quarterly reporting to MHCLG as part of the grant (expended by 31 March 2022). This is against the outputs specific to the Local Industrial Strategy which is part of the economic recovery plan. There are a range of Projects, and a suite of outputs from Jobs created 1,440 to houses unlocked 17,210.
MHCLG - Brownfield Housing Fund	MHCLG	Jul-21	108,031,802	Quarterly reporting to MHCLG on the outputs of this grant. Deliver between 7,714 and 9,773 homes
DBEIS - CAV TB2	DBEIS	18/19	6,555,451	£3,563,732 - Meridian 3 (404922) £151,209 - Autoplex (404927) £2,840,510 - Convex (405035)
3rd Pty – WMT	3rd Party	Mar-21	1,000,000	Delivery of University Station build.
3rd Pty – UHB	3rd Party	Aug-20	5,000,000	Delivery of University Station build.
LA - Birmingham	LA	n/a	78,295	Relates to Perry Barr Mitigation Package
PB - Highways England	Highways England	n/a	86,400	Relates to HS2 Modelling Framework
PB - Network Rail	Network Rail	Mar-21	12,000,000	Delivery of University Station build
DEFRA - Air Quality	DEFRA	Mar-20	340,000	Retrofit of at least 20 buses to Euro VI. Working in partnership with Birmingham, Wolverhampton, Coventry, Dudley, Sandwell, Solihull, Walsall, Cannock Chase, North Warwickshire, Nuneaton and Bedworth, Redditch, Rugby, Shropshire, Stratford on Avon, Tamworth, Telford and Wrekin, Warwickshire Councils
LA - Birmingham	LA	n/a	9,061,629	<u>Rail funding = £8,983m:</u> BCC funding for Perry Barr = £5.083m BCC funding for University = £3.9m
DfT - Challenge Fund	DfT	2015 Onwards	56,419,000	Mostly competitive fund. WMCA bid in to DfT on behalf of Local Authorities. Grant then distributed based on successful bid. The value shown here is the cumulative value since c.2015 and the projects subject to the grant are largely concluded.
CRSTS	DfT	Oct-21	1,050,000,000	Announced October 21.
Brownfield Housing Fund	DLUHC	Feb-22	17,500,000	Additional funding to be utilised by 31 March 2022 to deliver 1,115 - 1,425 dwellings

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**West Midlands
Combined Authority**

Transport Scrutiny Sub-Committee

Monday 17 January 2022 at 10.00 am

Minutes

Present

Councillor Liz Clements (Chair)	Birmingham City Council
Councillor Barbara McGarrity (Vice-Chair)	City of Wolverhampton Council
Councillor Gurdev Hayre	Coventry City Council
Councillor Ian Kettle	Dudley Metropolitan Borough Council
Councillor Martin McCarthy	Solihull Metropolitan Borough Council

In Attendance

Carl Beet	Head of Strategy and Intelligence
Pete Bond	Director of Integrated Transport Services
Dan Essex	Governance Services Manager
David Harris	Transport Strategy and Place Manager
Matt Lewis	Head of Swift
Lyndsey Roberts	Scrutiny Officer
Anne Shaw	Executive Director of Transport for West Midlands

Item No.

- | Item No. | Title |
|-----------------|---|
| 25. | Apologies for Absence
Apologies for Absence were received from Councillor Thabiso Mabena (Sandwell). |
| 26. | Chair's Remarks
(a) Anne Shaw, Executive Director of Transport for West Midlands
The Chair congratulated Anne Shaw on her appointment as the Executive Director of Transport for West Midlands. |
| 27. | Minutes - 24 November 2021
The minutes of the meeting held on 24 November 2021 were agreed as a correct record. |
| 28. | Transport Policy Question Time: Response from the Portfolio Lead Member for Transport to the Recommendations Presented to the Overview & Scrutiny Committee on 8 November 2021
The committee noted the response received from the Portfolio Lead Member for Transport in response to the observations it had identified following the Q&A session on 22 October 2021. |

Resolved

The report be noted.

29. Metro Suspension and Operations Update

The sub-committee considered a report of the Executive Director of Transport for West Midlands that provided an update on the types of cracks on the Urbos 3 second generation tram fleet that operated on the metro system, how these had been managed and the decision to cease service in November 2021. Members also noted the work that had been undertaken to safely restore service as expediently as possible with confidence that ceasing the service would not reoccur.

Earlier this year, cracks were discovered on the trams which resulted in a temporary interruption to services for inspections and repairs. Temporary repairs were carried out to return the fleet to service as soon as possible, but inspections had found that more extensive and permanent repairs were required. A programme of repair to fix the issue was currently underway and it was anticipated that all bogie box repairs to the second-generation tram fleet would be completed by Summer 2022. The Executive Director assured members that good progress was being made on the repair programme and there would be an efficient service in operation leading up to and during the Commonwealth Games.

With regards to the delivery schedule for the Wolverhampton metro extension, Transport for West Midlands continued to have dialogue with Network Rail regarding a pedestrian crossing requirement outside of Wolverhampton railway station. The delivery programme would be updated with a confirmed completion date following confirmation of the design for the crossing. In terms of the delivery programme for the West Midlands metro extensions including Broad Street and Wolverhampton, it was agreed that a report would be provided at the next meeting.

The sub-committee sought assurances that Transport for West Midlands understood and documented the root cause of the cracks on the second-generation tram fleet. Members sought clarity that, within the system and according to the regulator the works had been completed and therefore provided members with the confidence that the action undertaken resulted in the operation of a safe and robust service. The Executive Director explained that there were ongoing works to agree that the root causes were the root causes and agreed to look at ways in which further information could be provided to the sub-committee at the appropriate time.

The Chair enquired as to whether the sub-committee would receive a financial overview of the financial losses incurred during the suspension of the Metro network. The Executive Director agreed to speak to finance colleagues and would share this information with the sub-committee.

Resolved

The report be noted.

30. West Midlands Future Bus Delivery Options

The sub-committee considered a report of the Director of Integrated Transport Services providing an update on future challenges and opportunities in the bus market and outlining a course of action that best enabled the WMCA to continue to support the strong role that buses played in delivering wider WMCA objectives.

The sub-committee sought further information as to whether the Department for Transport was likely to support the bus sector post-March when Covid-related support funding was due to cease. It was reported that this was still to be determined and that all transport authorities were currently in discussions with the Department for Transport regarding this key point.

The opportunities associated with Enhanced Partnerships was noted and the level of commitment and process that it would place on all partners, particularly Transport for West Midlands, local authorities and bus operators was also acknowledged. The sub-committee highlighted their continued support for the assessment of the business case for franchising in line with the Single Assurance Framework and legislation within the Bus Services Act 2017 as a possible mechanism to address the identified challenges should Enhanced Partnerships fail to effectively deliver the WMCA's ambitions.

Resolved

The report be noted.

31. Swift Update

The sub-committee received a presentation from the Head of Swift that provided an update on the progress being made with the Swift Scheme.

Swift was the largest and most comprehensive smart ticketing scheme in the UK outside of London and was used by 250,000 people making more than 60m journeys per annum on buses, trains and the tram. Prior to Covid, Swift accounted for 1 in 4 public transport journeys, which had now grown to 1 in 3. The latest customer satisfaction surveys showed that 88% of customers were either satisfied or very satisfied with Swift. For those aged 16 to 24, the satisfaction score increased to 92%.

The work undertaken to date and the integration of services onto Swift was welcomed together with the benefits to customers including, the ease at which customers were able to cross modes on public transport and locate ticketing information. The Chair enquired about the low take up of mobility credits in Birmingham that was linked to the Clean Air Zone and had asked for consideration to be given as to how the take up of this offer could be improved.

Resolved

The report be noted.

32. West Midlands Local Transport Plan 5: Draft Core Strategy

The sub-committee considered a report of the Transport Strategy & Place Manager on the approach for developing the new West Midlands Local Transport Plan and undertaking public engagement on the draft Core Strategy document.

Members discussed and shared comments on the concepts, principles and approach to developing the new West Midlands Local Transport Plan whilst recognising the challenges that exist, the responses to the 'Reimagining Transport' Local Transport Plan Green Paper engagement. Members emphasised the importance of the continued engagement with members of the public to understand their needs and to ensure that these were reflected within WMCA and Transport for West Midlands policies.

Resolved

The report be noted.

33. City Region Sustainable Transport Settlement Submission

The sub-committee considered a report of the Head of Strategy & Intelligence seeking approval of the WMCA Board for the programme level business case of the City Region Sustainable Transport Settlement as required by Government and to the local approaches to assurance, monitoring and governance.

Members discussed the progress made regarding the City Region Sustainable Transport Settlement bid since the original submission was approved by WMCA Board in September 2021, the approach to prioritisation and development of the final programme for submission to Government and timescales.

Resolved

The report be noted.

34. Work Programme

The sub-committee discussed its work programme of business for consideration at its future meetings and at the WMCA Board.

The Chair noted that she would like to invite Adam Tranter, the newly appointed Cycling & Walking Commissioner to the next meeting of the sub-committee.

Resolved:

That the work programme be noted.

35. Exclusion of the Public and Press

Resolved:

The public and press be excluded from the meeting in accordance with s100(A) of the Local Government Act 1972, for the following items of business as they were likely to the disclosure of exempt information as specified in the paragraphs of the Act.

36. City Region Sustainable Transport Settlement Submission - Scheme Schedule

The sub-committee considered a report of the Head of Strategy & Intelligence on the City Region Sustainable Transport Settlement Submission - Scheme Schedule

Resolved

The report be noted.

37. Date of Next Meeting

The next meeting of the sub-committee would be held on Wednesday 23 February 2022 at 10.00am.

The meeting ended at 12.00 pm.

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Transport Scrutiny Sub-Committee

Wednesday 23 February 2022 at 10.00 am

Minutes

Present

Councillor Liz Clements (Chair)
Councillor Ian Kettle
Councillor Martin McCarthy

Birmingham City Council
Dudley Metropolitan Borough Council
Solihull Metropolitan Borough Council

In Attendance

Councillor Barbara McGarrity (Vice-Chair) – Joined via MS Teams
Pete Bond
Dan Essex
Councillor Kath Hartley

City of Wolverhampton Council
Director of Integrated Transport Services
Governance Services Manager
Chair of the Transport Delivery Committee
Scrutiny Officer
Executive Director of Transport for West Midlands
Director of Development and Delivery

Lyndsey Roberts
Anne Shaw

Sandeep Shingadia

**Item Title
No.**

38. Welcome and Introductions

The Chair welcomed the Chair of the Transport Delivery Committee and members of the sub-committee to the meeting that would focus on transport delivery-related matters.

39. Apologies for Absence

An apology for absence was received from Councillor Gurdev Hayre (Coventry).

40. Inquire Meeting

The sub-committee was inquorate and therefore the decisions taken would be submitted to Overview & Scrutiny Committee on 7 March 2022 for approval.

41. Questions to the Chair of the Transport Delivery Committee

The Chair of the Transport Delivery Committee provided an opening statement that focussed on the recent transport delivery-related activities within the WMCA and the priorities for Transport Delivery committee and the challenges facing the region.

The sub-committee pursued a number of general lines of enquiry with the Chair of the Transport Delivery Committee, including the challenges and threats facing public transport within the region, how those responsible for delivering services were held to account, reporting of financial and performance information, the metro suspension and the Commonwealth Games transport plan.

In relation to the level of the financial challenges facing the region, Transport Delivery Committee reviewed financial and performance monitoring information on a regular basis, received regular briefings on particular projects or areas of concern, including the financial impact of the recent metro suspension, metro scheme delivery and delays, the City Region Sustainable Transport Settlement Fund and the identified schemes. In addition, a Member Engagement Group had been established to specifically focus on the financial situation facing the region and to work with officers as appropriate.

With regards to the Midland Metro, Transport Delivery Committee believed its governance could be strengthened to enable it to be more transparent. It was acknowledged that the Mayor of the West Midlands had commissioned a governance review on the delivery of extensions, the operation of services and maintenance and infrastructure. Members of the sub-committee expressed their concerns regarding the delivery of the Wednesbury - Brierley Hill metro extension due to the way in which the scheme had been funded, and noted the importance of its delivery for Dudley.

The sub-committee sought assurances from the Chair of the Transport Delivery Committee that the root cause of the cracks on the tram fleet, which caused the metro service to be suspended during 2021, had been addressed and therefore would not reoccur. The Chair of the Transport Delivery Committee was confident that the correct action had been undertaken and trams were now suitable and safe for operation. The Executive Director of Transport for West Midlands confirmed that there was a method of fix for the trams that was being applied and it had been independently assured by an expert as appropriate. A separate briefing would be arranged to enable members to explore questions further.

In relation to the delivery programme for the Wolverhampton metro extension, the Chair of the Transport Delivery Committee assured members that the extension would be operational before the Commonwealth Games and noted that dialogue continued with Network Rail. It was reported that members would be advised on the timescales in due course.

In respect of holding those responsible for the delivery of transport services to account, transport operators attended meetings of the Transport Delivery Committee, there was regular engagement with the Bus Passenger Champions and the West Midlands Bus Alliance. In relation to funding, the Government had provided the bus recovery funding directly to the bus operators, which members considered made it more difficult for Transport for West Midlands to have an influence.

The Chair of the Transport Delivery Committee considered the Commonwealth Games Transport Plan to be ambitious and robust. There were a number of co-ordinating bodies that were working to ensure that plan was delivered on schedule. With regards to the bus fleet, a contract had been awarded to Stagecoach, and through the organising committee and Transport for West Midlands there was ongoing dialogue with them to ensure that its vehicles were compliant with the requirements for the Games. It was noted that twenty hydrogen buses would also be in operation on the major games' routes.

In addition to the bus network, the Aquatic Centre would also be serviced by shuttle services. Members were assured that efficient transport links to access this venue would be provided.

Transport Delivery Committee continued to have ongoing engagement with the newly appointed Cycling & Walking Commissioner for the West Midlands and would help to assist in the delivery of his priorities.

Recommended:

The following observations be shared with the Portfolio Lead for Transport for consideration:

(1) Transport Governance Review

There was a recognition that the governance of transport within the WMCA could be further improved. Strategic Transport Board was well regarded as providing a forum to discuss transport policy matters, but lacked any delegated authority to make decisions, and the informal nature of its meetings meant there was no public visibility or organisational oversight of its meetings.

There continued to be a lack of clarity and sufficient differentiation between the roles of Transport Delivery Committee and Transport Scrutiny Sub-Committee, which meant that neither meeting was as effective as it could be and there was the potential for a high degree of duplication between the meetings.

The Portfolio Lead for Transport should set a clear expectation that he wished to see transport governance within the WMCA rationalised and strengthened so that it was fit for the challenges of the next few years.

(2) Financial and Performance Monitoring Information

It remained unclear as to the extent that the Transport Delivery Committee was responsible for scrutinising either the revenue or capital expenditure of the WMCA as it related to transport matters, including whether it was monitoring/reacting to overspends on capital project delivery.

With the financial challenges the WMCA will experience over the next few years, there needs to be strong oversight and challenge regarding transport expenditure, which is provided within local authorities by overview & scrutiny committees but is absent from within the WMCA.

(3) Strategic Delivery

The Portfolio Lead for Transport should satisfy himself that the Transport Delivery Committee has sufficient oversight of the delivery of the strategic objectives of Transport for West Midlands, and that elected members are actively driving the delivery of these projects. There was some concern that concerns over delivery were not being escalated to the portfolio lead in sufficient time for mitigation measures to be considered.

(4) Cycling & Walking Commissioner

Transport Delivery Committee was demonstrating good engagement with the Cycling & Walking Commissioner, and this should be maintained.

42. Date of Next Meeting

The next meeting of the sub-committee will be held on Wednesday 23 March 2022 at 10.00am.

The meeting ended at 12.00 pm.

WEST MIDLANDS COMBINED AUTHORITY FORWARD PLAN: MARCH 2022 - MARCH 2022

Title of Report	Summary of purpose and recommendations	Lead Portfolio Holder	Lead Officer	Confidential	Category
Meeting 18 March 2022					
Establishing an Independent Remuneration Panel	<p>Purpose: To get approval to establishing an Independent Remuneration Panel to review the allowances paid to the Mayor and Deputy Mayor.</p> <p>Recommendation(s): That an Independent Remuneration Panel be established to report back to the WMCA Board in June 2022.</p>	n/a	Satish Mistry	No	Governance
Headline Interim Report - Local Skills Delivery Scrutiny Review	<p>Purpose: To consider an interim report on the findings of Overview & Scrutiny's review into local skills delivery.</p> <p>Recommendation(s): To note the interim findings of the scrutiny review.</p>	n/a	Satish Mistry	No	Governance
Headline Interim Report - Helping to Deliver Affordable and Social Housing Scrutiny Review	<p>Purpose: To consider an interim report on the findings of Overview & Scrutiny's review into the delivery of affordable and social housing.</p> <p>Recommendation(s): To note the interim findings of the scrutiny review.</p>	n/a	Satish Mistry	No	Governance



Title of Report	Summary of purpose and recommendations	Lead Portfolio Holder	Lead Officer	Confidential	Category
Levelling Up White Paper	Purpose: To provide an update on the last work being undertaken in support of the WMCA's Trailblazer Devolution Deal. Recommendation(s):	n/a	Ed Cox	No	Governance
Financial Monitoring 2021/22	Purpose: To outline the latest financial position of WMCA and provide an update on any current financial matters affecting WMCA. Recommendation(s):	Cllr Bob Sleigh	Linda Horne	No	Finance
Equality Scheme 2022-24	Purpose: To approve the finalised Equality Scheme following a period of public consultation on the draft scheme agreed by the board in January. Recommendation (s): The 2022-24 Equality Scheme and Action Plan be approved.	Cllr Brigid Jones	Ed Cox	No	Inclusive Communities
Electric Vehicle Charging Area Transit Stations	Purpose: The Outline Business Case seeks a non-refundable grant of £14m from the City Region Sustainable Transport Settlement and £2.2m from the Brownfield Land & Property Development Fund to support the creation of ten Electric Vehicle Charging Area Transit Stations. Recommendation(s): To approve the Outline Business Case for Electric Charging Area Transit Stations.	Cllr Ian Ward	Anne Shaw	No	Transport



Title of Report	Summary of purpose and recommendations	Lead Portfolio Holder	Lead Officer	Confidential	Category
Buy Before You Board	<p>Purpose: To provide notice that the Midlands Metro Buy Before Boarding project will be requesting approval for an increase in the interim cash flow funding and presenting confirmation of affordability of the new value.</p> <p>Recommendation(s): (1) To note the report, highlighting the outcome of the procurement process and the result of the affordability check.</p> <p>(2) To approve the increase in the interim cash flow funding from £4.6m to £8.5m to enable the installation of one TVM at all stops on the existing route and to include the provision of one TVM at all stops on the future extension to Dudley.</p>	Cllr Ian Ward	Anne Shaw	No	Transport
City Region Sustainable Transport Settlement	<p>Purpose: To approve the final programme for submission to Government.</p> <p>Recommendation(s):</p>	Cllr Ian Ward	Anne Shaw	No	Transport
Sprint - A34 Walsall to Birmingham and A45 Birmingham to Airport & Solihull Phase 2 Funding Confirmation	<p>Purpose: Phase 2 of Sprint delivery includes further bus priority interventions, cycling and walking infrastructure, signal upgrades, shelter enhancements, ticket machines, and utility diversions. The final design approvals will be required from each Cabinet in Walsall, Sandwell, Birmingham and Solihull. Construction is expected to start in late 2022 and complete in early 2024.</p>	Cllr Ian Ward	Anne Shaw	No	Transport



Title of Report	Summary of purpose and recommendations	Lead Portfolio Holder	Lead Officer	Confidential	Category
	Recommendation(s): The report seeks approval of £30.6m for the delivery of Phase 2 of the A34 Walsall to Birmingham Sprint scheme, and £25.4m for the delivery of Phase 2 of the A45 Birmingham to Airport and Solihull Sprint scheme. This funding is from CRSTS.				
Wednesbury Metro Depot Expansion	Purpose: To approve the full business case for the expansion of the metro depot to support the expansion of the metro network. Recommendation(s):	Cllr Ian Ward	Anne Shaw	No	Transport
Wednesday Metro Depot Traction Power	Purpose: To approve the full business case for the upgrade of the power supply at the metro depot to support the expansion of the metro network. Recommendation(s):	Cllr Ian Ward	Anne Shaw	No	Transport
Help to Own	Purpose: Summary of an initial high-level review of the Help to Own pilot project commissioned by WMCA and undertaken by AMION consulting, which involved analysis of management information and consultation with key stakeholders. Recommendation(s):	Cllr Mike Bird	Gareth Bradford	No	Housing & Land

Title of Report	Summary of purpose and recommendations	Lead Portfolio Holder	Lead Officer	Confidential	Category
Meeting 10 June 2022					
Levelling Up White Paper	<p>Purpose: To provide an update on the last work being undertaken in support of the WMCA's Trailblazer Devolution Deal.</p> <p>Recommendation(s):</p>	n/a	Ed Cox	No	Governance
Overview & Scrutiny Committee Annual Report 2021/22	<p>Purpose: To receive the annual report setting out the activity of Overview & Scrutiny during 2021/22.</p> <p>Recommendation(s): To note the report.</p>	n/a	Satish Mistry	No	Governance
WMCA Aims & Objectives Six-Monthly Review	<p>Purpose: To consider the outcome measures of the WMCA's Aims & Objectives agreed in November 2021.</p> <p>Recommendations(s):</p>	n/a	Laura Shoaf	No	Governance
Financial Monitoring 2022/23	<p>Purpose: To outline the latest financial position of WMCA and provide an update on any current financial matters affecting WMCA.</p> <p>Recommendation(s):</p>	Cllr Bob Sleigh	Linda Horne	No	Finance
Metro Depot Expansion	<p>Purpose: To provide sufficient stabling and maintenance workshop space for a doubling of the fleet of trams.</p>	Cllr Ian Ward	Anne Shaw	No	Transport



Title of Report	Summary of purpose and recommendations	Lead Portfolio Holder	Lead Officer	Confidential	Category
	Recommendation(s): Approve CRSTS funding to deliver the depot expansion by end 2023.				
Meeting July 2022					
Levelling Up White Paper	Purpose: To provide an update on the last work being undertaken in support of the WMCA's Trailblazer Devolution Deal. Recommendation(s):	n/a	Ed Cox	No	Governance
Financial Monitoring 2022/23	Purpose: To outline the latest financial position of WMCA and provide an update on any current financial matters affecting WMCA. Recommendation(s):	Cllr Bob Sleigh	Linda Horne	No	Finance
Meeting September 2022					
Levelling Up White Paper	Purpose: To provide an update on the last work being undertaken in support of the WMCA's Trailblazer Devolution Deal. Recommendation(s):	n/a	Ed Cox	No	Governance
Financial Monitoring 2022/23	Purpose: To outline the latest financial position of WMCA and provide an update on any current financial matters affecting WMCA.	Cllr Bob Sleigh	Linda Horne	No	Finance



Title of Report	Summary of purpose and recommendations	Lead Portfolio Holder	Lead Officer	Confidential	Category
	Recommendation(s):				
Meeting November 2022					
Levelling Up White Paper	<p>Purpose: To provide an update on the last work being undertaken in support of the WMCA's Trailblazer Devolution Deal.</p> <p>Recommendation(s):</p>	n/a	Ed Cox	No	Governance
WMCA Aims & Objectives Annual Review	<p>Purpose: To review the WMCA's Aims & Objectives previously agreed in November 2021.</p> <p>Recommendations(s):</p>	n/a	Laura Shoaf	No	Governance
Financial Monitoring 2022/23	<p>Purpose: To outline the latest financial position of WMCA and provide an update on any current financial matters affecting WMCA.</p> <p>Recommendation(s):</p>	Cllr Bob Sleigh	Linda Horne	No	Finance
Meeting January 2023					
Draft WMCA Budget 2023/234	<p>Purpose: To approve the WMCA's draft 2023/24 budget for consultation.</p> <p>Recommendation(s):</p>	Cllr Bob Sleigh	Linda Horne	No	Finance



Title of Report	Summary of purpose and recommendations	Lead Portfolio Holder	Lead Officer	Confidential	Category
Financial Monitoring 2022/23	Purpose: To outline the latest financial position of WMCA and provide an update on any current financial matters affecting WMCA. Recommendation(s):	Cllr Bob Sleigh	Linda Horne	No	Finance
Meeting February 2023					
WMCA Budget 2023/234	Purpose: To approve the WMCA's 2023/24 budget. Recommendation(s):	Cllr Bob Sleigh	Linda Horne	No	Finance