



WEST MIDLANDS
COMBINED AUTHORITY

WMCA Board

Date	12 January 2018
Report title	The Cohesion and Integration Portfolio
Portfolio Lead	Councillor Steve Eling - Cohesion & Integration and Public Service Reform
Accountable Chief Executive	Deborah Cadman, West Midlands Combined Authority tel: (0121) 214 7200 email: deborah.cadman@wmca.org.uk
Accountable Employee	Henry Kippin, Director of Public Service Reform tel: 07384 249161 email: henry.kippin@wmca.org.uk
Report has been considered by	WMCA Programme Board – 15 December 2017

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Note proposed approach to Cohesion and Integration portfolio.
- (2) Support the draft next steps set out in the paper.

1. Purpose

- 1.1 The Cohesion and Integration portfolio brings together three important strategic ambitions for the WMCA, and which are critical to realising the value of growth for all of our citizens.

The priority at this stage is to bring some shape to this agenda and begin establishing momentum, led by the portfolio holder.

- 1.2 The overall purpose of the portfolio is:

- To **celebrate the diversity** of the region and ensure it is a valued part of the region's strategic plans for economic growth and social change.
- To support and promote a **shared understanding of citizenship** across the West Midlands, built on a recognition of diversity and the importance of improving community cohesion.
- To help **close the aspiration gap** and help under-represented and/or marginalised communities within the WM achieve their economic and leadership potential.

- 1.3 We aim to do this through two distinct strands of work, which are:

1. *Sharing Economic Growth* – making sure that people across the region's communities have a chance to take part in, and benefit from, economic growth. This includes the development of a distinct blueprint to understand, support and measure inclusive growth across the region, and a broader range of activities designed to promote economic inclusion and participation.
2. *Bringing People Together* – ensuring that the WMCA uses its convening role to celebrate our diversity and support community cohesion. This is about doing things differently at a regional level – as a complement to local authority work on cohesion, and as a means of encouraging stronger bridging social capital across our communities and places.

- 1.4 The Cohesion and Integration portfolio sits with the broader Public Service Reform portfolio, which is focused on whole-place collaboration that builds on our strengths and which systematically builds readiness to work differently across the region. It is explicitly about areas in which the WMCA can add value – not overlaying or replicating the statutory role of local authorities within communities.

- 1.5 A key principle – reinforced through this paper – is that inclusion and cohesion are not separate, discrete agendas, but are fundamental to achieving the goals of a more productive economy and society set out in the SEP and the Mayor's manifesto. This portfolio is about giving them the prominence and investment they require to achieve this, and to signal an intent to explore this agenda more boldly within the next devolution 'round'.

2. Background

2.1 The hyper-diversity of the West Midlands is one of our most powerful assets. It can be the foundation of future growth, and the means through which our young people build a shared future and a vibrant civil society. Economic growth in the region since 2010 has been striking, with an increase of 2m jobs, an upward trend on GVA output, and wage growth faster than the UK average. But this growth has not been as inclusive as it needs to be. Evidence shows stark differences between the ability of different groups to benefit from the economic performance of the region.

2.2 Economic growth since 2010 has been marked:

- Business starts. 145,410 businesses and 22,430 business births
- Job creation. 2m jobs, increase of 95,000 since 2013
- Wage growth. Wages are increasing at a faster rate than the UK average
- Productivity. If the UK average is 100 widgets per hour, Solihull is 113
- Gross Value Added. GVA is currently 87.5bn +7bn since 2013

2.3 But there are a number of ways in which evidence suggests growth is not being shared equally:

- Gender
- Race and ethnicity
- Wealth inequality
- Geographical
- Age
- (Dis)ability

2.4 Published evidence shows stark differences between different groups in both opportunity and success. Taken together, they form a strong rationale for collaborative action:

- The WMA GVA per head is still lower than the UK average resulting in a £17.5 GVA output gap
- The Joseph Rowntree Foundation agenda for the Mayor reports that the ethnic minority employment rate in the region is just 54%.
- 13% of the population have no qualifications, compared to the 8% UK average
- On a workplace basis the gap between median pay in Coventry (£13.08) and Dudley (£10.50) is 25 per cent. On a resident basis the difference between Solihull (£14.11) and Wolverhampton (£10.23), stands at 38 per cent.
- Of the 227,600 Managers, Directors and Senior Official positions in the West Midlands in 2012, 91% were occupied by white workers, although only 79.2% of the population were from this group.
- Public Health England reports that 26.5% of Year 6 pupils in Wolverhampton are classified as obese, compared to 17% in Solihull.

- The WMCA has a Healthy Life Expectancy (HLE) of 59 years for men (63yrs for England) and 61 years for women (64 yrs for England). Men with the best HLE in the WMCA (Solihull -64yrs) have eight years less HLE than the best HLE (72yrs) in England.
- The earnings gap between male and female workers in the West Midlands is the highest amongst the UK's 12 regions, according to PwC's annual Women in Work Index.
- According to Stonewall, 51% of LGBT pupils in the West Midlands reported being bullied for being LGBT, the second highest region in the UK behind Wales.

2.5 The British Integration Survey (2016) explores the extent to which different ethnic groups mix socially with one another. It finds that:

- Black, White and Asian Britons take up only around half - 48% - of the opportunities open to them to mix socially with a different ethnicity to themselves given the demographics of where they live, even in our most diverse regions, such as London and the Midlands.
- Those in the Midlands were found to be only taking up 40% of the opportunities to mix with other ethnicities, the lowest level in Britain.

2.6 These challenges leave us with a number of unresolved issues in our society:

- **Hate crime.** A 29 percent rise in hate crimes was reported during 2016/17 according to West Midlands Police – a 29 percent rise on the previous year.
- **Extremism.** 768 people were referred to Channel (part of Prevent - the Government's counter-terrorism scheme) in 2015 from the West Midlands, according to the Home Office.
- **Isolation in old age.** Numbers living alone predicted to rise steadily each year (and 5.4% by 2020 for those aged 65-75, 5.8% by 2020 for those aged 75+). The largest group living alone in Birmingham are females, aged 75+ (25,315 in 2016).
- **A lack of community cohesion:** Regarding the 2011 riots in Birmingham, Experian analysis highlights that 71% of the riots occurred in the areas ranked in the worst 10% for social cohesion.

Why focus on Inclusion and Cohesion?

2.7 One key component of the portfolio is inclusive growth. The rise of inclusive growth as a policy platform reflects a recognised need (at a macroeconomic and local/place level) to bring together economic growth, public service reform and community development principles. For us this is a critical part of linking the 'cranes and communities' within the West Midlands. Strategies for inclusive growth have been developed by a range of organisations such as the RSA, the JRF, Brookings Institute, and cities such as Manchester and Leeds are investing in this approach. Broadly speaking, inclusive growth principles reflect:

1. *Purpose* - growth for what? Not as an end in itself, but as a means to improving social outcomes, which in turn should influence metrics for success and principles for investment in places.
 2. *Re-booting the labour market* – creating more jobs, better in-work progression, and in particular lowering the barriers for those individuals and communities furthest from the labour market.
 3. *Focus on inequality and poverty* – both as areas for proactive intervention, and as a focus for growth itself (and who really gains from it). This is particularly important in the light of a shrinking of public service entitlements over the last decade.
 4. *Connectivity and social networks* – both expanding the network of those already socialised into work and prosperity (cf the Leadership Commission), and emphasising the role other key WMCA agendas (e.g. transport, housing) can play in supporting a more inclusive economy.
- 2.8 Distinct but related is an ongoing set of debates about multiculturalism, diversity and cohesion within communities. The Casey Review (2016) is one recent attempt to demonstrate both the multi-dimensional nature of these debates, and the ‘vicious circle’ into which places can spiral if they are not addressed and unpacked. Meanwhile public discourse about immigration, inequality and issues around identity exacerbated by the Brexit vote undermine the ability of places to celebrate diversity as a force for economic and social progress.
- 2.9 None of these agendas are easy to address, nor in the gift of any one organisation to solve. We are quite clear that the WMCA approach is different and distinct from local authorities’ statutory duty to promote community cohesion. We are not proposing anything that overlaps with work on PREVENT strategies. The WMCA is not proposing to deliver services against this agenda, and we will be very careful to work with local authorities and ensure we are respectful of the existing roles and responsibilities of public and voluntary sector partners.

Rather, we believe that the WMCA can support the system as a whole do do better; and through the Office of the Mayor can mobilise collective action that can impact positively on the whole region.

Our proposal is therefore for a twin-track approach – which promotes inclusive growth alongside connected communities.

3. The Vision

3.1 Our vision for the portfolio is:

- To develop a proactive approach to cohesion and integration – including a clear strategy for inclusive growth – that supports the WMCA’s commitment to growth that benefits the whole region and makes a difference to communities.

- To develop an approach that promotes and leverages the diversity of the region – clearly positioning it as an asset to be celebrated and a core part of the WMCA’s strategy to building a ‘West Midlands community’.
- To be clear about how the WMCA can support and add value to (and not undermine or duplicate) the work already being done by local authorities and public service agencies, so that the West Midlands becomes a national exemplar of collaborative working to achieve inclusive growth goals.
- To ensure that cohesion, integration and inclusion goals materially influence the development of our Industrial Strategy, the evolution of the Strategic Economic Plan and the metrics through which we develop economic and public service policy across the region.

4. The Work Plan

4.1 *The priority at this stage is to bring some shape to this agenda and begin establishing momentum, led by the portfolio holder.* There are two guiding principles that need to underpin our approach:

- **First**, that we are outward focused and recognise that stakeholder groups should play a key role in the design and delivery of our work. A strategy for inclusion needs to be developed inclusively, and needs to influence across the WMCA’s policy agendas.
- **Second**, that we prioritise action – recognising the urgency of these issues, and the need for the WMCA to work in ways that support those already delivering change on the ground, and do so through inclusive principles.

4.2 We propose to develop the portfolio through two strands, with an early plan of action outlined as follows:

STRAND 1 – BRINGING PEOPLE TOGETHER

1. **Develop a pipeline of activities** under the ‘bringing people together’ workstream – a ‘regular drumbeat’ which build on successful initiatives such as the Mayor’s Community Weekend, the Mayor and Faith Conference, the Mayor’s Cohesion Prize and Diwali on the Square. [IMMEDIATE]
2. **Commission a short and rapid piece of engagement / research work** (which could be done internally or externally) which brings together (a) the state of the art on approaches to supporting cohesion at a city-region or combined authority level; (b) unpicks wider debates on addressing community cohesion issues with an emphasis on proactive responses; and (c) recommends a long-term approach for the WMCA. [IMMEDIATE]
3. **Identify a high-level cohesion champion** – subject to agreement - this could be an individual or something like a ‘mayors panel’ who would act as a sponsor for activities to promote cohesion, and who could support the Mayor in fronting up a dialogue with the public. [MEDIUM TERM]

4. **Develop a communications approach** which would ensure a consistent set of messages and a meaningful dialogue with the public, and which emphasises the links between this portfolio and other key agendas such as transport, housing, skills and the wider health and public service agenda. [ONGOING]

STRAND 2 – SHARING ECONOMIC GROWTH

1. Push forward with **existing initiatives** such as delivery of the Leadership Commission and the Mayor's Mentors initiatives, and develop a pipeline. [IMMEDIATE]
 2. **Establish an Inclusive Growth Unit** which would exist within the WMCA, and which would ideally be 'sponsored' (partly financed and through endorsement) by independent organisations such as Barrow Cadbury Trust and the Joseph Rowntree Foundation. We have already secured some in-principle support. The Unit would be the umbrella under which existing initiatives are communicated, and would provide a means through which the WMCA can develop a strategy and delivery plan for inclusive growth linked to the Industrial Strategy, and a route in for civil society to this dialogue. Suggest this could be directly accountable to the Mayor (potentially via the PSR and SEP board – *to discuss*) [IMMEDIATE & ONGOING]
 3. **Commission a blueprint for 'sharing economic growth'** for the West Midlands. This would be a *rapid* piece of work that is inclusive in both genesis and positioning – e.g. it involves civil society in its development, and suggest this is delivered by someone within the civil society or social enterprise sector. It should give the portfolio holder an evidence base that will complement and add to the measures already set out in the SEP. [IMMEDIATE]
 4. **Ensure strong links between the inclusive growth and other WMCA agendas** – demonstrating how the agenda and its base principles can influence wider WMCA agendas around e.g. transport, housing and the SEP/growth agenda. [ONGOING]
- 4.3 The Leadership Commission will also play a crucial role helping to fill out the portfolio.

5. Recommendations for Next Steps

Our recommendation is that we prioritise flagship activity which represents a visible commitment to each strand of the portfolio, such as the establishment of an Inclusive Growth Unit and commissioning of a robust piece of external work from civil society that will help shape the agenda.

A DRAFT example of the 3-6-9-12 plan of activities for the portfolio could look as follows:

Time Period	Examples of Potential Activities (NB- this is draft only)
Immediate	Immediate scoping work to establish and fund an inclusive growth unit.
By April 2018	IG Unit established. Commissioned blueprints for both workstrands in train. Begin a series of activities post-Mayor's Faith conference. 'Get WM Working' job fairs planned and up & running. Clear evidence base & plan (based on collaborative working with colleges) for the targeting of resources for English learning.
By June 2018	Mayor's Community Weekend. Leadership Commission reporting & next steps planned. Potential 'cohesion champion' identified. Community sports initiatives up and running. Social value commissioning framework in place for WMCA.
By Sept 2018	Commissioned blueprints for both workstrands reporting back. Business plan for centre of excellence for women and childrens sports scoped.
By Dec 2018	Clear plan developed for promoting the teaching of our West Midlands history.

6. Resources & Portfolio support

6.1 Councillor Steve Eling and Henry Kippin (Director of PSR) are responsible for this work. Resource to be approved at a future meeting.

7. Legal implications

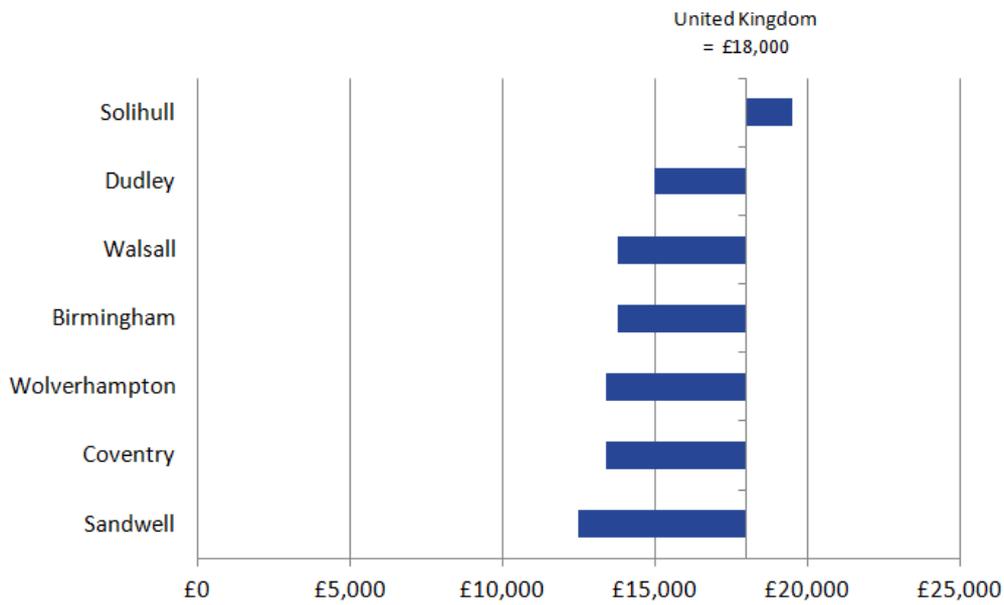
7.1 There are no immediate legal implications arising from this report.

8. Equalities implications

- 8.1 The portfolio of Cohesion and Integration is to increase representation in leadership positions across the WMCA.
- 8.2 There are no other equalities implications arising from this report.

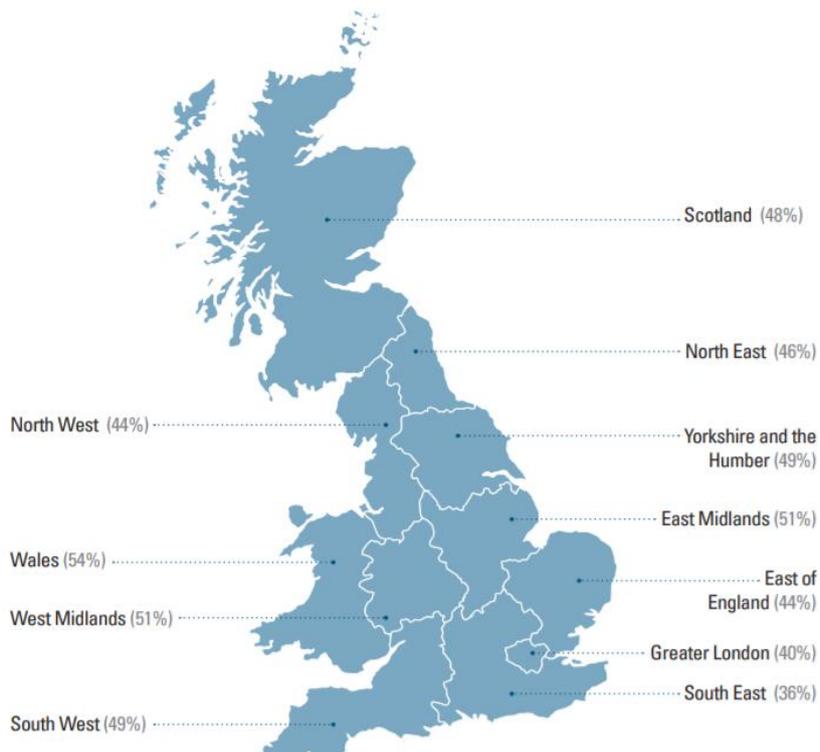
Appendices

ONS, GVA per hour worked (Index UK = 100) 2015



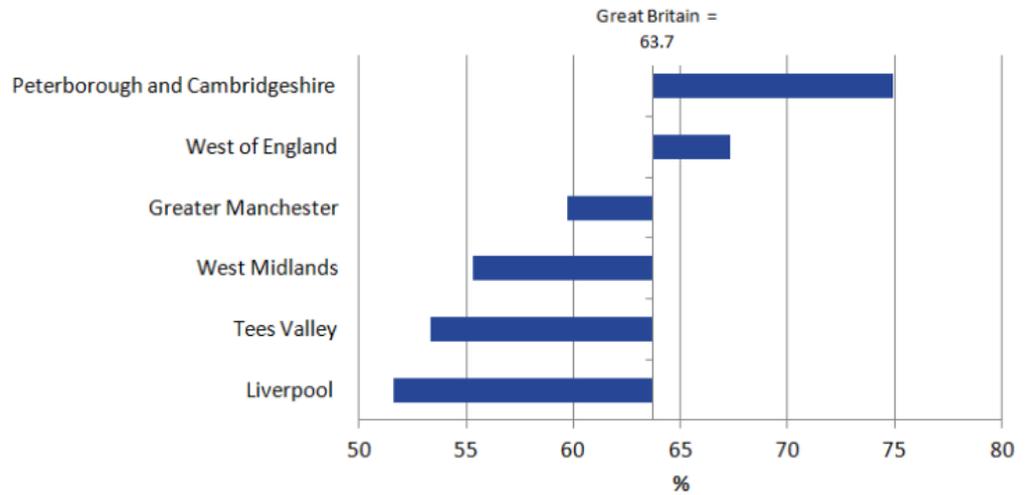
Stonewall, The School Report, 2017

LGBT PUPILS WHO ARE BULLIED FOR BEING LGBT

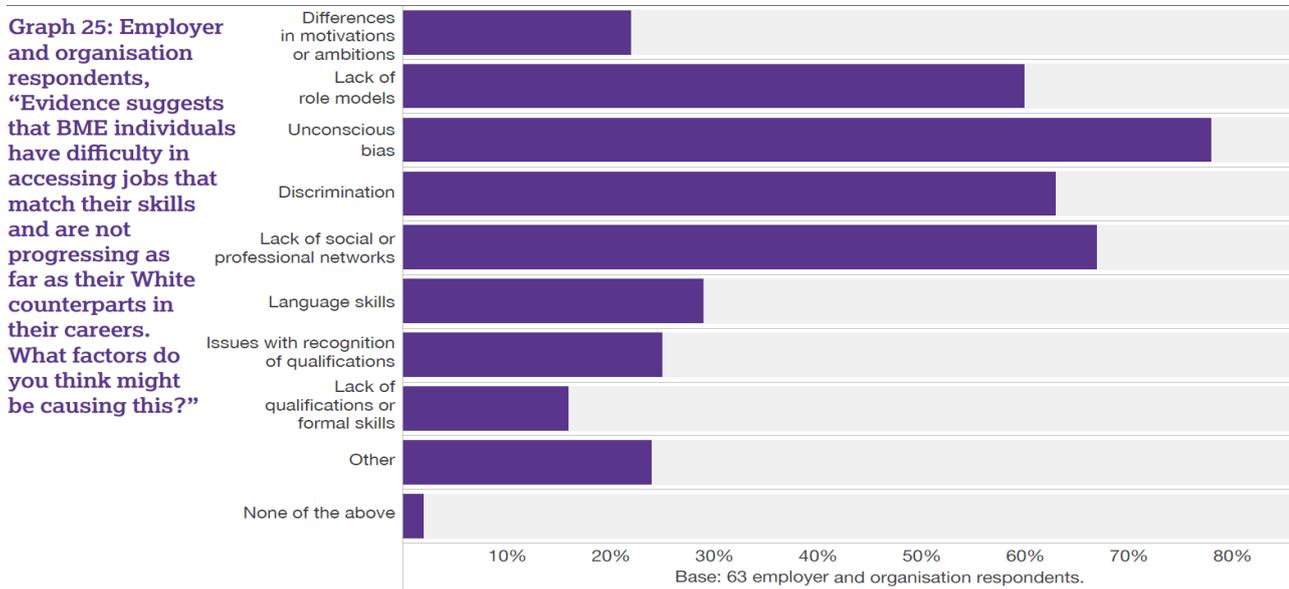


1. **Figure 7: Ethnic minority employment rate (age 16 to 64)**

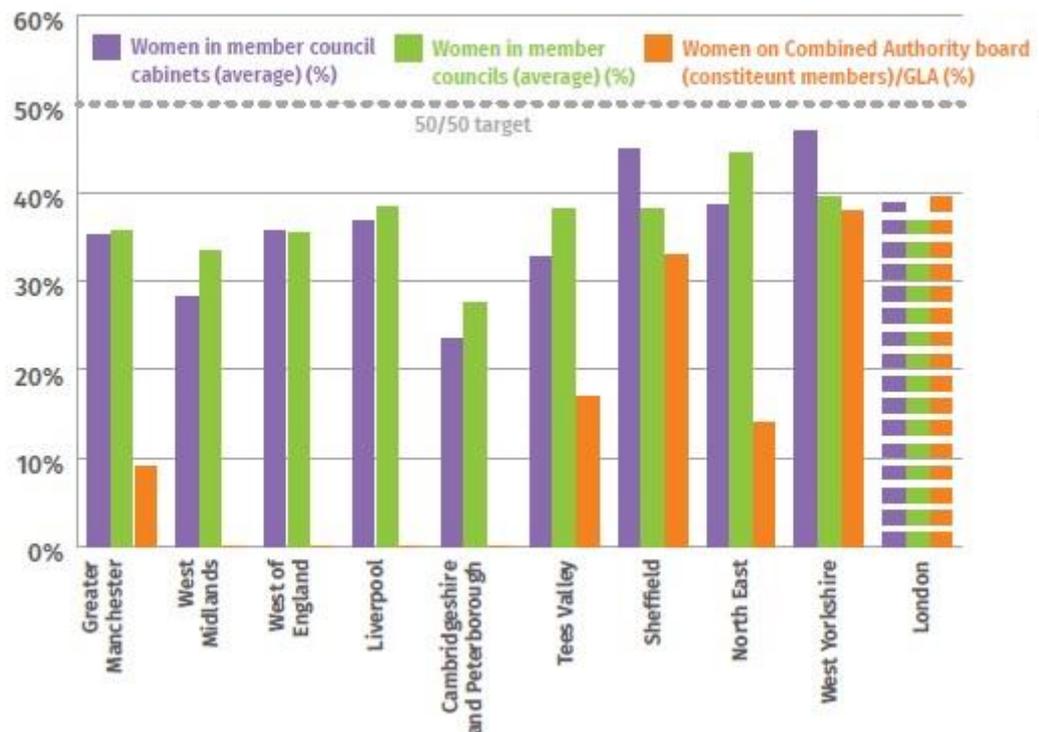
Combined Authorities, October 2015 to September 2016



The McGregor-Smith review into Race in the Workplace



Female representation on our councils



Pay variations in the WMCA region

Figure 9: Differences between resident and workplace pay varies across the WMCA

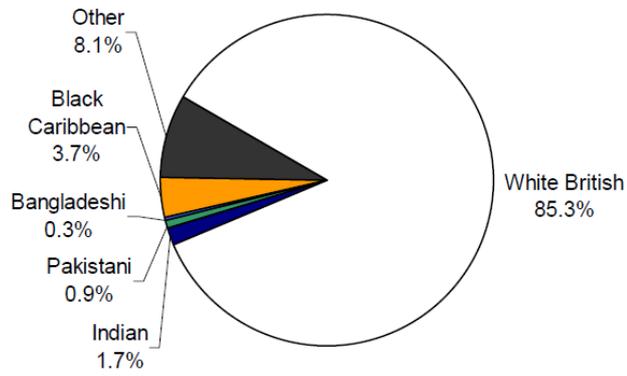
Median gross hourly pay by WMCA local authority, 2016



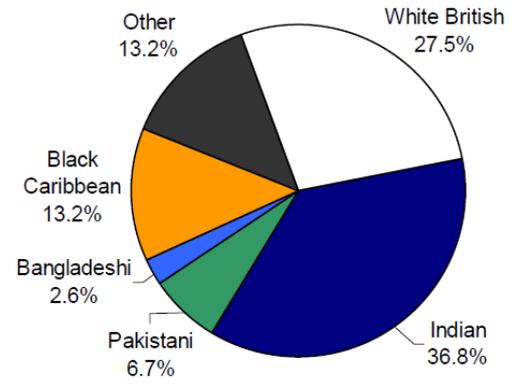
Source: RF analysis of ONS, ASHE

Population by ethnic group in selected Birmingham wards, 2001 (%)

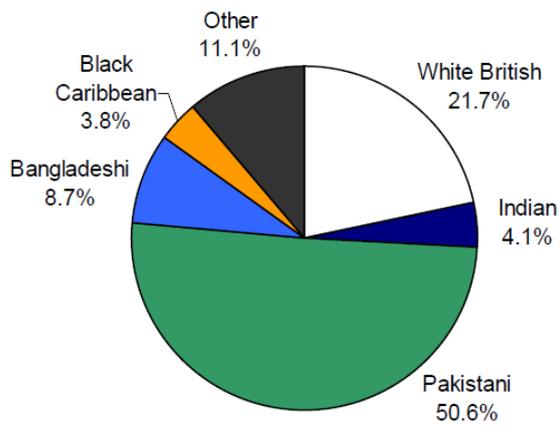
Kingstanding



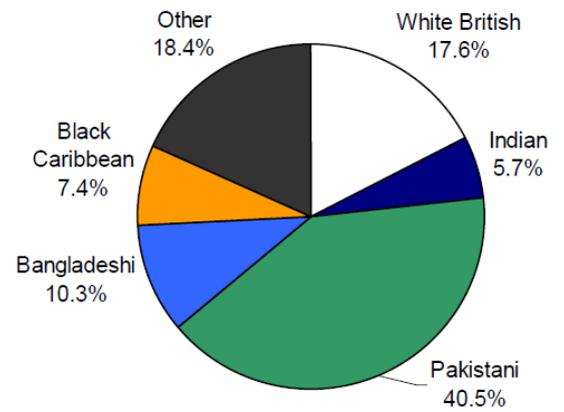
Sandwell



Small Heath

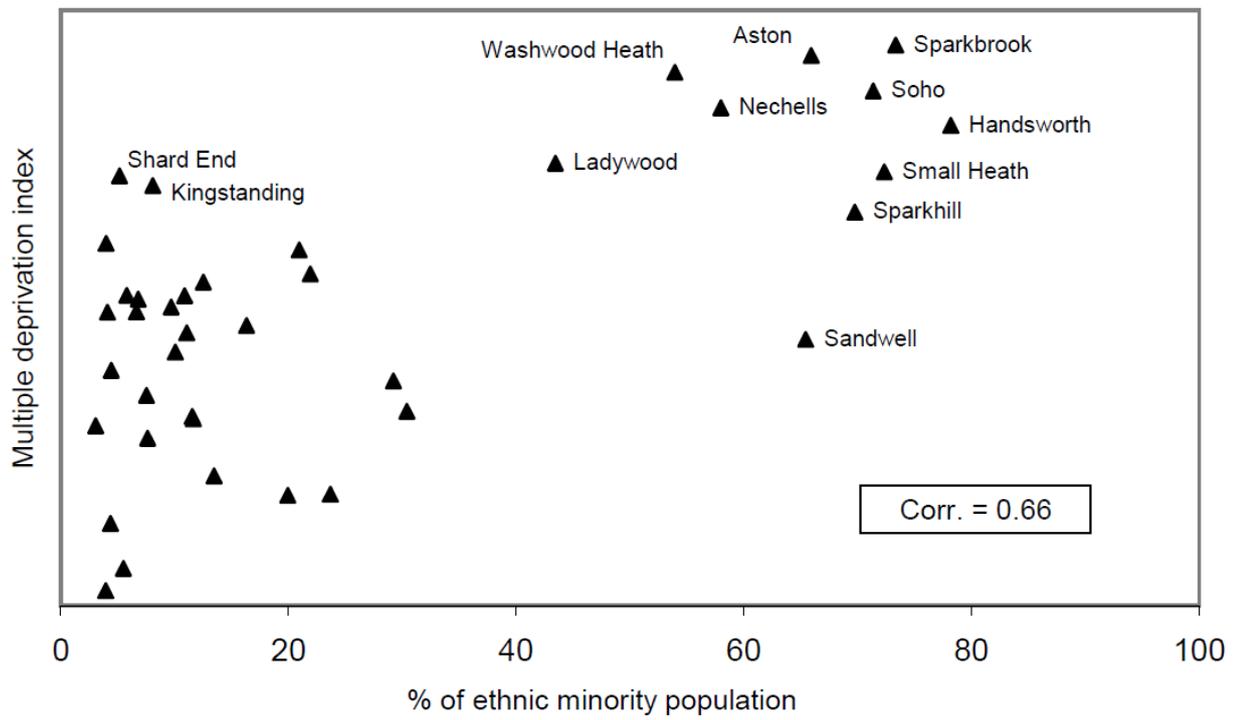


Sparkbrook



Source: 2001 Census data

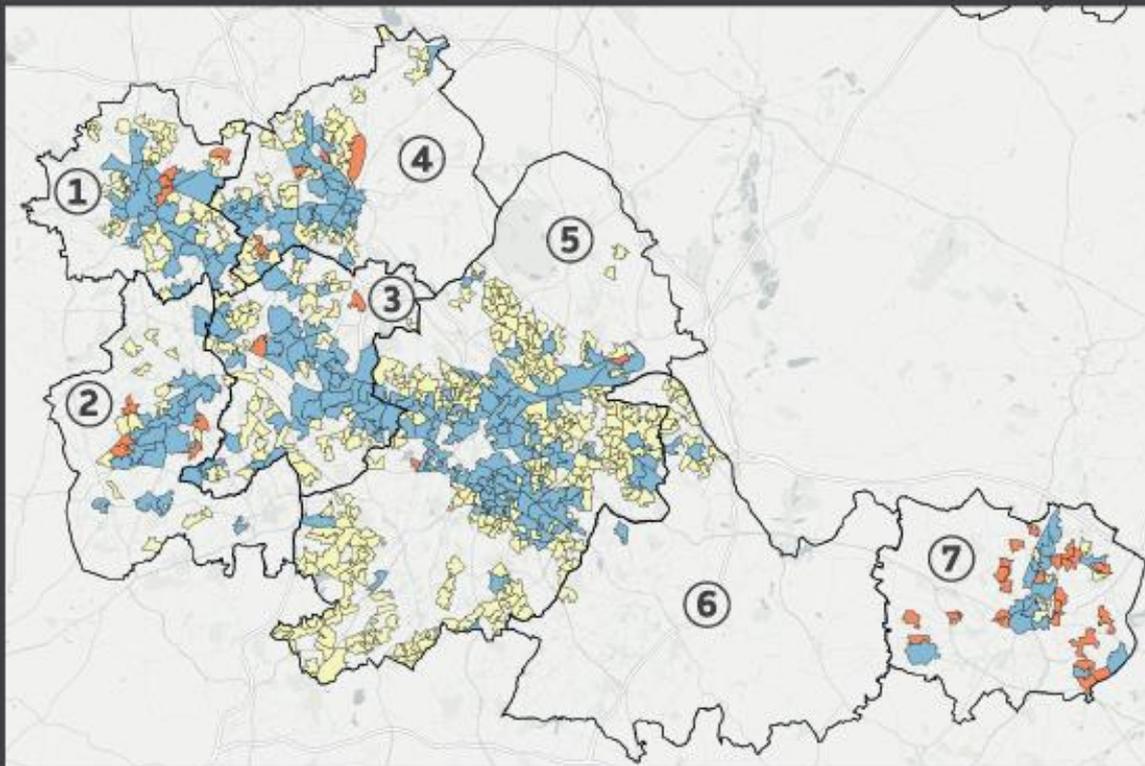
Relationship between multiple deprivation and proportion of ethnic minorities, Birmingham 2004



Source: Own elaborations on Department for Communities and Local Government and Census data

Labour Market Disconnection among Deprived Neighbourhoods in the West Midlands
(source: Joseph Rowntree Foundation, 2017)

Fig 1: Labour market disconnection among deprived neighbourhoods in the West Midlands



Key

- Disconnected
- Connected
- Large number of jobs

Local authority

- ① Wolverhampton
- ② Dudley
- ③ Sandwell
- ④ Walsall
- ⑤ Birmingham
- ⑥ Solihull
- ⑦ Coventry