

West Midlands and Government Working Together: Our Action Plan

This document is our action plan for the next stages of partnership working between the West Midlands Combined Authority and UK Government. It should be read in conjunction with the devolution 'deal' published in November 2017. It sets out:

- a) the ways in which we intend to **follow up on the commitments** made in the devolution deal document, and the ways in which those commitments translate into ongoing workstreams for the WMCA and its partners
- b) areas in which **clarification or more information** is needed – including with portfolio and officer leads for each strand of work, and those areas in which more clarity on governance or forward process is required
- c) the over-arching case for a **more collaborative ongoing relationship** between the WMCA, its members and partners, and the various departments of government that will be required to enable these priorities to be delivered.

Why we need an action plan

The West Midlands and the UK Government have already achieved much through a partnership that is growing in strength and impact. Within the last three years, the region has come together, established strong leadership and accountability, and shown that it can work together as a dependable partner with UK Government.

We have a clear shared agenda: a bold ambition for inclusive growth and reform that all of our communities can feel, driven through a place-based industrial strategy and a commitment to make the West Midlands a beacon for better leadership and better delivery.

Delivering on this agenda will require new powers and flexibilities for the West Midlands and the marshalling of additional resources and capability from a range of sources. In order to achieve these ambitions we must strengthen our collaborative working, capture new ideas and innovations and ensure that all our shared resources are brought to the table.

This means we can deliver on national objectives – for strong economic growth and social mobility – through our expert understanding of delivery mechanisms, delivering greater impact through our knowledge of what works best for our residents and businesses.

The second devolution agreement between the Government and the West Midlands outlines ways in which this might happen. It creates a unique opportunity to make progress together that will benefit the whole country. But we need to be proactive – stepping on to the front foot because we cannot wait for progress that our economy and our communities need to happen right now. This is why we have pulled together this action plan, and why the engagement with Whitehall outlined in the pages below has already begun in earnest.

Moving from 'devolution deals' to ongoing collaboration

The WMCA Board and UK Government have been clear about the need to re-calibrate the devolution process: away from an annual 'deal-making' process, and towards a relationship between the West Midlands and central government characterised by ongoing and deeper collaboration. This is for three reasons:

1. Our agenda for change is too broad to be funneled into an annual budgeting process that puts short term financial considerations ahead of strategic investment in the things we know that the region needs
2. Our reform plans are long-term and interdependent – they require consistent engagement with UK Government, and a depth of dialogue that builds trust over time and builds our collective capacity to deliver
3. Our industrial strategy – which will frame much of this ongoing dialogue – is a long-term strategy that requires deeper joint-understanding about the drivers for growth within the region, and the ongoing investment and flexibilities required to unlock faster progress.

The pages below set out our 'plans on a page' for following through on this ambition.

The WMCA board is asked:

1. To consider this Action Plan at March WMCA board, as a guide to our intentions and likely programme milestones following the approval of the original Devolution Deal document in February.
2. To note this report as further information *if required* as the Devolution Deal is approved by member Councils – because these documents together give a fuller sense how we intend to translate the Deal (which is a statement of policy intent) into actions that we are prepared to commit to and follow through on ourselves.
3. To continue the dialogue, engagement and feedback between the WMCA and its members that will be needed to ensure that we build the strong regional collaboration that is fundamental to achieving our goals.

Lead officers are happy to clarify any of the points contained in the 'plans on a page' below, and we will update WMCA Board at regular points throughout the calendar as we progress these actions and monitor progress both within the region and within central government. Note that this is not a plan of *all* WMCA activity, but a plan specifically related to the commitments made within the second Devolution Deal. Governance for particular strands of work are outlined below – but overall governance and responsibility for this plan rests with the Combined Authority Board.

PRIORITY 1 – A STEP CHANGE IN HOUSING INVESTMENT AND DELIVERY

Our work on this priority will be led by **Cllr Sean Coughlan**, supported by **Jan Britton** (lead CEO) and **Gareth Bradford** (Director of Housing and Regeneration) alongside Council Leaders and their housing and planning teams across the region. Governance is via the Land and Housing Delivery Board, reporting to the WMCA Board

What are our priorities?	Example specific actions
<p>To create a new partnership (between WMCA, UK Government, Homes England) and our local councils to secure the capacity and funding to deliver the scale/pace/mix and quality of housing the West Midlands and the UK needs – linked to strategic infrastructure investment planning and the piloting of improved and innovative approaches to housing construction, land remediation/acquisition and housing management.</p> <p>Building an ambitious housing investment portfolio for the region, taking care to work collaboratively to build a pipeline with strong local buy-in, evidence, assurances around delivery and the capacity to shape the market and the future skills base for innovation in construction.</p> <p>Working closely across housing, transport, public service reform and skills to ensure our ambitions for housing growth support inclusive growth and meaningful wellbeing outcomes across the region</p>	<ul style="list-style-type: none"> ➤ Agreeing a Housing Deal with Government that reflects our priorities, with strong local governance to underpin delivery and a level of ambition that supports housing growth goals set out in the Strategic Economic Plan (SEP) and Land Delivery Plan. ➤ A Site Pipeline (and related Investment Prospectus) that is robust, credible and mapped regionally – with clarity on housing supply & land release, employment sites and the necessary infrastructure provision and funding to unlock key sites ➤ Securing capacity for innovation in delivery and a local skills base – exemplified by the development of a national centre of excellence for brownfield remediation and construction skills in the Black Country ➤ Working with our partners at Homes England to create additional delivery capacity for the region ➤ Working with Homes England, LEPs and local councils to develop a detailed West Midlands Spatial investment and delivery plan to demonstrate confidence in delivery and clarity of intention and alignment across the region. ➤ Commitment to further work on a range of issues such as land remediation, land value capture, social housing, new technologies and stimulus of the SME market to support new construction methods and mixed models

PRIORITY 2 – A BOLD INDUSTRIAL STRATEGY FOR THE WEST MIDLANDS

Our work on this priority will be led by **Cllr Ian Ward** and **Jonathan Browning** (SEP Board Chair), supported by **Deborah Cadman** (Lead CEO), **Julia Goldsworthy** (Director of Strategy) and **Patrick White** (Interim Director of Industrial Strategy) alongside our Local Enterprise Partnerships (LEPs), universities, Council Leaders and their economic growth and development teams across the region. Governance is principally via the **Strategic Economic Plan (SEP) Board**, reporting to the WMCA Board.

What are our priorities?	Example specific actions
<p>Taking the opportunity to develop an ambitious West Midlands industrial strategy, responding to BEIS calls for 'place-based' strategies from Mayoral CAs following the publication of the Government's Industrial Strategy in Autumn 2017.</p> <p>Developing a stronger focus on genuine competitive advantages and future opportunities – including where we see major opportunities for local, regional and central government collaboration in sectors such as automotive, advanced manufacturing or life sciences, for example</p> <p>A shared understanding with Government about the contribution the West Midlands can make to UKPLC and the Grand Challenges the Government has defined, and what shared investment, regulatory flexibility / change or freedoms the region will need in order to maximize that impact.</p>	<ul style="list-style-type: none"> ➤ Developing and publishing an industrial strategy that reflects the current and future strengths of our businesses and people – built through collaboration between the WMCA, our LEPs, business community, academic partners and the public sector. ➤ Ensuring strong business leadership of the Industrial Strategy – through the development of clear sector action plans that are endorsed by sector leaders and which set out credible ambitions for growth and productivity improvement. ➤ Undertaking granular research that is led by our academic and LEP partners, building on our Productivity and Skills Commission, and getting under the skin of existing sector analysis to identify specific comparative advantage within high-growth-potential sub-sectors, and articulate a more detailed picture of the current business base within them ➤ Developing plans for more intensive supply-chain management and value chain growth, as a means to accelerating productivity growth ➤ A plan – developed with the WM Digital Board – to amplify current focus on the digital economy as a driver of regional growth, and the necessary capability and infrastructure investment to underpin it

PRIORITY 3 – BOOSTING PRODUCTIVITY THROUGH SKILLS AND JOBS

Our work on this priority will be led by **Cllr George Duggins**, supported by **Nick Page** (Lead CEO) and **Julie Nugent** (Director of Skills & Productivity) alongside our businesses, LEPs, Council Leaders and their education & skills teams, further education, higher education and other skills partners across the region. Governance is via the Productivity and Skills Commission, reporting to the **WMCA Board**

What are our priorities?	Example specific actions
<p>To use the potential of devolution to drive improved skills levels, higher rates of employment and a more responsive skills system that better meets the needs of local businesses, drives up productivity within the regional economy, and better supports the life chances of our learners and future workforce.</p> <p>Establishing strong leadership and a more joined up approach to skills funding, planning and delivery with the West Midlands – including greater local control over investment in skills and employment support</p> <p>A more effective use of public money in relation to skills, jobs and productivity, with greater focus on collaboration to deliver key sector specialisms and a more targeted offer for those individuals most in need or furthest from the labour market.</p>	<ul style="list-style-type: none"> ➤ The WMCA’s Productivity and Skills Commission will operate as a Skills Advisory Panel (covering 16-19, Adult Skills, T-Levels and apprenticeships). The Commission comprises experts from business and academia who will set out the key skills priorities for the region, working closely with stakeholders, including Department for Education (DfE). This analysis will also inform the production of our Local Industrial Strategy, recognising the key linkages between skills and productivity and economic growth. ➤ Production of a Regional Skills Plan, which will set out clear regional priorities for investment and establish a framework for collaborative working and alignment in post-16 education, skills and employment services within the region. ➤ Deliver a Career Learning Pilot to target and upskill low-paid/low-skilled adults in the workforce. ➤ Ensuring that government commissioned careers provision better aligns with local skills priorities – working with DfE and DWP to agree a new strategic relationship with the Careers and Enterprise Company and National Careers Service. ➤ Work with DWP, JobCentre Plus, Local Authorities and other local partners to create a joint Employment Support Framework that improves the targeting and impact of actions focused on helping West Midlands residents move in to and progress within employment.

PRIORITY 4 – INVESTMENT IN TRANSPORT THAT CAN TRANSFORM THE REGION

Our work on this priority will be led by **Cllr Roger Lawrence (who holds the transport portfolio)** and **Cllr Bob Sleigh (who holds the HS2 portfolio)**, and **Cllr Patrick Harley (who holds the environmental portfolio)**, supported by **Laura Shoaf** (Managing Director of TfWM) alongside her team and our wider partnership of local authorities, businesses, LEPs and transport industry partners. Governance is via the Transport Delivery Committee (and various operational transport and programme boards), ultimately reporting to the CA Board. HS2 specific activities report to the HS2 Growth Delivery Board – again, reporting ultimately to the WMCA Board.

What are our priorities?	Example specific actions
<p>To promote partnership working that builds the case for greater local control and adequate funding to deliver the long term transport investment plans outlined by the WMCA Board and TfWM – including the game changing arrival of HS2 within the region.</p> <p>Progressively securing the freedoms and flexibilities to manage regional transport networks effectively in line with local needs – including Integrated Control Centre, Operation Freeway, the moving of traffic powers, and BSOG</p> <p>Driving towards integrated connectivity linked to jobs and housing; and which enables people to travel, and businesses to access markets quicker and more easily; and which delivers a network that contributes to material improvements in congestion, public safety and air quality within the region.</p>	<ul style="list-style-type: none"> ➤ Creating longer term local funding arrangements for transport investment through continuous dialogue with UK Government. ➤ Maximising the potential of HS2 and the UK Central hub – supporting our world class airport – beginning with dialogue between WMCA, Urban Growth Company, Birmingham Airport (BHX), H.M. Treasury and the Department of Transport to clarify opportunities, objectives and funding streams, and submission of business cases for key proposals e.g. Birmingham International Station ➤ Establishing of a Network Resilience Partnership which pushes for more devolved transport powers, further technical work and through generating broader buy in from other areas (including potential amendments to the Operation Freeway agreement during HS2 construction) ➤ Securing DfT support for our bus service improvement strategy, including devolution of Bus Services Operator Grant (BSOG). ➤ Establishing a partnership to tackle air quality – an important cross-cutting area of work sitting between the Mayor’s Office, Industrial Strategy and Public Services/Wellbeing. ➤ Focused work within the Industrial Strategy to promote growth in transport related technology – including the creation of local ‘test beds’ for new technologies such as driverless cars ➤ Ensuring that the skills needs and opportunities of HS2 are reflected in the region’s wider skills strategy, so

What are our priorities?	Example specific actions
	that businesses and residents get the skills they need to prosper.

PRIORITY 5 – INCLUSIVE GROWTH, PUBLIC SERVICE INNOVATION AND WELLBEING

Our work on this priority will be led by **Cllr Steve Eling** (who holds the Public Services, Inclusion and Cohesion portfolio), and **Cllr Bob Sleigh** (who holds the Wellbeing portfolio), supported by lead CEOs **Phil Loach (Chief Fire Officer) (PSR)**, **Sarah Norman (Wellbeing)** and **Henry Kippin** (director of Public Service Reform), alongside the system of local authority, police, fire, NHS and VCS partners across the region. Governance is via the Public Service Reform Board and the Wellbeing Board, both ultimately reporting to the WMCA Board.

What are our priorities?	Example specific actions
<p>Developing a blueprint for future PSR built on collaborative work across the region, and which raises the level of ambition for partnership working with government around public service innovation</p> <p>Work to identify funding and flexibilities for work on radical prevention – including cardiovascular disease prevention, complex needs, mental health innovation and continuing the WMCA’s work on the experience of vulnerable people within the justice system</p> <p>Establishing a credible basis for a programme of work on Inclusive Growth and public service reform - beginning with the establishment of an Inclusive Growth Unit for the region, and PSR and wellbeing activities that link health, productivity and service reform.</p>	<ul style="list-style-type: none"> ➤ Production of a PSR Plan in collaboration with HMG – including specific pilots for public service innovation in partnership with MHCLG, DWP, HMT and others ➤ Establishment of an Inclusive Growth Unit in partnership with regional and national agencies which will drive the creation of inclusive growth policy and ‘blueprints’ for inclusive investment in key WMCA areas. ➤ Driving forward the Thrive programme of mental health innovation with continued support from the Dept of Health and Social Care (DHSC), Dept of Work and Pensions (DWP) and other government agencies, and continued investment from WMCA and regional partners. ➤ Establishment of the WMCA’s ‘Future Social’ programme, funded by DHSC and which supports collaboration within the social care workforce across regional settings ➤ Creation of digital innovation pilots via the Urban Challenge programme (which links tech entrepreneurs with public service and wellbeing challenges), and greater capability for cross-agency analysis via an Office of Data Analytics ➤ Extension of the WMCA’s One Public Estate programme to support PSR and system change

PRIORITY 6 – LEVERAGING FUNDING FOR ACCELERATED GROWTH

Our work on this priority will be led by Mayor **Andy Street** and Cllr **Izzi Secombe** in collaboration with constituent Council Leaders, supported by lead CEO Deborah Cadman, **Julia Goldsworthy** (Director of Strategy), **Sean Pearce** (Director of Finance) and the network of Chief Financial Officers within constituent authorities. Governance is via the Funding for Growth Commission and the West Midlands Combined Authority Finance Directors Workstream, reporting to the WMCA Board.

What are our priorities?	Example specific actions
<p>Generating full UK Government engagement and a commitment – as set out in our Funding for Growth programme – to identify and leverage diverse sources of funding for local investment in identified priorities.</p> <p>Pushing for a more independent West Midlands, able to drive growth and reform with less reliance on government grants. This needs flexibility to deliver more effectively across all areas of investment, including public service improvement and reform.</p> <p>Clear signals as to the viability of specific funding models outlined by the Commission, and commitments to take this forward in partnership.</p>	<ul style="list-style-type: none"> ➤ A range of key policy development challenges to ensure funding is in place to meet our shared ambitions. These are reflected in the current Funding for Growth priority list below ➤ To secure Ministry of Housing, Communities and Local Government (MHCLG) support through secondments and project support to develop the Supplementary Business Rates scheme and other funding streams envisaged within the region’s first Devolution Deal ➤ To secure UK Government involvement on the Panel and access to project finance expertise through HM Treasury or Investment UK to support business case development. Proposed areas currently include: <ul style="list-style-type: none"> - Longer term transport funding allocation. - Land remediation funding (housing deal) - Land Value Capture (housing deal) - Housing Revenue Account Cap (housing deal) - Enterprise Zones and Tax Incremental Financing/ Strategic Infrastructure Tariff - Pension Fund and other Institutional Investment including Private Sector Leveraged Investment into the Region. - Public Service Reform Gainshare and social financing models - NHS asset sales retention (explored via the One Public Estate programme)

PRIORITY 7 (a) TRANSFERRING GOVERNANCE OF WEST MIDLANDS FIRE SERVICE (WMFS) FROM WEST MIDLANDS FIRE AND RESCUE AUTHORITY (WMFRA) TO THE MAYORAL COMBINED AUTHORITY.

(a) Our work on this transfer in governance will be led by the Mayor **Andy Street**

Lead officers: **Henry Kippin** (Director of Public Service Reform) and Chief Fire Officer, **Phil Loach**

Support Officers: **Tim Martin** (Monitoring Officer and Governance Lead, **Karen Gowreesunker** (Clerk WMFRA.). Fire reform support from Brian Nash - Home Office.
Governance is principally via the WMCA Board.

WMFRA and WMCA –Transfer of Governance of WMFS

What are our priorities:

Enabling the effective and timely transfer of governance of WMFS from WMFRA to the Mayoral WMCA.

The continued delivery of the WMFS three year rolling Corporate Strategy

Maintaining established CFO leadership, operational and service accountabilities as in the approved Scheme

Actions (aligned to priority 1):

- Secure approval from Constituent Authorities and CA Board to submit Scheme to Government March - May 2018.
- Submission of Scheme to Home Office - May/June 2018
- Develop a plan for implementation based on agreed working assumptions objectives, timescales and will need to satisfy CA governance and assurance processes.
- Home Office consult on draft Order with WMCA and Constituent Authorities Summer/Autumn 2018
- Order finalised Autumn/Winter 2018
- Implementation by April 2019.

PRIORITY 7(b) MERGER OF THE ROLE OF PCC AND MAYOR

(b) Our work on the merger of the roles of the PCC and the Mayor will be principally led by the **Mayor, Andy Street, Deborah Cadman**, Chief Executive of WMCA, **Henry Kippin** (Director of Public Sector Reform), **Tim Martin** (Monitoring Officer WMCA), **Sean Pearce** (Director of Finance) and appropriate Officers from the Office of the PCC.

Mayor and PCC – Merger of Roles

Development of proposals and consultation, working with PCC, MoJ, Home Office and MHCLG.

Production of a clear roadmap for 2018-20 including understanding of legislative plans – working with OPCC, Home Office, MHCLG and WMCA Constituent Authorities – and based on appropriate stakeholder engagement.

Next Steps:

- Develop a clear understanding of how HO wish to engage with WMCA and OPCC through this process.
- Develop proposals covering how the role of PCC will be absorbed into the Mayoral role including appropriate safeguards over operational independence etc.
- Proposals signed off locally.
- Parliamentary process and Order
- Implementation – May 2020

INDICATIVE TIMELINE OF ACTIVITIES

The timeline below is approximate – but sets our early expectations of how the priorities (and associated actions) set out in the previous pages translate together as a pipeline of work.

Project	Projects already scoped which will be taken forward in Q1 and Q2 of 2018	Projects that require more detailed scoping and set up – to be taken forward within 2018-19	Longer term projects requiring extensive policy development or which may require legislation, Start in 2018/19 completion and recommendations 2019/20
Housing Deal			
Producing the WMs Local Industrial Strategy			
Strategic approach to regulatory delivery			
Supply chain management and business support			
Skills Advisory Panel			
Careers service strategy			
P&S Commission recommendations			
Career Learning Pilot			
Employment Support Framework			
Supporting those returning to the labour market			
Maximising potential of UKC/HS2			
Congestion busting partnership/ transport network management and devolved powers			
Bus services improvement			
Transport technology – link to LIS/Digital			
Air Quality Partnership			
Digital Framework on skills/open data/public service collaboration			
Commitment to a plan for future PRS			
Health and wellbeing pilot projects			
Devolved health powers			
Criminal justice reform			
Transfer of WMFRA to MCA			
Merger of PCC and Mayor roles			
Funding for Growth Programme (range of specific sub-projects)			