



Cllr Cathy Bayton
Chair of WMCA Overview & Scrutiny Committee

Sent via email

15 January 2024

Dear Madam Chair,

Thank you again for another fair and inquisitive scrutiny policy session on October 19 2023. I think I've said before how important I regard the scrutiny function in holding me and the work of the CA to account, so thank you for your diligent chairing in ensuring that happens effectively.

Following the session, and the subsequent WMCA Board on November 17, there were a number of outstanding issues that you have asked me to address ahead of your meeting this month. I will take them in turn as follows:

Economic Impact of HS2 (Cancellation of Birmingham - Manchester leg)

Following the recent cancellation of HS2 North the Prime Minister announced Network North, which sees the reallocation of £36bn of transport funding into both the North and Midlands. This funding will bring forward a number of regional schemes across both areas providing improvement for regional and locally important connectivity to continue to support economic growth, and in particular £9.6billion allocated to the Midlands.

As part of this funding is £1.75bn to deliver Midlands Rail Hub in full, improving journey times, capacity, and frequency of services, alongside more than £1bn of additional funding allocated to the West Midlands Combined Authority.

The announcement also included funding uplifts for Major Road Network/Large Local Majors (MRN/LLM) schemes already in the CRSTS programme, which have not yet reached Final Business Case stage. A £250 million uplift was announced for the WMCA. An 'MRN2' programme was also announced with £650 million earmarked for the Midlands. Guidance will be issued by DfT on eligibility and process for MRN2 in the spring of 2024. Existing MRN schemes will be informed of the process for the uplift in due course.

In regards to Midlands Rail Hub, the West Midlands Rail Executive will be taking a greater role in MRH governance on behalf of the WMCA. Midlands Rail Hub comprises three key elements: MRH West, Central and East.

An Outline Business Case (OBC) for MRH West / Central, which provides the rail network capacity into central Birmingham for additional services to Bristol / Cardiff, plus a Kings Norton bay platform for Camp Hill services, has been approved by DfT. A second MRH West phase will be required for an additional train to Worcester / Hereford but is dependent on the currently unfunded re-signalling of the Worcester area.

Work on the OBC for MRH East (to Leicester) is still underway, but this will now need to be revised to additionally include infrastructure enhancements between Birmingham and Derby/Nottingham following the cancellation of HS2 East. This will provide improved local and regional capacity by rail and will offset some of the lost benefits from HS2.

With these changes it is important to understand the economic impacts of the removed schemes and those that have been added. To better understand the changes that this will have on economic performance, the WMCA has commissioned a review. This will need to consider how this funding is to be reinvested on new schemes that are regionally and locally significant to deliver against the WMCA's economic, social, and environmental outcomes contained within its agreed policy framework.



The economic impact of the cancellation of the northern leg of HS2 is currently being considered as part of private sector work, which I commissioned alongside Andy Burnham, with contribution from both WMCA and Greater Manchester Combined Authority ahead of planned publication in the spring/summer of 2024. This work is primarily looking at how rail links between Birmingham and Manchester can be improved in light of the HS2 decision, but is also considering economic factors. As this is a large, complex piece of work it is difficult to be able to give an exact date of when the findings will be available, due to the need to collate information from a variety of sources, and to map this against impacts that may/may not be experienced but as soon as more information is available, we would be happy to share with members.

To truly understand the economic impact, this private sector work will be supplemented by a WMCA-commissioned piece of work to look at the specific impacts that will be felt within our region and how these will affect our regional economy. This will hopefully be available in March/April of 2024, and again we will be happy to share with members once complete.

As the elements of Network North develop, TfWM will work with Governance Services to build progress updates into the Transport Delivery & Overview & Scrutiny Committee future work programme.

Energy Creation

The WMCA recognises the need to explore options to unlock barriers to local energy generation. With this in mind, we are working with partners on a number of initiatives, including Midlands Net Zero Hub who are completing a non-domestic solar mapping project. We are also talking with solar developers who are looking at grid-scale solar farms to service increasing industrial electricity demand as our industrial sector looks to decarbonise.

The WMCA is working closely with our local Electricity Distribution Network Operator, National Grid Electricity Distribution, on a nationally-leading project to ensure that we have the underlying network that would support the roll out of renewables at the pace needed to hit our decarbonisation targets (specifically through project PRIDE but also through wider engagement on a range of initiatives). And finally we are building energy generation technologies into our Net Zero Neighbourhood models in order to ensure local co-benefits of a whole systems approach to decarbonisation.

Media Engagement

The WMCA recognises the key importance of communicating and engaging with members, stakeholders, Government and the residents of the region on our work and its impact.

In terms of engagement with Councilors, this responsibility sits within the WMCA's governance team. Recently they introduced a new role of Member Relationship Manager to improve engagement with elected members across the region. By the end of 2023, all 470 Councilors from the region's constituent councils received a survey asking them to set out their thoughts on engagement with the CA to date, and what they would like to see moving forward. This piece of work will shape our engagement activity for 2024. However, we have already started to strengthen relationships by attending the Scrutiny Meetings for all seven constituent councils. To date, visits have happened at Walsall, Wolverhampton and Sandwell, with visits now secured for Coventry, Dudley and Solihull. We are still seeking a date with Birmingham.

The WMCA communications team is then responsible for engagement with residents. They do this through events, media, social media, marketing opportunities and community engagements events. Key project milestones and successes are highlighted with press releases and associated social media is produced alongside it. Events are held to engage or collaborate with stakeholders, or where projects are being delivered or proposed that could have an impact on residents or businesses. Over 2023, the WMCA issued 293 press releases across all portfolio areas and held more than 150 events, attended by more than 8,000 people from across the WMCA region.

Marketing campaigns highlight opportunities for engagement or where a change of behaviour is required, such as during transport incidents. Since July 2023, when the team was formed, they have run 44 campaigns across the region, including the nBus campaign which reached at least 2.5million people across the West Midlands. The engagement team was also formed in July 2023 and have since held or attended around 50 different face-to-face events. Currently engagement events are held around new projects on the ground, but the remit of the team is being expanded to also engage residents on policy development. For example, WM Futures is a policy that will be shaped through public engagement.

Finally, the public affairs team is responsible for engagement with the region's Members of Parliament (MPs), as elected representatives of communities. Some WMCA to MP communications take place on an ad-hoc basis, notifying parliamentarians of developments that may impact their constituents, as was the case during the suspension of the Metro service. Other communications are more proactive in nature, as we work to keep MPs informed of WMCA activity, establish connections with their respective offices and ensure there is always an opportunity to feedback or ask questions. For instance, throughout the negotiations for the recent devolution deal, MPs were updated on both policy development and negotiation progress by way of a weekly direct email. Ad-hoc briefing sessions are arranged on particularly pertinent issues, as was the case for UKSPF in July 2022 and the Deeper Devolution Deal negotiations in January 2023. This past year we have also worked with the APPG for the West Midlands and the APPG for Levelling Up Birmingham. The WMCA Chief Executive also writes to MPs in the WMCA area every year, ahead of party conference, offering the opportunity to meet in-person either at conference or in constituencies, which many have accepted.

Going forward, the WMCA Public Affairs team will be issuing newsletters to MPs on a monthly basis, giving a snapshot of regional and national news that have relevance to the region.

Labour Market Overview Information

WMCA produces a monthly labour market and research briefing called 'WISE'. This will be shared with the Committee going forward to provide ongoing updates.

Housing – New Builds and levels of energy standards to be supported by WMCA funding

Residential schemes that are built with WMCA HPR funding after our 'Homes for the Future' proposals are officially brought in will be subject to this standard. The specifications of this standard are outlined in the 'WMCA Homes for the Future Technical Standard' document accompanying this letter. In short there are three standards, with the first coming in this year, then 2025, then 2030.

In terms of how our Homes for the Future proposals are applied and when, this is currently being consulted on. The proposals are as follows:

Stage of development	Pre-March 31st 2025	Post-March 31st 2025
On site	Current statutory standards apply	If planning permission secured before January 2024, 2023 (Statutory Plus) standards apply
Post-planning and procurement	Current statutory standards apply	Preference to meet most or all WMCA 2025 standards
Pre-application	Expectation to meet WMCA's 2023 (Statutory plus) standard, and most or all WMCA 2025 FH standards	Expectation to meet most or all WMCA standards
Expression of Interest stage	Expectation to meet most or all WMCA standards	Expectation to meet most or all WMCA FH standards



Effectively, we are proposing that existing projects that have March 2025 or earlier deadlines will be subject to current national statutory standards rather than our new proposed standards – and anything after that will be subject to our new WMCA standards.

As always if any further clarification is required then please come back to me, otherwise I wish you the best for your meeting on the 29th and look forward to appearing in front of you again in October – depending on the results in May!

With very best wishes,

A handwritten signature in black ink that reads "Andy Street".

Andy