



West Midlands
Combined Authority

Overview & Scrutiny Committee

Date	7 September 2020
Report title	Comprehensive Spending Review Representation
Portfolio Lead	All
Accountable Chief Executive	Deborah Cadman, OBE Chief Executive Email: Deborah.Cadman@wmca.org.uk Tel: (0121) 214 7200
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Report has been considered by	n/a

Recommendation(s) for action or decision:

The Overview & Scrutiny Committee is recommended to:

- (a) to note the report and comment as appropriate.

1. Purpose

- 1.1 To share the draft representation to the Government's 2020 Spending Review, representing constituent members of the West Midlands Combined Authority, for discussion and feedback. The final document will be submitted to the 18th September WMCA Board for sign-off.

2. Comprehensive Spending Review Representation

- 2.1 In July, guidance was published by HMG on the 2020 Comprehensive Spending Review. It set out that:

- The deadline for representations is 24th September
- Representation should contain 'policy suggestions for the upcoming fiscal event and explain the desired outcome, policy rationale, costs, benefits and deliverability of proposals. It should be evidence-based, with clear arguments on how it contributes to the aims of the Comprehensive Spending Review.'
- The review will set UK Government departments' resource budgets for the years 2021/22 to 2023/24 and capital budgets for the years 2021/22 until 2024/25.

- 2.2 The Guidance indicates that the CSR will prioritise:

- strengthening the UK's economic recovery from COVID-19 by prioritising jobs and skills
- levelling up economic opportunity across all nations and regions of the country by investing in infrastructure, innovation and people – thus closing the gap with our competitors by spreading opportunity, maximising productivity and improving the value add of each hour worked
- improving outcomes in public services, including supporting the NHS and taking steps to cut crime and ensure every young person receives a superb education
- making the UK a scientific superpower, including leading in the development of technologies that will support the government's ambition to reach net zero carbon emissions by 2050
- strengthening the UK's place in the world
- improving the management and delivery of our commitments, ensuring that all departments have the appropriate structures and processes in place to deliver their outcomes and commitments on time and within budget

- 2.3 The Chancellor also emphasised that this CSR provides the opportunity to deliver on the third phase of coronavirus recovery activity, including 'commitments made in the March Budget to rebuild, level up and invest in people and places spreading opportunities more evenly across the nation.'

- 2.4 Members of the WMCA agreed to develop a joint representation to be signed off by WMCA Board, centred around a strategic narrative of 'levelling up' and 'green recovery', with a core foundation of sustainable funding:

- Levelling Up – closing regional gaps, boosting productivity, increasing human capital
- Green Recovery – creating a fairer, greener, healthier region post-COVID
- Sustainable Funding – establishing a long term settlement for local government finances, and the funds we need to reset and recover.

2.5 Development of the submission was broken down into four thematic ‘projects’, each with appointed leads from the WMCA and a Local Authority:

- Infrastructure
- Economy and Skills
- Public Services
- Financial Sustainability

2.6 The representation has been developed to align with the work being progressed by the Devolution Strategy Group on the *Local Recovery and English Devolution White Paper*, including the submission made on behalf of the region on 14th August.

2.7 The representation also takes forward the proposals outlined in the ‘Recharging the West Midlands’ investment proposition. Below is a table outlining how the CSR takes forward the different elements in the Recharge plan:

Recharge Proposal	CSR Proposal
Gigafactory	2.2 Business resilience and productivity, plus a specific proposal provided alongside this submission for HMT consideration
Project GREAT	
VLR development and testing	1.2 Transport infrastructure
EV charging infrastructure	1.2 Transport infrastructure - network charging stations
Regional retrofit programme	1.4 Residential and Commercial Development (<i>Regional retrofit programme</i>)
Repowering the Black Country	2.2 Business resilience and productivity (<i>Business Transformation and Diversification</i>)
HS2 Interchange	1.3 UKC Hub
Curzon Street/Digbeth regeneration	1.2 Transport Infrastructure 2.3 Culture & Placemaking Investment Programme
Cultural Catalyst Programme	2.3 Cultural & Placemaking investment programme
Birmingham Health Innovation Campus	2.2 Business resilience and productivity (<i>Innovation and R&D</i>)
Resilience in supply chains for med tech manufacturing (ReSCue)	2.2 Business resilience and productivity (<i>Innovation and R&D</i>)
Grand Central Diagnostics Hub	3.5 Levelling-up health in the West Midlands
Radical Health Prevention Fund	3.5 Levelling-up health in the West Midlands
Fibre network extension	1.4 – Residential and Commercial Development
5G application accelerator digital innovation fund	2.2 Business resilience and productivity (<i>Equity Finance</i>)
East-West Metro extension	1.2 Transport Infrastructure
Sprint Bus	1.2 Transport Infrastructure
Upgrading rail services	1.2 Transport Infrastructure – including WMRP
Enhancing local connectivity	1.2 Transport Infrastructure

Urban Transformation Fund	1.4 Residential and Commercial Development
Regional Affordable Housing Fund	1.4 Residential and Commercial Development <i>(RAHF)</i>
National Brownfield Institute	Funding secured.
Regional AMC Accelerator Fund	1.4 Residential and Commercial Development
Supporting young people with training and jobs	2.3 Integrated Employment and Skills Ecosystem <i>(Future Skills; Future Jobs)</i>
Getting the WM back into work through retraining	2.3 Integrated Employment and Skills Ecosystem <i>(Getting the West Midlands Back to Work)</i>
Upskilling our workforce	2.3 Integrated Employment and Skills Ecosystem <i>(Future Skills; Future Jobs)</i>
Speed to Scale programme	2.2 Business resilience and productivity <i>(Innovation and R&D)</i>
Restart, Reposition, Transform	2.2 Business resilience and productivity <i>(Business Transformation and Diversification)</i>
Pivot to Prosper and Productivity Factory	2.2 Business resilience and productivity <i>(Business Transformation and Diversification)</i>
Enterprise Investment Growth Fund	2.2 Business resilience and productivity <i>(Equity Finance)</i>

Acronyms: GBF – Getting Building Fund; NBF – National Brownfield Fund

- 2.8 The submission also progresses our work on community recovery, building on the information shared by RCG members on priorities for regional activity.
- 2.9 Engagement has already begun on key proposals in this document and will continue through September to ensure emerging proposals align with government thinking and are reflected in submission to Treasury, and the eventual Comprehensive Spending Review.
- 2.10 The representation is attached at Appendix 1. This is working draft of the summary document, which briefly outlines the proposals, their key outcomes, and the total financial ask. More detailed proposals sit underneath each of these summaries that include a full strategic case, information on deliverability, and a more detailed breakdown of funding.
- 2.11 Following feedback from Mayor and Leaders Liaison Meeting, this paper will go the WMCA Board on 18th September for final sign-off.

Schedule of background papers

West Midlands Comprehensive Spending Review – Summary Document