

## WMCA Board

<b>Date</b>	13 November 2020
<b>Report title</b>	WMCA HS2 Growth Strategy Refresh
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<b>Report has been considered by</b>	WMCA HS2 Growth Delivery Board WMCA HS2 operational Board TfWM Leadership Team – Decision Making Transport Scrutiny Sub-Committee Strategic Transport Officers Group Strategic Leadership Team Programme Board Transport Delivery Committee

**Recommendation(s) for action or decision:**

**The WMCA Board is recommended to:**

- (1) Note the publication of the WMCA HS2 Growth Strategy refresh – The Defining Decade.

## **1. Purpose**

- 1.1 The purpose of this report is to provide the WMCA an update on the publication of the WMCA HS2 Growth Strategy Refresh – Defining Decade and to advise of the Communication and engagement that will take place to promote the launch of the strategy with key local and national stakeholders.

## **2. Background**

- 2.1 The ‘Midlands HS2 Growth Strategy’ was first published in April 2015 and was the first such strategy delivered to government that evidenced the direct benefits that would be realised within the West Midlands with the arrival of HS2.
- 2.2 The strategy clearly outlined in detail the regions aspirations for both of the proposed new stations at Curzon and Interchange as well as the other wider transport initiatives that would be delivered as part of this strategy. Key transport elements contained in the document were contained within the HS2 Wider Connectivity Package that include key transport schemes such as Wednesbury to Brierley Hill Metro extension, East Birmingham to Solihull Metro extension and Sprint Bus Rapid Transit.
- 2.3 The document also went into detail about how the region would look to respond to both the challenges faced around the skills agenda, not just during construction but in later years and also on the necessary support that businesses would require to help them benefit either directly or indirectly from the arrival of HS2.
- 2.4 The total ‘ask’ at the time of publication was £4.4bn which would fund the entire HS2 Growth Delivery Programme funding requirement. It was also acknowledged at the time of publication, that there were areas that the strategy had not addressed in some way shape or form and that in due course a review would be undertaken to ensure that things such as environmental opportunities, digital inclusion etc. were considered as potential areas to cover.
- 2.5 Following its publication, the Growth Strategy became an integral part of the discussions with Government on a potential ‘devolution deal’. Many elements of the original strategy we considered as key components of evidence to prove the impact and importance of HS2, not just the region but the UK as a whole.
- 2.6 As the WMCA devolution deal was finally agreed, the HS2 Delivery programme, through the various financial instruments and grants that were proposed, made up 55% of the total package of £8bn having had the total £4.4bn ‘ask’, as laid out in the strategy, agreed with Government.

## **3. HS2 Growth Strategy Refresh – The Defining Decade**

- 3.1 Following the outcome of the Oakervee Review in to HS2, it was agreed that the time may be right to ‘refresh’ the HS2 Growth Strategy and to look at the progress made to date and to review whether the priorities as set out in the original strategy were still as important today as they were in 2015.

- 3.2 Discussions on this were held with the Chair of the HS2 Growth delivery Board (GDB) and a proposal was forwarded in due course to the Board via the HS2 Operational Board. The updated strategy was collated using the knowledge and expertise from across a wide spectrum of partners in the region including Solihull Metropolitan Borough Council, Birmingham City Council, Midlands Connect, GBS LEP, Coventry & Warwickshire Growth Hub, Coventry City Council, Black Country Transport, Urban Growth Company, TfWM, WMCA, Cities and Local Growth Unit, Greater Birmingham Chamber of Commerce, West Midlands Growth Company and West Midlands Rail Executive.
- 3.3 The actual refresh has been built on the original strategy, but rather than look and feel the same as the previous document, which was a direct 'ask' of government, this document looks to celebrate the progress done so far to date as well as outline what the key next steps will be within the West Midlands region on delivering maximum growth from the HS2 delivery programme, whilst not shying away from some of the key challenges that we still face.
- 3.4 It must be noted that the following achievements have been realised across the region since the original HS2 Strategy was published in 2015:
- 2,750 jobs directly from HS2 Ltd, its Tier 1 contractors and their supply chains;
  - 1,600 jobs from the HS2 Business Growth Programme;
  - 6,656 jobs from the Birmingham City Council HS2 Masterplan for Growth
  - 158 apprentices have been supported so far to date;
  - The Construction Gateway programme has trained more than 1,400 people, with 700 having secured employment, including HS2 related sites;
  - The £2.3m skills and employment contract for CITB over 16 months creating four on site construction training hubs, across the three LEPs in Wolverhampton, Birmingham, and Coventry which will train 1,450 local people in the first two hubs.
  - 313 businesses across the West Midlands have been supported to date in the HS2 supply chain;
  - £33m of funding delivered by the Business Growth Programme is responsible for 1,600 jobs;
  - The £20m National Rail Fund's has created 126 new jobs and 95 existing jobs safeguarded.
- 3.5 As you will also be aware, HS2 is seen as a key component in the post Covid-19 recovery and was extensively mentioned within the WMCA Covid-19 recovery plan, 'Recharge the West Midlands'. In developing the refresh document Cllr Courts has rightly been insistent that HS2 and the regional activities linked to the programme are both accelerated and delivered as part of the wider UK recovery from the pandemic.
- 3.6 Since the original HS2 Growth Strategy was published, much has changed, not least the focus on the climate crisis. The WMCA is a leading force behind the changes being proposed across this region. With the publication of the 'WMCA 2041 Environmental Strategy' the region set the benchmark for others to follow and the HS2 programme is aligned to help these aspirations.

- 3.7 To this end, the HS2 programme have reviewed the governance arrangements in place and has created a triangulated approach whereby the three key regional elements come under one governance structure. This will allow for clear and transparent evaluation and reporting at a regional level of all environmental projects and activities, and will facilitate greater opportunities for collaborative working placing the environment at the very heart of the overall WMCA governance led by the Leader of Solihull Metropolitan Borough Council Cllr Ian Courts.

#### **4. Communication & Engagement**

- 4.1 Following the publication of the refreshed strategy, GDB and DfT/MHCLG have asked that a comprehensive communications and engagement plan be developed and delivered not only launch the revised document but to also to promote what has been delivered by the WMCA as an example of 'best practice'.
- 4.2 To this end, we are developing an official Ministerial Launch event with the Mayor's office and the Minister for HS2, Andrew Stephenson MPs team as well as with DfT and the communications team at No.10.

#### **5. Financial Implications**

- 5.1 There are no financial implications directly arising from the refresh of the HS2 Growth Strategy. All of the costs outlined are either currently allowed for within the original devolution deal or form part of other regional 'asks' of Government as outlined in previous submissions to Government.

#### **6. Legal Implications**

- 6.1 There are no additional legal implications directly arising from the refresh of the HS2 Growth Strategy.

#### **7. Equalities Implications**

- 7.1 There are no additional equalities implications directly arising from the refresh of the HS2 Growth Strategy. All projects and programmes will undertake individual equalities assessments as part of the standard project development and delivery process and will be recorded via the standard project and programme reporting practices applied within the respective governance arrangements.

#### **8. Inclusive Growth Implications**

- 8.1 The scale, duration, and potential impacts of the HS2 investment make it a significant inclusive growth opportunity: but one that may be missed if the changing needs of the people and places of the West Midlands are not taken into account. The strategy provides a helpful framing of some of the main shifts – including Covid-19 and Brexit – but there are some specific implications to highlight in line with three dimensions of the WMCA Inclusive Growth Framework, which are as follows:

1. **Economy:** while 175,000 new jobs will make a huge difference to the people of the West Midlands, many of these will be created from 2022 onwards, so will not be available during a period of economic hardship in 2021. To ensure efficient join up with regional skills provision, it will be necessary to look at ‘similar’ jobs holistically, to assess where – for example – expansions of heat networks, or neighbourhood retrofit, could bring jobs onstream faster. In general, WMCA, HS2 and central government will need to be in lockstep on how to ensure that jobs associated with HS2 provide people with a route out of poverty, to prosperity.
2. **Education and learning:** over the lifetime of HS2, there will be thousands of contracts to be let, which will need to have a commitment to local employment at their heart, as far as practicable. There is a risk that these commitments become diluted at Tier 3, 4 and 5. At this stage, ensuring the consistency and credibility of contractual commitments to local employment – particularly from people who live in areas which contain levels of high unemployment and will be affected by HS2 construction (for example, in the East Birmingham North Solihull Inclusive Growth Corridor) – will help to ensure that the potential of HS2 is delivered.
3. **Sustainability:** while HS2 is national infrastructure, how it is built and resourced within the region must be consistent with WM2041, including but not limited to the 2041 net zero target. The positive environmental impact of HS2 is substantially predicated on expanding capacity on the heavy rail network so that people and goods can move via that network instead of via road – but emissions associated with construction will need to be minimised, offset, or ‘inset’ (specifically, by investing into regional carbon reduction efforts like retrofit). The other important issue is biodiversity net gain, a key objective in ensuring climate resilience. There will need to be close collaboration between HS2 Ltd, WMCA and the West Midlands National Park to ensure that there is the right level of investment, into the right natural capital, to ensure biodiversity net gain can be achieved and sustained. This will also lock in the wealth of natural spaces for future generations.

## 9. Geographical Area of Report’s Implications

- 9.1 The impact of the HS2 delivery programme will be felt and seen across the entire WMCA geography and therefore the content of this report is also relevant to Coventry, Dudley, Walsall and Wolverhampton and other such areas within the region.

## 10. Other Implications

- 10.1 No further implications have been identified so far to date but will be reviewed on an on-going basis.

## 11. Schedule of Background Papers

N/A