



West Midlands
Combined Authority

Environment & Energy Board

Date	9 December 2020
Report title	WM2041 - Five Year Plans
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Recommendation(s) for action or decision:

The Environment & Energy Board is recommended to:

- (1) Review and input into the progress on the Five Year Plan work to date.
- (2) Agree on the recommendation to hold an additional Board meeting in January 2021 to approve the final Five Year Plan.

1. Purpose

- 1.1 This paper provides an update on the progress of preparing the first Five Year Plan (FYP) that is currently being produced to outline the priority activity for 2021-26 to set the region on course to deliver on the net zero carbon ambitions for the West Midlands by 2041.

2. Background

- 2.1 Following the approval of 'WM2041: A Programme for Implementing an Environmental Recovery' in June 2020, the WMCA and stakeholders now need to produce five-year delivery plans (four in total) with interim carbon budgets and other metrics in support of delivering the net zero carbon target for the West Midlands by 2041. A full overview of the Five Year Plans, and their aim, was presented to the Environment and Energy Board in October. A summary overview is included below.
- 2.2 The aim of the Five Year Plans will be to provide clear guidance on the types of measures that will need to be implemented to reach net zero by 2041. As a regional authority, and working with our stakeholders, we want to understand where and how we need to invest in programmes of delivery and develop policy to support the 2041 target. We also want to understand how this should be sequenced and the combination of approaches that will need to be taken to get us to a position of net zero carbon emissions.
- 2.3 We want the Five Year Plans to create the right conditions for accelerating delivery and raising ambition to position the West Midlands as a leader in addressing climate change and futureproofing the region, generating excitement about the potential to invest in our region's future, creating jobs; better social outcomes; and, healthier and happier places to live.
- 2.4 The Plans need to give confidence in making the right decisions for people, place and economy, following the principles of WM2041 that:
 1. We will change our economy without leaving anyone behind
 2. We will invest in the resilience of our places
 3. We will use our industrial past to create a new future
 4. We will create places and connections that help us to meet the climate challenge
 5. We will decouple prosperity from the consumption of energy and resources
- 2.5 The first Five Year Plan (FYP) will set the pace and tone of the WMCA engagement with constituent local authorities and wider stakeholders. We aim to:
 1. Provide an **evidence based spatial plan**, linking up WM2041 and local authority delivery plans, projects and investment programmes and grouping them into type / location across the WM region to ensure an efficient, cost-effective and prioritised approach to delivery.
 2. Create a **common vision for stakeholders** across the WM with a strategic plan, policies and outline of practical devolution opportunities to deliver WM2041.

3. Outline **different existing and potential new routes to delivery** and where this is best led by communities, local authorities, the WMCA, the private sector, or a mixture.
4. Outline the **funding sources, financing and investment** to deliver the FYP, based on a and c above.
5. Represent **a step change** in the way the region works together to deliver against environmental priorities for an inclusive, prosperous and fair transition to a net zero carbon emissions society and economy.

3. Five Year Plan Update

- 3.1 The Environment & Energy Board will be receiving a verbal update from WSP, the consultants appointed to deliver this piece of work. The update will cover the following areas:

1. Update on process and engagement and analysis.
2. The sectors for decarbonisation and what we have done for each one:
 - a. Domestic
 - b. Commercial
 - c. Industrial
 - d. Transport
 - e. Land Use
3. Results of the modelling to 2026
 - a. Contribution of each sector
 - b. Headlines of the main assumptions for each medium outcome
 - c. Low/ medium/ high options (in terms of the scale of the interventions)
 - d. Marginal Abatement Cost Curve (which will indicate the scale of the investment required against the potential carbon saved from a particular intervention).
4. Costs: additional cost and thoughts on routes to finance
5. Delivery
 - a. Feedback from stakeholders
 - b. Initial Thoughts
 - c. Most work on this in December
6. Jobs and Skills: an update on analysis and draft headlines / thoughts
7. Summary and next steps

4. Delivery Plan for the FYP - Tasks and Milestones

- 4.1 The aim is for the Five Year Plan to be signed off by CA Board in February. The progress for the plan is as follows:

Date	Project stage
December 2020	WSP presenting to: Energy Capital Board (2 December) Strategic Transport Board (4 December) Energy and Environment Board (9 December)
End December 2020	First draft available for review
January 2021	Exceptional meeting of Environment and Energy Board to review draft
January 2021	Progress towards WMCA Board, to include: <ul style="list-style-type: none">• SLT reports sent out – 18 January 2021• SLT meeting – 20 January 2021• Programme Board draft reports sent out – 22 January 2021• Programme Board virtual meeting – 29 January 2021• WMCA Board final reports sent out – 4 February 2021• WMCA Board meeting – 12 February 2021
February 2021	Five Year Plan approved and taken forward through delivery programmes.
February 2022	Annual review of progress

5. Financial Implications

- 5.1 The production of the first Five Year Plan will cost £105,000 including consultancy support. Financial implications for delivery will be made clear in the plan itself.

6. Legal Implications

- 6.1 There are no legal implications as part of the production of the first FYP. Any legal implications will be presented as part of the recommendations for approval of the FYP.

7. Equalities Implications

- 7.1 There are no equalities implications as a result of the production of the FYP. Any equalities implications will be presented as part of the approval of the FYP.

8. Inclusive Growth Implications

- 8.1 We see the delivery of WM2041 as being very closely tied to the WMCA inclusive growth agenda; it will form a key part of the projects and programmes developed as part of the FYP. There are no inclusive growth implications as a result of the production of the FYP per se.

9. Geographical Area of Report's Implications

- 9.1 The core work of the FYP will cover the constituent local authorities of the West Midlands Combined Authority.

10. Other Implications

None.

11. Schedule of Background Papers

None