

Cllr Lisa Trickett
Chair of WMCA Overview and Scrutiny Committee

Cc: Members of the Overview and Scrutiny Committee

31 December 2020

Dear Cllr Trickett

I'm writing in response to the observations included in the minutes of the Overview and Scrutiny meeting on Policy, which you kindly invited me to reflect upon.

Our plans to Recharge the West Midlands and address inequalities and challenges as we recover from the economic impacts of the pandemic.

There is no doubt about the scale of the challenge ahead of us. Before the pandemic we were the fastest-growing region outside London. Our economic output had increased by 25% over the previous five years, and we had increased the number of people in work by nearly 20% before the pandemic.

However, over the past year our region has faced unprecedented challenges, impacting the health and economic wellbeing of so many of our citizens. That's why it was so important to come together as a region, across political boundaries, to develop the plans needed to help our economy and our community recover. And it's why we should continually challenge ourselves to ensure that we are doing all we can as a region to help people from all our communities have access to the opportunities they need for a secure future.

The Recharge proposals were developed by the region for the region. The WMCA, our local authority leadership and the business community all demonstrating the importance of this shared endeavour. Over the past months, it has been a testament to this partnership approach that we have maintained that sense of common purpose, with all portfolio leaders working together to respond to the challenges we've faced.

At the heart of 'Recharge the West Midlands' was the importance of creating jobs and securing investment as the best way of improving opportunities for all our citizens. Whilst there is more work to be done and more investment to be won, we should welcome the funding we've worked together to secure so far. And we should look positively upon the announcements made by government in the recent Spending Review. These provide the region the opportunity to unlock substantial

investment in many of our Recharge projects, notably with regard to transport, housing and regeneration and our plans for a Gigafactory in the region.

However, Recharge was about more than just our economic recovery. With plans including tackling fuel poverty with investment in a regional retrofit programme and our proposals for a Radical Health Prevention Fund to target key drivers of health inequality, our Recharge proposals demonstrated the importance of ensuring we tackle the underlying causes of inequality across the region and spread opportunity throughout all our communities.

Our work to improve opportunity for all our citizens isn't limited to our Recharge proposals. For example, you'll be aware that our investigation into health inequalities across the region was commissioned before the pandemic hit, although the findings have highlighted long-standing issues that have been exacerbated over recent months. The WMCA can be proud of the role we've played in leading this work and I was personally pleased that the Health of the Region report was endorsed by the WMCA board, including the commitments of action made by the WMCA and our partners. Let's all be determined to ensure that this report and its recommendations become a tool for action. For my part, I will be taking a detailed interest in progress made against each of the commitments we've made and the response to the recommendations the report makes to government.

WMCA plans to review our policy objectives to meet new and emerging challenges, including tackling climate change, and to help communities impacted by previous transitions.

After the pandemic hit, a review of deliverables and activity was undertaken across all WMCA portfolios in light of the pandemic. A report on this work and progress made was presented and adopted by the WMCA Board on 13th November. There are a couple of notable achievements which deserve highlighting:

- Transport for West Midlands' work to ensure those people who rely upon public transport could continue to travel safely and reliably, which is of particular value to those on low incomes.
- Our skills team's speedy response to the pandemic and our securing of additional government funding for our adult education programmes to increase the level of support we could provide for those looking to retrain or improve their skills. As you will be aware, the majority of our Adult Education Budget funding was already going to support BAME communities, but the team increased efforts to ensure opportunities were available to people from all communities. For example, efforts were stepped up to target under-represented groups in sector specific initiatives, particularly through our Digital Retraining Fund. To address the challenges being faced by young people, the WMCA is playing an active role in helping businesses take advantage of the government's Kickstart employment scheme. We moved fast to provide more courses in those sectors that were recruiting, such as health and social care, digital and construction. We have

worked with colleges and training providers to support people who have sadly been made redundant and to improve opportunities for those seeking new employment.

As we work together as a region to progress our plans for recovery, transition our economy for the future and seek the government funding that we require, support for investment in the automotive sector is obviously vital. That's why our plans for a Gigafactory in the region are so important, and I know members of the committee will welcome the Government's recent announcement of £500m being made available for battery production on a mass scale. I met again with the Business Secretary Alok Sharma only recently to argue our case, and I continue to work with our partners in making every effort to ensure we obtain the funding we need to secure the future of our region's automotive sector. Not least given the Gigafactory's significant potential to protect and create tens of thousands of jobs.

In relation to climate change, the WMCA is progressing with the detailed development of our first Five Year Plan in support of our ambitious #WM2041 plan to become a net zero region. The WMCA Environment and Energy Board has recently endorsed the way forward, including plans for a WM2041 pledge which we will be asking people and business across the region to sign-up to. On that note, it was very encouraging to meet recently with business leaders from across the region discussing our Business Pledge and their role in working collaboratively with the WMCA to secure clear actions by business to help the region achieve our ambitious targets.

However, we haven't waited for the detailed Five-Year Plan to make progress or work with Government to secure funding. For example, we are already using funding secured to enable Energy Capital to establish an implementation plan for the Fuel Poverty and Regional Retrofit programme. This is a crucial project which we included in our Recharge proposals and our CSR submission to the Treasury, to secure funding for a regional approach to both tackling fuel poverty and supporting our net zero objectives. This is another project which we have raised again only recently with the Business Secretary and his officials.

Other examples of activity include a programme to deliver zero carbon homes by 2025, including production of a zero carbon homes charter and route map which was approved by the WMCA Housing and Land Delivery Board. We now have just under 8000 trees registered on our virtual forest, a project designed to highlight the opportunities for everyone to play their part, and we're encouraging people and business to get more involved. In a clear demonstration of the link between tackling climate change and job creation, in collaboration with 5PRING, we recently launched a Green Innovation Challenge, encouraging small businesses looking to develop cutting edge technologies that reduce carbon emissions and create jobs along the way. In a similar vein, our 'Circular Economy' Taskforce has been launched to identify business opportunities linked to resource efficiency.

The level of ambition in our discussions with Government regarding devolution to deliver powers and resources to meet economic and social challenges.

The WMCA's submission to the Government's Local Recovery and Devolution White Paper emphasised the importance of our region securing both the powers and the funding required to drive forward economic recovery and create a more prosperous community. Our submission focused on the need for the Government to provide greater financial freedoms for the Combined Authority and local authorities in the region, to grant further powers with a longer-term approach to enable us to plan ahead more effectively, and crucially to enable us to adopt the systems we need locally to meet the needs of our local communities.

Whilst it is clearly disappointing that the Government has delayed the publication of its devolution proposals, we have continued to press the case for increased funding and the ability to work with Government to deliver benefits for our citizens.

For example, in the important area of skills and training, we have submitted proposals to the Secretary of State for Education

- to extend the successful National Retraining Scheme (NRS) pilots in Construction and Digital - to provide more retraining opportunities for adults in sectors critical to the region's economic recovery,
- to scale up our successful bootcamp approaches in digital skills, and to extend the bootcamp model to other sectors with immediate retraining needs, including health and social care, logistics, and new green jobs.

We are also in discussion with Government regarding our proposals for Energy Devolution, seeking powers to develop a Local Energy Plan and have a strong voice in energy infrastructure investment to allow our region to take more responsibility in meeting climate change goals.

We would all agree that local authorities have demonstrated their crucial role during the coronavirus crisis and achieved critical results despite limited powers and resources, and we must continue to argue that central government must learn from this experience when it does come to set out plans for further devolution.

With regard to the WMCA's own role in maximising use of our resources to meet the economic and social challenges of the region, we can be proud of what we have achieved working together. You will note from our discussions at the recent Overview and Scrutiny meeting to discuss Budget issues, that we have been successful in protecting front-line budgets and projects that directly benefit the economy of the region, including our efforts to progress our expansion of the metro and our development of brownfield sites, bringing good affordable homes and jobs to so many parts of the region.

The WMCA role in delivering lasting inclusive growth and helping close the inequality gap.

Ensuring that people from all communities across the region have the opportunities they need to benefit from our region's economic development is vital.

That's one reason why our work on economic recovery and community recovery goes hand in hand. It was pleasing when our Community Recovery roadmap was endorsed by local authority Leaders at a recent meeting of the Recovery Forum, and we can look forward to its endorsement at the next meeting of the WMCA Board in January. The roadmap sets out a collaborative approach between the WMCA, local authorities and our partners, working together to improve access to jobs and training, to further close the attainability gap in education and improve employment opportunities for young people who have been so severely impacted by the pandemic.

To ensure that all the work of the WMCA is focussed on addressing inequalities, you will be aware that through the Single Commissioning Framework and other processes we are taking steps to ensure that the need for inclusive growth is taken into account when developing projects. Inclusive Growth Business Partners are now working with each WMCA Directorate to ensure the impacts on opportunities for BAME communities, women and those with disabilities are factored in.

We have made good progress already. We've developed our affordable housing definition, linking affordability criteria to income levels rather than house prices, which together with our 20% affordable housing targets will help more local families have the opportunity of purchasing an affordable home. Our brownfield first approach to development means that not only are we offering more people the chance of an affordable home, but also helping to bring regeneration and jobs to some of the poorest parts of our region. And I'm sure members of the committee will welcome the recent announcement of more government funding to help us do just that, including on the former MG Rover site in Longbridge.

I've already referred to the significant percentage of our AEB budget that is helping members of BAME communities access training opportunities but it's important to reemphasise the work we are undertaking to target underrepresented groups in sector specific schemes, such as courses offered through our Digital Retraining Fund, together with efforts being made to help those who have taken ESOL courses move onto higher levels of training.

It's also important to highlight the significance to those on low incomes of the support we offer to enable people to access public transport, such as the 'Workwise' scheme which offers a discount for 3 months to people securing new jobs, and half-price travel for young people to help them access education and training. As you'll know from our discussions at the recent OSC to discuss next year's budget, this is something we are all determined to protect.



Finally, it's only right to mention two important schemes that have recently achieved great milestones and which are particularly designed to help people in need. Our Housing First initiative has now secured accommodation for more than 300 people, setting them on a path to a more secure future with the foundations upon which to turn their lives around and hopefully enter the workforce. And our Thrive into Work programme, which has now helped more than 600 people back into work – and for which we have secured additional funding from government to continue.

I hope this has been a good overview of the work we're doing together as a Combined Authority in partnership with our local authorities, to ensure that our region recovers from the impact of the pandemic and addresses the social and economic challenges of the future. And in doing so, we continue to seek further powers and funding from government to help ensure that people from all communities have access to the opportunities they need for a secure future.

Yours sincerely

Andy Street
Mayor of the West Midlands