WMCA Board Meeting

Date	8 September 2017
Report title	WMCA Environment Portfolio Priorities
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Report has been considered by	WMCA Programme Board - 25 August 2017

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

1. Agree the proposed Environment Portfolio Priorities and Structure – including Air Quality.

2. Agree to secure adequate internal and external resources to help deliver these priorities.

1.0   Purpose

1.1   This paper needs to be considered by the Board as it is seeking to set out the strategic approach by the WMCA to the delivery of the wider sustainability agenda and the specific environment portfolio priorities. This will have implications on how the portfolio role is supported to maximise the coordination and alignment of WMCA internal activities and external partners.

2.0   Background

2.1   Sustainability West Midlands (SWM) is the Government recognised regional sustainability champion body, and the agreed sustainability delivery partner for the WMCA. Since January 2016 they have provided independent advice and support, including the recommendation of the creation of a portfolio for environment.

2.2   SWM has worked with Cllr Harley to build on current good practice by other Combined Authorities, and existing WMCA and partners strengths to identify where this new portfolio can add the most value in the delivery of the SEP and Mayoral Manifesto.

2.3   Key findings include:

- The 2010 West Midlands Roadmap to a Sustainable Future in 2020 which has been monitored and reported on annually over the last 5 years is still valid and shaping a range of policy and partner activities. For example, the 3 key outcomes and indicators of economic productivity, carbon reduction, and health inequalities have been built into the SEP. (Appendix 1)

- The Roadmap also reports on 8 priority actions where cross-sector and boundary action would add the greatest value and impact to these economic, social and environmental outcomes. These were tested with LEPs and local councils to help prioritise which local good practice could be scaled up and where the WMCA could add value. Much of this feedback informed the SEP section on environment and low carbon growth.

- Benchmarking of the sustainability economic, social and environmental outcomes with the other Combined Authorities has revealed that within the WMCA SEP geography, we are performing well on economic outcomes, average on social indicators, and the poorest on environmental outcomes, such as carbon reduction and air quality. This is partly due to the scale of the challenge we face as one of the largest WMCA SEP areas, the location of the transport network, and our industrial base. (Appendix 2)

- Benchmarking of the sustainability leadership, strategy, and delivery of the Combined Authorities to tackle overall sustainability issues has also been conducted to identify good practice. No organisation reached the excellent category, with Greater Manchester the highest (68%), the WMCA 2nd (52%) and Liverpool City Region 3rd (49%). The WMCA was strong in many of the economic and social aspects, but again weaker in some areas of the environment such as the integration of carbon emissions, natural environment and air quality within operations, and still emerging delivery structures around low carbon business support, energy, and waste. (Appendix 3)

- SWM believes this performance gap could be quickly addressed by the WMCA harnessing and supporting the expertise of external partners in the environmental arena which is stronger than most regions. For example, SWM runs good practice and networks with business, councils, universities, NHS, LEPs, Science City and the community sector. There is leading activity led by local partnerships around energy, natural capital, housing, and electric vehicles. These networks and local expertise was recently recognised by the West Midlands Science and Innovation report launched by the Mayor which identified that 75% of our future market strengths were in the areas of low carbon transport, buildings and energy. SWM also recently represented the WMCA and the Midlands Engine in a trade visit to Japan to promote the UK industrial strategy and our local low carbon strengths.

3.0   Proposed Environment Portfolio Priorities

Scope

3.1   The proposal is for the scope to include a mixture of activities where the role and WMCA can add value:
- Internal Coordination – coordination of existing internal activities and operations to deliver agreed shared outcomes
- External alignment and scaling up – recognition of an existing relevant partner activity through endorsement, support for local good practice networks, communications, external funding promotion and providing a reporting and liaison route within the WMCA structure
- Partnership Innovation – identifying where there is a business case for developing new activity with partners to speed up action, secure new income or overcome a barrier.

3.2   Therefore, the content of the initial 12 month work plan will be to use the recommendations of the SWM sustainability review and benchmarking to identify key actions over the next 12 months to help the WMCA move to 'best in class' in overall sustainability and make progress in the delivery of the Mayor Manifesto and SEP environmental priorities of Carbon reduction, Air Quality, Natural Environment, Brownfield, Green Business Growth, Energy, and Waste. This includes in the medium term investigating the feasibility of developing a more coordinated approach to commercial waste streams. (Appendix 4)

3.3   Currently the Air Quality agenda is within the Environment Portfolio, as the solutions require a WMCA wide approach, such as an electrification strategy to increase the uptake of electric vehicles within council fleets, transport providers, charging infrastructure, and seeking to retain and grow local manufacturing jobs within this sector. However, it could alternatively sit within the Transport Portfolio, as this is where the WMCA currently has the highest degree of influence over this agenda.

Delivery and Resources

3.4   The nature of the overall environment work programme is to build on the existing policy and evidence base and will require a structure that is focused on action and delivery. Therefore, it is proposed the Environment Portfolio holder is supported by an Environment Programme Delivery Board which will meet 4 times a year to review progress on several workstreams covering internal coordination, external alignment and partnership innovation. This activity will also be reported on annually in the form of an annual sustainability report and review on progress. (see Appendix 5)

3.5   This structure requires the WMCA support and links to a Council Chief Executive, WMCA Director, such as Strategy, and ideally an WMCA officer performing the 'Head of Environment' role for the organisation. Also, an internal or external resource to help provide independent advice, programme management, communications and network support. As the WMCA Sustainability Delivery Partner, the SWM business, public, and community sector board, staff and networks have been providing much of this support to date and are in discussions with the WMCA procurement team to provide longer term support.

4.0   Wider WMCA Implications

This proposal helps deliver key Manifesto and SEP commitments while putting steps in place to raise our profile as aiming to be 'best in class' in overall sustainability performance and attracting new low carbon economic growth around our local strengths

5.0   Financial Implications

There will be the requirement to align internal staff resources and the support for SWM to help further develop and coordinate the work programme and bring forward additional business cases for support from existing and new programmes.

6.0   Legal Implications

There are no legal implications arising directly from this report however WMCA Legal and Procurement will engage as necessary and provide appropriate support as matters progress.

7.0   Equalities Implications

Part of the sustainability review and benchmarking focused on the health inequalities agenda between the gap between the worst and best performing areas with the WMCA SEP area, and by gender. It is the intention of this work programme to indirectly contribute and support the work carried out by other parts of the WMCA within this area, for example by improving air quality.

1.0   Appendices

Appendix 1: West Midlands Roadmap to a Sustainable Future 2020
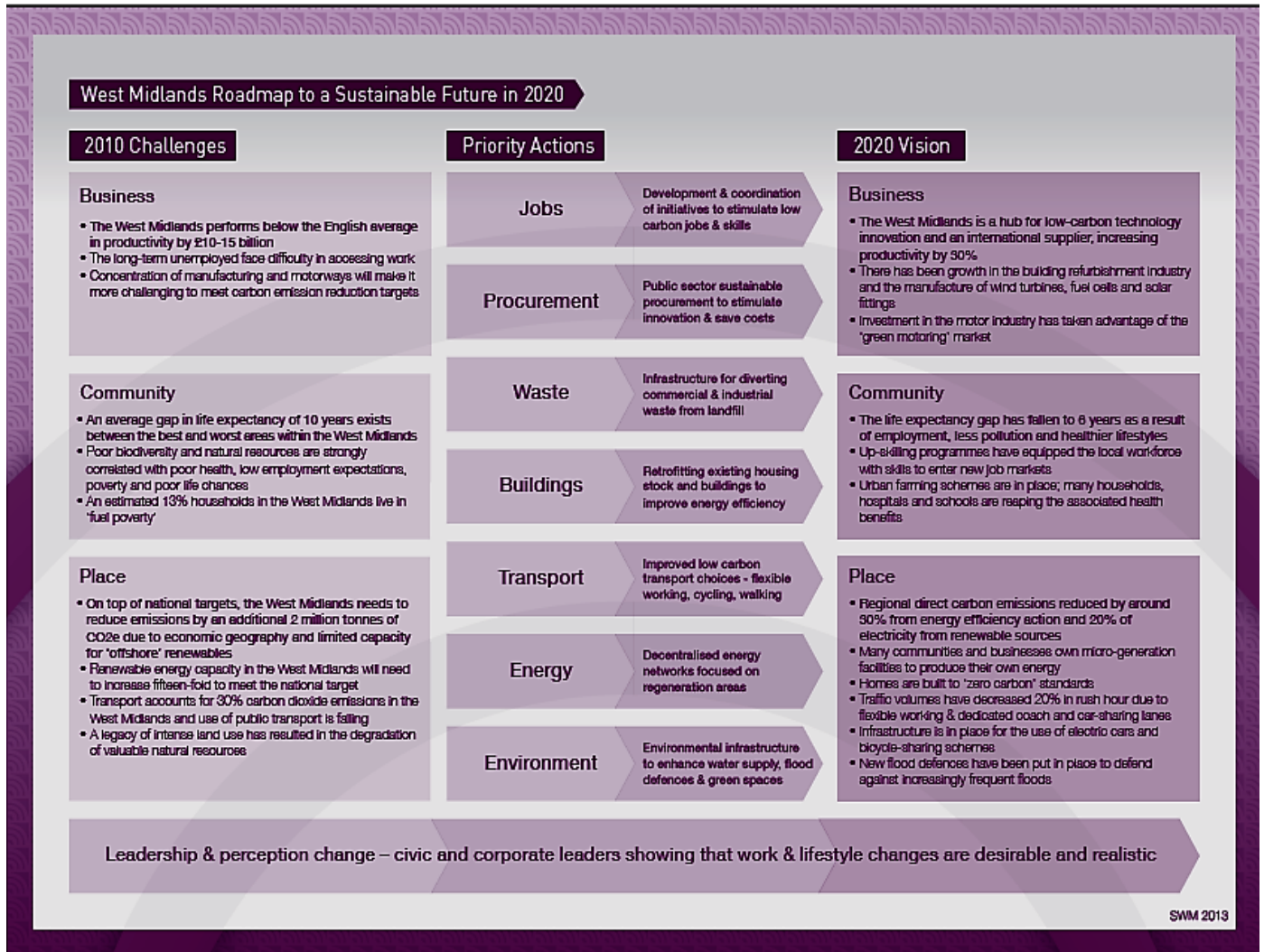
Appendix 2: Benchmarking of key sustainability metrics across all Combined Authorities

Metric	Latest figure in specified year	Ranking out of 9 CAs	Rate of Change since 2010	Ranking out of 9 CAs	WMCA target	Scale of challenge
Environment						
Total carbon emissions	22,708 ktCO$_2$ (2014)	9	-14.5%	6	40% reduction from 2010 to 2030	By 2030, emissions should be ≤15,930 ktCO$_2$
Per capita carbon emissions	5.6 ktCO$_2$ (2014))	4	-16.0%	7	-	
Air quality	40 days breached (2016)	9	+2 days breached	9=	Reduction to 1 day breached by 2030	39 less days breached per year
Social						
Health inequality (males)	8.2 years (2014)	5	-1 years	3=	Reduction in average health inequality gap by 5.9 years by 2030	Further reduction of 2.3 years
Health inequality (females)	7.2 years (2014)	4	+0.5 years	8	Reduction in average health inequality gap by 3.9 years by 2030	Further reduction of 3.3 years
Economic						
Total economic productivity	£74,461m (2015)	1	+21.0%	2	-	Currently much better than average
Per capita economic productivity	£18,780 (2015)	7	+1.0%	9	£33,604 by 2030	78.9% increase required by 2030

Appendix 3: Summary benchmarking of key sustainability leadership, strategy, and delivery activity reported across all Combined Authorities

COMBINED AUTHORITIES	Sustainability Criteria for Combined Authorities (%)					Overall Sustainability Score (Ranking of CA)
	Social Health inequality, fuel poverty, air quality	**Environment** Carbon emissions, green infrastructure, biodiversity, natural capital, climate resilience	**Business,** Low carbon economy, business support, buildings, resource efficiency	**Energy** Energy systems, renewables, district heating, energy efficiency	**Transport** Public transport, cycling/walking, low emission vehicles and infrastructure	
CAMBRIDGE & PETERBOROUGH	14	6	8	8	17	11 (9)
GREATER MANCHESTER	64	75	64	61	78	68 (1)
LIVERPOOL CITY REGION	44	42	44	58	60	49 (3)
NORTH EAST	19	7	23	41	50	28 (6)
SHEFFIELD CITY REGION	15	36	42	30	36	31 (5)
TEES VALLEY	11	25	39	33	19	27 (7)
WEST OF ENGLAND	11	8	19	14	19	14 (8)
WEST YORKSHIRE	39	45	33	36	52	41 (4)
WEST MIDLANDS	56	44	50	42	70	52 (2)

KEY	Poor evidence 0-15%	Some evidence 16-49%	Good practice & evidence 50-82%	Leading practice & evidence 83-100%

Appendix 4: Proposed WMCA Environment Portfolio Delivery Plan

Workstream	WMCA added value	Existing or new activity
Environment Programme Delivery Board	Internal – improve internal coordination External – improve external coordination and alignment with partners Innovation – identify and develop additional business cases and activity when required	Agree Council CEX to support Portfolio holder and WMCA officer to lead on environment. Continue to use SWM to establish Board, workstreams and provide independent advice and good practice networks.
Annual sustainability economic, social and environmental review and reporting	Internal – build into key internal processes, HR, scrutiny, operations, communications etc. External – share good practice with other CAs and demonstrate WMCA commitments to help attract investment	Continue to use SWM Board of business, public and voluntary sector members and networks to provide independent advice, benchmarking and reporting on sustainability progress.
Carbon Emissions	Internal – build into procurement, investment assessment, key sites External – support existing good practice networks	Recognise role of SWM good practice networks for business, councils, NHS, Science City and Universities. Annual monitoring of Carbon emissions and actions by WMCA and partners by transport, business and buildings
Air Quality	Internal – build into procurement, key sites External – good practice network around council fleets Innovation – develop strategy and action plan to accelerate local good practice & attract investment	Recognise role of Cenex as local centre of expertise on electric transport, develop electrification strategy to cover council fleets, buses, infrastructure & battery and car manufacturing. Work closely with Transport for West Midlands and public health.
Natural Environment	Internal – build into procurement, key sites External – good practice network & attracting investment Innovation – develop approach to maximise return from natural capital	Recognise existing role of WM Natural Capital Partnership led by Birmingham and Black Country Wildlife Trust to prioritise how natural environment is being enhanced around key sites and HS2 corridor.
Brownfield	External – good practice network & attracting investment Innovation – develop approach to trial new technology and maximise return from investment	Recognise and promote work of Wolverhampton Centre of expertise and how to accelerate Brownfield re-development in region.
Green Business Support	Internal – build into procurement External – support existing good practice networks & attracting investment	Recognise SWM Green Business Clubs network and Science City Low Carbon network. Work closely with New Growth Company.
Green Building Support	Internal – build into construction and funding standards and key sites External – good practice network Innovation – develop approach to trial new technology and business models for energy efficiency and retrofit	Recognise Sustainable Housing Action Partnership and good practice network
Energy	Internal – build into procurement, key sites External – support existing good practice network & attracting investment Innovation – develop approach to trial new regulation and technology	Energy Capital partnership already recognised and reporting to SEP Board, and proposals built into future Devo deal. SWM sharing good practice via energy officers network
Waste - commercial	Internal – build into procurement, key sites External – good practice network & attracting investment Innovation – explore other areas to add value	Recognise role of Environment Agency, International Synergies, SWM green business clubs.

Appendix 5: Proposed WMCA Environment Portfolio Structure

WMCA Board

Cabinet Member Environment

Environment Programme Board – Chairs & Representatives of Work Streams

Focused on recommendations of annual sustainability review and environment Priority of SEP – CO2, Air Quality, Natural Environment, Brownfield, Green Business Growth, Energy, Waste

Work streams a) Internal WMCA Operations e.g. Construction standards, b) Influence of Programmes e.g. Business Support, Transport c) Championing specific programmes e.g. Natural Capital, Waste d) Annual sustainability reporting - to include progress on CO2, Air Quality, Natural Environment, Brownfield, Green Business Growth, Energy, Waste