



West Midlands
Combined Authority

WMCA Board

Date	18 March 2022
Report title	Trailblazer Devolution Deal
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Report has been considered by	Mayor & Portfolio Leads Liaison Meeting - 25 February 2022

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Endorse the proposed approach to developing and negotiating the Trailblazer Devolution Deal

1. Purpose

- 1.1 To inform the WMCA Board of the proposed plans for coordinating our response to the Government's invitation to negotiate a Trailblazer Devolution Deal and invite their feedback and reflections.
- 1.2 This report seeks WMCA Board's endorsement of the approach for developing the Trailblazer Devolution Deal so that we can progress the work across all policy areas with internal, regional and central Government stakeholders.

2. Background

- 1.1. The Levelling Up White Paper (LUWP) was published on 2nd February. It defines 'levelling up' as:
 - Increasing opportunity across the UK;
 - Reducing disparities between and within regions.

- 1.2. It also challenges some of the existing orthodoxy on theories of regional growth and development. A separate briefing note covers the analysis and policy topics discussed in the LUWP in more detail.
- 1.3. The LUWP announced a number of policy initiatives for the West Midlands, including an Innovation Accelerator, £28m from the Brownfield Housing Fund and funding for Digital Bootcamps in the region.
- 1.4. The LUWP sets out 12 levelling up 'missions' and makes the case for long-term 'system change' involving more effective spatial considerations in policy-making and further devolution to empower local decision-making.
- 1.5. The 12 missions of levelling up are all to be achieved by 2030:
 1. *By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.*
 2. *By 2030, domestic public investment in Research & Development outside the Greater South East will increase by at least 40% and at least one third over the Spending Review period, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.*
 3. *By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.*
 4. *By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.*
 5. *By 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.*
 6. *By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.*
 7. *By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by 5 years.*
 8. *By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.*
 9. *By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.*

10. *By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.*
11. *By 2030, homicide, serious violence, and neighbourhood crime will have fallen, focused on the worst-affected areas.*
12. *By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.*

- 1.6. In addition to the announcements mentioned above, which we are already working to implement in the region, the LUWP discussed deepening devolution across the UK, offering a number of devolved powers to regions who want them.
- 1.7. However, the offer for the West Midlands goes even further. We, alongside Greater Manchester, have been invited to negotiate a Trailblazer Devolution Deal (TDD) which goes beyond what is on offer to the rest of the country. We have the opportunity to seek ambitious changes to increase the powers and resources devolved to us, strengthening our region and setting us up for future success.
- 1.8. With nothing apparently 'off the menu', this represents a significant opportunity to secure new powers and resources for the region across a wide range of policy areas in order to drive forward local and regional priorities to bolster economic recovery and build a fairer, greener, healthier West Midlands.

3. Principles

- 3.1 There have been a number of informal meetings of the mayor, local authority leaders and other regional stakeholders, as well as initial meetings with government officials and ministerial aides. Based on these, a number of principles have been articulated to help guide the TDD process. These can be framed as follows:
 - It is essential that we are very clear about our priorities and focus our efforts on those matters that align with local and regional plans which align with the levelling up missions.
 - There needs to be extensive involvement of local authorities and wider stakeholders, including the private and voluntary sectors, throughout the policy development and negotiation process.
 - It will be essential to secure private sector support for many of our devolution propositions and, where relevant, demonstrate their co-investment in key priorities.
 - In order to address intra-regional inequalities and local pockets of deprivation, it is important that the devolution process makes provision for the 'double-devolution' of certain powers and resources.
 - The opportunity provided by the TDD should be focused on drawing powers down from government and not 'sucking powers up' from local authorities.
 - There will be a strong emphasis on data and accountability and the ability to demonstrate progress on achieving the levelling up missions for any devolution proposition.

4. Policy opportunities and workstreams

- 4.1 The LUWP is extensive and mentions in excess of 100 different policy topics on which we could take a stance or seek deeper devolution.
- 4.2 In order to initially process these opportunities, we have identified 20 workstreams through which to progress this work. These are as follows:

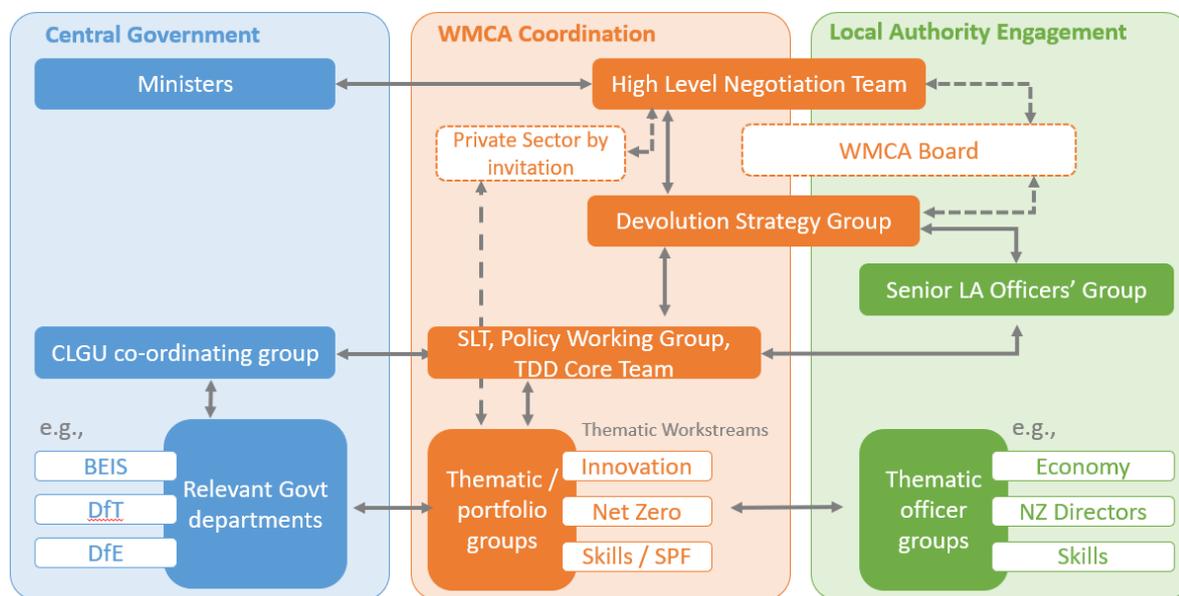
Inclusive economic growth	Innovation
	*WM Smart City Region
	LEP Integration
	Trade and Investment
	Business Support System
Building human capital	Skills
	Education
	*UKSPF (Multiply)
Connecting communities	*Housing, regeneration and planning
	Transport
	Net Zero (BEIS)
	Digital
Building social capital	Homelessness prevention
	Health
	Crime, community safety and resilience
	Social capital and social economy
	Culture
Cross-cutting	Funding and fiscal devolution
	Benefits for non-constituent authorities
	Data and transparency

**Indicates workstreams where there is some work which can be taken forward outside of the TDD itself but will be part of our joined-up approach to responding to the LUWP.*

- 4.3 Each workstream has been allocated a lead co-ordinating officer with a Strategic Leadership Team sponsor. Workstream leads are responsible for developing a stakeholder engagement plan to ensure the involvement of relevant partners in policy development. It is vital that as far as possible they use existing boards, forums, officer groups and other bodies in order to progress their work.
- 4.4 There are clearly overlaps between different workstreams and over time it is likely that some will merge or cease activity as priorities become clearer.

5. Process and negotiation arrangements

- 5.1 TDD negotiation arrangements will take place through a set of arrangements set out in the diagram below.



- 5.2 Thematic workstream discussions on key policy issues will take place using the existing thematic boards and other discussion forums. For example, matters concerning net zero will be discussed with the local authority Net Zero Directors officers' group, the Environment and Energy Board and, where appropriate, through the Net Zero Business Forum, the Energy Capital Partnership and WM Greener Together Forum. Workstream lead will also be responsible for leading bilateral discussion with government officials' relevant departments.
- 5.3 Workstream discussions and bilateral negotiations will be co-ordinated through a co-ordinating group in government and through Strategic Leadership Team and TDD Core Team in WMCA. These matters will be fed up through a Senior Local Authority Officers Group into a Devolution Strategy Group (see below).
- 5.4 As policy positions crystallise, they will come to the High Level Negotiating Team and to the WMCA Board as appropriate. When a composite TDD Proposition comes together it will be brought to the WMCA Board for approval. No final deal will be agreed without the endorsement of the WMCA Board. Given the lack of WMCA Board meetings during the pre-election period until May, it is proposed that we hold meetings of the Mayor and Portfolio Leads Liaison Meeting as required to update about the TDD process and discuss any immediate policy issues.
- 5.5 Devolution Strategy Group – this group will be formed of the 7 Met Chief Execs, 1 Non-con Chief Exec, plus 2 WMCA Exec Directors. The DSG will be supported by a Senior LA Officers' Group.
- 5.6 High-level Negotiating Team – this team will be led by the mayor together with up to 3 local authority leaders. On occasion the team may choose to invite private sector or other stakeholders to support their negotiations.

5.7 We are committed to working closely with non-constituent authorities to explore how a TDD might bring wider benefits to the West Midlands region. A Non-Con Chief Executive will be part of the Devolution Strategy Group and we expect non-constituent authorities to be part of all stakeholder engagement plans.

5.8 Regular updates – the WMCA is committed to providing regular updates on the progress of the TDD process through in-person and online briefing sessions as requested and through regular e-mail updates.

6. Timeline

6.1 We are awaiting further clarity from Government regarding the timelines and expected submission dates for this process, however we expect it to broadly fall in line with the following:

- Now-May:
 - Development of ambitious policy proposals, brought together into a coherent TDD Proposition.
 - Continuous internal and external engagement, including with local authorities, wider regional partners, and central Government.
 - Regular meetings of the Mayor and Portfolio Leads Liaison meetings to keep leaders informed about key issues.
- June: TDD Proposition submitted to WMCA Board.
- July / August: Initial TDD announcement from central Government.
- Autumn: Potential further detail in announcement linked to fiscal event.

7. Financial Implications

7.1 There are no immediate financial implications from this paper. The activities required to coordinate our response to the Government's invitation to negotiate a Trailblazer Devolution Deal will be covered from existing resources/budgets within the approved 22/23 budget.

7.2 The Funding and fiscal devolution workstream will coordinate the financial response and strategy and feed into the TDD process to inform our negotiations and response to Government.

7.3 The response will then be brought back to WMCA Board in June 2022 for further consideration before it is submitted to Government and will include any financial asks and their implications.

8. Legal Implications

8.1 There are no legal implications of this report.

9. Equalities Implications

9.1 This opportunity to negotiate a Trailblazer Devolution Deal for the West Midlands has come as a result of the Levelling Up White Paper, which sets out the Government's vision for reducing inequalities between and within places. The approach set out in this report articulates how we will ensure the need to reduce inequalities in the West Midlands is woven into the Trailblazer Devolution Deal by design.

10. Inclusive Growth Implications

- 10.1 The Inclusive Growth Framework is a central part of the 'Data & Transparency' theme, and as such will be considered as part of our approach to developing policy positions across all areas through this process.
- 10.2 This work is being led by Claire Spencer, Senior Policy Adviser for Public Services & Inclusive Growth.

11. Geographical Area of Report's Implications

- 11.1 The report has implications for our constituent and non-constituent authority member areas.

12. Other Implications

None

13. Schedule of Background Papers

None