

Sandwell Metropolitan Borough Council

6 October 2020

Subject:	West Midlands Combined Authority
Presenting Cabinet Member:	The Deputy Leader
Director:	Alison Knight
Contribution towards Vision 2030:	
Contact Officer(s):	Sarah Sprung, Senior Lead Officer, Service Improvement, Resources Directorate Sarah_Sprung@sandwell.gov.uk

DECISION RECOMMENDATIONS

That Council:

1. Consider opportunities for the Borough arising from the West Midlands Combined Authority.

1 PURPOSE OF THE REPORT

- 1.1 To provide Council with an update in relation to West Midlands Combined Authority activity since the last update was provided to Council.
- 1.2 This report gives an overview of a number of issues, further detailed information about West Midlands Combined Authority, including key projects and initiatives, is available on the [WMCA website](#).

2 IMPLICATIONS FOR SANDWELL'S VISION

- 2.1 Participation in West Midlands Combined Authority (WMCA) activity has the potential to help Sandwell deliver all of the ambitions contained in the Vision.

3 BACKGROUND AND MAIN CONSIDERATIONS

Economic Recovery

- 3.1 WMCA have used the State of the Region Report to contextualise the impact of COVID-19 on region.
- 3.2 Specifically highlighting that the first quarter UK GDP dropped 20% compared to last year, manufacturing PMI hit an all-time low and 496,000 people across the 3 LEP area were on furlough. The overall claimant count has gone up by a third and youth claimants have doubled. Sectors where we have previously seen growth and expansion are now hardest hit, such as construction and the expanding higher education sector.
- 3.3 Economic models consistently show the West Midlands to be hit hardest by the economic crisis. This is because of industrial and demographic mix, with some local economies among the most vulnerable in the UK.
- 3.4 The region's overall economic recovery plan has several components including building an immediate investment case to Government. Partners across the region have worked intensively to produce *'Recharge the West Midlands. Kickstarting the West Midlands Economy: Our investment case to government'* (Attached at Appendix 1). This represented a £3.2 billion proposition to government to create or safeguard 135,800 jobs, support 154,400 young people and workers and build 35,000 more homes in the region.
- 3.5 The document has seven elements, together with emphasis on the importance of properly funded public services. Together, these elements represent the scaling up of existing plans and new programmes and projects to tackle the problems which are specific to the region's economic needs, exposed as a result of the post Covid-19 context: -
 - Creating green manufacturing jobs
 - Maximising job opportunities from HS2, City of Culture and the Commonwealth Games for local people
 - Investing in healthcare innovation
 - Building better transport and digital links
 - Regenerating brownfield land and building more homes
 - Getting people back into work
 - Backing our region's businesses

3.6 To progress this work WMCA have identified two critical next steps:

- i. Delivering “Recharge the West Midlands”: this means further developing robust business cases for the projects and promoting with decision-makers across government. Where funding is secured, projects must mobilise quickly and if projects do not secure investment immediately, they will be incorporated into the integrated regional pipeline.
- ii. Agreeing to refresh the region’s vision, strategy and plans: while the region’s recovery work is rooted in its existing agreed strategies and plans, such as the Local Industrial Strategy, Strategic Economic Plan, Regional Skills Plan, Strategic Transport Plan and Housing Deal, we know that the Covid-19 pandemic will fundamentally change the way businesses and communities operate. There, is therefore, a clear need to refresh the region’s economic policies to take account of the Covid-19 changes, further embed green and inclusive growth and ensure that they are agile to be able to adapt to future economic conditions.

Comprehensive Spending Review

3.7 In July 2020, guidance was published by the Government on the 2020 Comprehensive Spending Review (CSR). It set out that:

- The deadline for representations was 24th September,
- Representation should contain ‘policy suggestions for the upcoming fiscal event and explain the desired outcome, policy rationale, costs, benefits and deliverability of proposals. It should be evidence-based, with clear arguments on how it contributes to the aims of the Comprehensive Spending Review.’
- The review would set UK Government departments’ resource budgets for the years 2021/22 to 2023/24 and capital budgets for the years 2021/22 until 2024/25.

3.8 Guidance indicates that the CSR will prioritise:

- strengthening the UK’s economic recovery from COVID-19 by prioritising jobs and skills,
- levelling up economic opportunity across all nations and regions of the country by investing in infrastructure, innovation and people – thus closing the gap with our competitors by spreading opportunity, maximising productivity and improving the value add of each hour worked,
- improving outcomes in public services, including supporting the NHS and taking steps to cut crime and ensure every young person receives a superb education,
- making the UK a scientific superpower, including leading in the development of technologies that will support the government’s ambition to reach net zero carbon emissions by 2050,
- strengthening the UK’s place in the world,

- improving the management and delivery of our commitments, ensuring that all departments have the appropriate structures and processes in place to deliver their outcomes and commitments on time and within budget.

3.9 Members of the WMCA agreed to develop a joint representation to be signed off by WMCA Board, centred around a strategic narrative of 'levelling up' and 'green recovery', with a core foundation of sustainable funding: -

- Levelling Up – closing regional gaps, boosting productivity, increasing human capital,
- Green Recovery – creating a fairer, greener, healthier region post-COVID,
- Sustainable Funding – establishing a long-term settlement for local government finances, and the funds we need to reset and recover.

3.10 Development of the submission was broken down into four thematic 'projects', each with appointed leads from the WMCA and a Local Authority:

- Infrastructure
- Economy and Skills
- Public Services
- Financial Sustainability

3.11 The full representation submitted to Government is attached at Appendix 2. Included within this document is a proposal for a £369m plan to boost the West Midlands' cultural offer, and includes Sandwell's Festival Site & Country Park.

Climate Change

3.12 The WMCA established a Low Carbon Officer Group which is made up of officers from across the Combined Authority area, including staff from the Black Country Consortium and Travel for West Midlands (TfWM). The Climate Change Programme Manager attends meetings of this Group to ensure that Sandwell is represented and able to influence proposals, and so that our strategic direction remains in alignment with the region.

3.13 The WMCA have committed to producing several 'five-year plans' to help deliver their work on climate change and reaching carbon neutrality by 2041. The five areas are:

- Circular Economy
- Financing Options
- Retrofit (this refers to energy efficiency options for buildings)
- Comms & Behaviours
- Green Neighbourhood

- 3.14 Sandwell's Climate Change Strategy has the same goal as that of the WMCA, in that we have stated that the borough will be carbon neutral by 2041. A draft of our strategy was shared with the Low Carbon Officer Group and took on board their comments where possible. The five areas listed above which the CA have decided to focus on, closely align with our own action plans.
- 3.15 WMCA have recently made a submission on behalf of all the CA members as part of the Comprehensive Spending Review, which if successful, would mean we receive £5million towards conserving and improving Sandwell's natural capital. It is hoped that in due course this may be the case for other areas of activity too, such as retrofitting homes and businesses with energy efficiency measures.

Emerging employment and skills proposals relating to the Adult Education Budget

- 3.16 Sandwell MBC plays an active role in the WMCA Employment and Skills officers group; the meeting includes representatives from all local authorities and local enterprise partnerships. Recently the group has provided feedback and content for the Comprehensive Spending Review which contained several asks of government for funding to support the Employment and Skills agenda. This group also considers regional approaches and best practise sharing across the local area, with each local authority having their own Employment and Skills partnership to feed information to and from. Meetings have been also held at a regional level to consider West Midlands wide approaches for the new Kickstart initiative alongside the Department for Work and Pensions.
- 3.17 The Sandwell Skills Strategy is currently in development and is an overarching document which sets out the borough's skills challenges and key priorities. The strategy will be aligned to the WMCA Regional Skills plan which similarly sets out the region's skills challenges and key priorities.
- 3.18 In 2019/20 the WMCA is made an investment of £15.5m in the delivery of community learning delivery across 14 delivery providers including local authorities, colleges and specialist status colleges. In Sandwell, community learning takes place at a range of community settings including outreach centres, Sandwell College, schools and wider Council community settings like our children's centres and libraries.
- 3.19 At Sandwell Adult and Family Learning Service (SAFL) those adults who attend our centres voluntary, typically have clear ideas about their short term and longer-term goals and use our offer to improve their skills. We found that although learners' motives for joining our classes are diverse, they are often related to the practicalities of improving job performance and/or employment prospects, supporting their children's learning, improving their confidence and moving on to study at a higher level.

3.20 For adults of all ages, but particularly older ones, computer literacy provides a strong motivation for improving their literacy skills, digital inclusion is a key focus for our delivery model moving into 2021. Our main strategy to increase engagement and participation of adults in Sandwell is based on the following factors: -

- i. enabling as many learners to study with full or part fee remission
- ii. using outreach venues to provide localised delivery in the heart of communities
- iii. the introduction of Online and blended learning to offer greater flexibility
- iv. the ability to create individualised programmes of learning
- v. the ability to develop bespoke learning programmes to meet the needs of local employers and community groups in upskilling/retraining their workforce and volunteers
- vi. sector specific learning opportunities to help learners get closer to the job market
- vii. focussing our subcontracting specification to broaden our offer and increase opportunities for hard to reach learners.

Projects benefiting from Combined Authority funding in Sandwell

3.21 Bull Street Demolition

Since the funding of £1.3m from the WMCA was secured the demolition contract for the former MSCP has been let through the Council's framework. The contractor is on site and works are expected to be complete to deliver a cleared site in Spring 2021.

The funding was also awarded to support the business case development for a residential scheme in the locality, negotiations with the WMCA are ongoing to clarify if this business case can be applied to a wider site area picking up other areas and properties identified for strategic acquisitions. It is considered that a more holistic scheme would be delivered by looking to plan development beyond the former MSCP footprint, this approach is in line with the emerging Masterplan for West Bromwich Town Centre and additional funding to support the strategic acquisitions is being sourced, a further expression of interest having lately been lodged with the WMCA.

3.22 Friar Park

Following the successful agreement of the Friar Park joint venture agreement with the WMCA, steps have been taken to secure a consultant to undertake a Masterplan exercise for the full extent of the residential development opportunity and a complimentary land remediation strategy is also out for procurement.

Tenders have been returned and are currently being moderated prior to award. To support this process the WMCA have agreed to fund a Project Management resource that will report to the Council. A Project Board structure has been adopted with a view to the delivery of the site for residential use inclusive of significant investment in land remediation and infrastructure as well as housing development. The agreement of a preferred delivery mechanism, procurement of the remediation works and securing planning permission are expected to be the next steps as the masterplanning and strategy work nears completion in late 2021.

3.23 Development around Midland Metropolitan University Hospital

Following collaboration between the WMCA and the Council a number of strategic acquisitions have been identified and a masterplan brief is in development, of the acquisition opportunities identified WMCA have successfully negotiated some early control of assets.

3.24 Fountain Lane Development

A funding agreement is in place between the WMCA and Lovell for the development of housing on this strategically important site in Oldbury.

This agreement is dependent upon the housebuilder (Lovell) and land owner (Taylor Grange) to secure planning permission for the site. The funding from the WMCA provisionally in place is intended to address any viability issues. The planning application has been approved by Planning Committee subject to ratification by Full Council, should planning permission be granted this will trigger the release of funds by the WMCA to support housing delivery and bind Lovell to developing the site (in accordance with the parameters of the funding agreement which includes a commitment to provide a significant proportion of affordable housing). The Council are also in negotiation to release additional land, in the locality of the Fountain Lane Development site, which is currently in Council ownership, this may increase the size of the development and the number of units to be delivered.

3.25 Housing First

The Council was allocated £935,137 of the Housing First regional funding (administered by the WMCA) in 2019 with a view to facilitating up to 55 tenancies for people who are rough sleeping or at risk of rough sleeping by the end of March 2021. Due to the COVID-19 outbreak the regional and local targets were amended to 49 people supported into sustained accommodation by end June 2021.

As at September 2020 there are 19 people being supported in their own accommodation secured by the pilot and an additional 19 people receiving support with the aim of securing a tenancy in the near future, a total of 38 being actively supported. Of those supported into accommodation, there have been no evictions and tenancies are being maintained.

There have been some challenges within the pilot model. The Housing First model is dependent on each person willingly engaging and offers choice in accommodation and nature of support and some people have very specific requirements as to which area they want to live in, which can be a challenge when securing properties. Current delivery is slightly outside of projection against the target of 49 people housed and the council is working with the contracted provider to ensure we achieve the targets set out together.

3.26 Bike Share Scheme

The West Midlands will shortly be announcing the successful bidder to operate its cycle hire scheme. It is anticipated that the scheme will be launched in early 2021. Initially 1,080 bikes would be supplied across the seven districts rising to 1500 within two months. The aim is to have around 2,500 bikes in operation by year 4/5 of the scheme.

As far as Sandwell is concerned the contract would result in 108 bikes across 18 docking stations at launch, rising to 135 bikes across 22 stations within two months. On reaching the full figure of 2,500 bikes overall, it is anticipated that Sandwell would receive 250. The number of bikes allocated to Sandwell is broadly in line with Sandwell's % age of the West Midlands population. The locations of the docking stations are yet to be determined but will typically be railway stations, town centres and major trip attractors such as hospitals, leisure centres etc.

Other than the docking stations, the scheme does not involve the provision of cycle infrastructure but complements the programme of works included in the Local Cycle & Walking Infrastructure Plan.

4 STRATEGIC RESOURCE IMPLICATIONS

- 4.1 The contribution to the Combined Authority from Sandwell Council for 2019/20 is £0.612 million.
- 4.2 Section 21 of the West Midlands Combined Authority (Functions and Amendments) Order 2017 has the effect that where costs are incurred by the Combined Authority and are not met from other sources of income, then they fall to be met by the seven constituent councils, including Sandwell.

5 LEGAL AND GOVERNANCE CONSIDERATIONS

- 5.1 Part 6 of the Local Democracy, Economic Development and Construction Act 2009 ("the 2009 Act") provides for the establishment of combined authorities for the areas of two or more local authorities in England. Combined authorities are bodies corporate which may be given power to exercise specified functions of a local authority under sections 104 and 105 of the 2009 Act, and power to exercise specified functions of any other public authority under section 105A of the 2009 Act.

6 EQUALITY IMPACT ASSESSMENT

- 6.1 The priorities of the West Midlands Combined Authority reflect the equality and diversity of the West Midlands, including striving to create prosperity through a strong and collective economic strategy and the policy aspiration to champion all that makes the West Midlands a Great Place to Live. The equality impact of any specific proposals will need to be addressed in reports to the WMCA Board or the appropriate decision making body.

7 DATA PROTECTION IMPACT ASSESSMENT

- 7.1 The recommendations in this report do not result in the collection or retention of personal data.

8 CRIME AND DISORDER AND RISK ASSESSMENT

- 8.1 There are no Crime and Disorder issues arising from the recommendations set out in this report.

9 SUSTAINABILITY OF PROPOSALS

- 9.1 The information in this report does not directly have any sustainability implications, however as schemes are delivered by the WMCA there is a need to ensure that the evidence that underlies decision making is robust, up-to-date and is in line with current planning and environmental legislation.

10 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 10.1 All constituent members of the WMCA are be better placed to contribute and influence the Health and Social Care offer for local residents and create:
- A more sustainable local health and care economy;
 - Improved quality and experience of care;
 - Improved population health.

11 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

- 11.1 There are no direct implications contained in this report.

12 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 12.1 Participation as a constituent member of the WMCA enables Sandwell to deliver improvements to the locality that would otherwise be more difficult to achieve. In addition, through WMCA activity, we can ensure that Sandwell residents have the skills to access new employment opportunities both here in Sandwell and across the region, with excellent public transport available connecting the whole of the West Midlands.

13 BACKGROUND PAPERS

None.