

The West Midlands Combined Authority and Devolution Deal

Facts, Myths and Frequently Asked Questions

Purpose: This document is initially prepared for the Solihull MBC Members' Seminar on 8/10/15, but with an eye on wider uses as we seek to create a more informed and consistent understanding of the West Midlands Combined Authority. It will be added to as necessary. Naturally, it has a Solihull flavour and bias!

Health warning: The processes to create the West Midlands Combined Authority (WMCA) and to agree the West Midlands Devolution Deal are fluid and moving at pace. The information in this document is mostly factual, but an element of subjectivity is used in places where factual data is currently unavailable or where there is no clear cut answer to a particular question. As such this document is not to be regarded as part of the evidence base for the Council's decision on whether or not to be a constituent member of the WMCA. The formal reports to Cabinet, Scrutiny and Council are for that purpose.

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Solihull
METROPOLITAN
BOROUGH COUNCIL

Section 1

Terminology

1. A combined authority is:

The administrative form by which local authorities can act together to deliver their economic and transport functions. By working in this way, members focus on shared strategic priorities that are best delivered collectively at a scale above local boundaries. A combined authority can deliver other functions should its constituent authorities wish and agree.

The Government is committed to local areas having more control over spending and decision making on transport investment and economic growth. To allow local areas to have these powers they have to demonstrate strong governance arrangements. A combined authority is a good example of strong governance arrangements as it is a statutory body that formalises joint working and decision making between councils. It gives the government the certainty of the structure and accountability necessary to devolve more significant amounts of money and levels of decision making.

The core legislation for the establishment of combined authorities is contained in the Local Democracy, Economic Development and Construction Act 2009. The West Midlands Combined Authority (WMCA) is being created within the requirements of the 2009 Act.

In May 2015, Government introduced to Parliament the Cities and Local Government Devolution Bill which supplements the 2009 Act in setting out provisions for:

- The election of mayors for combined authority areas
- Conferring additional powers on combined authorities

The Bill should become legislation (an Act) in late 2015 or early 2016.

2. A devolution deal is:

The product of negotiation between a combined authority and Government for the devolution of power and resources from the national to the local level. It sets out the offers, asks, freedoms and flexibilities.

3. A Scheme is:

A document which sets out the basis for the creation of a new combined authority, including its geographical area, functions, constitutional arrangements, funding, levying powers, liabilities and name. A Scheme has to be submitted to Government for approval in order to create a combined authority.

4. A Governance Review is:

The process to determine whether the existing governance arrangements for economic development, regeneration and transport in an area (e.g. a city or region) are effective or whether the area would benefit from changes, namely establishing a combined authority.

Section 2

The story so far

Facts

1. In November 2014, the Leaders of the four Black Country local authorities and Birmingham City Council announced their intention to create a combined authority as a reflection of their ambition to accelerate growth and public sector reform in the West Midlands.
2. Solihull MBC and Coventry City Council were asked for their positions in respect of joining a combined authority and, through the Leader, Solihull agreed to participate in exploratory discussions whilst reserving its position until it was clear on the details of any proposal. Cabinet was informed of this on 20 November 2014 and there was a Full Council debate in public on 2 December 2014.
3. On 19 May 2015, the Leader made an announcement at the Annual Council meeting to the effect that he would be asking Cabinet to make the recommendation to Full Council on the Council's future stance.
4. On 1 June 2015, the Chancellor of the Exchequer, the Secretary of State for Communities and Local Government, the Minister for Local Government and Lord Heseltine met with the Leaders of Birmingham, the Black Country, Coventry, Solihull and Lichfield, plus the Chairs of the three Local Enterprise Partnerships (LEPs) for Greater Birmingham/Solihull, the Black Country and Coventry/Warwickshire. Within that meeting there was universal commitment to make a real difference for the people and businesses of the Region and, in turn, the country as a whole.
5. On 18 June 2015 Cabinet received a detailed report on the progress of the work to potentially create a Combined Authority for the West Midlands, through the stages of proposing, negotiating, securing and delivering a devolution deal for the Region. Cabinet made a recommendation for consideration by Full Council on 14 July 2015. On 2 July 2015, the Resources and Delivering Value Scrutiny Board held a single agenda item meeting to consider the implications of that recommendation.
6. The WMCA Statement of Intent was launched on 6 July 2015. This formalised the Vision, Ambition, Priorities and Principles of the WMCA. A [website](#) went live at the same time and this continues to be populated with a range of factual and useful information on the progress of creating the WMCA. For completeness, the Statement of Intent is attached as Appendix 'A'.
7. On 14 July 2015, Full Council received Cabinet's recommendation and the views of the Scrutiny Board and resolved:
 - i. *That Solihull Council moves to a position of being supportive, in principle, to the creation of a Combined Authority for the West Midlands based on an 'economic plus' model. Such a model requires regional devolution at the right scale and an accompanying deal which contains the necessary freedoms and flexibilities. The scale is potentially the three Local Enterprise Partnerships – Greater Birmingham and Solihull, Coventry and Warwickshire and the Black Country – with flexibility for others to express an interest going forward;*
 - ii. *That the Leader of the Council in consultation with the Chief Executive (or nominated representative) and the other Group Leaders be authorised to agree on behalf of the Council the draft Governance Review and draft Scheme for the purposes of engagement and consultation; and*

Section 3

Continuing the story

Facts

1. On 13 October 2015, Full Council will be asked to consider the recommendations of Cabinet (30/9/15) and findings of scrutiny (1/10/15) and to make a decision which, in short, will confirm whether Solihull MBC is to be a constituent member of the WMCA.
2. Once the individual councils have agreed to become constituent members and a submission has been made, the proposals for a WMCA will be considered jointly by the Secretary of State for Communities and Local Government and the Secretary of State for Transport. They will have regard to the following before making an order to establish a new body:
 - (a) The need to reflect the identities and interests of local communities; and
 - (b) The need to secure effective and convenient local government.
3. Government will then consider the submission and conduct a statutory Consultation to establish that the proposal has local support and backing. If this is found to be the case, an Order will be laid before Parliament for the WMCA to be created.
4. Sometime during the Autumn of 2015, an announcement or series of announcements on the Devolution Deal for the West Midlands are expected.
5. If all goes to plan, the WMCA will be established on 1 April 2016.

Frequently asked questions

1. *When will a decision be made to form the WMCA?*

All of the seven West Midlands Metropolitan Councils have made expressions of interest that they want to form the WMCA. Each of those councils need to make individual decisions on whether to be a constituent member. The deadline for this is 22 October 2015.

2. *When will Solihull MBC be making a decision to become a constituent member or not?*

At the Full Council meeting on 13/10/15.

3. *When will the WMCA come into being?*

1 April 2016. Between now and then a Shadow Board will exist.

4. *Will any further consultation/engagement take place?*

Yes. When the Government receives our proposal (The Scheme) they will publish a consultation document, giving local people three months to comment. The Secretary of State will only recommend that our proposal goes ahead if it will improve decision making and efficiency and achieve better results on transport and economic development.

Section 4

About the WMCA

What a WMCA means

1. A new way for local councils to work together to drive economic growth and improve the wellbeing of people.
2. The chance to better plan those things that could be more effectively delivered across authority boundaries – like transport, regeneration, skills development and business support.
3. Local decision-making powers passed down by central government to our region.
4. Securing long-term funding and investment to help boost economic growth and employment opportunities. See the Statement of Intent section below for more information on what the WMCA is and will do.

Geography

5. The geographical area of the three Local Enterprise Partnerships of Birmingham and Solihull, the Black Country, Coventry and Warwickshire.
6. More than four million people – this will make it the largest combined authority in the country.

Myths

7. It won't replace existing councils.
8. There won't be one new single authority.
9. One local council won't absorb the others and set the agenda.
10. Councillors in each authority will still be accountable to the people who elected them

Other facts

11. By moving power from Westminster to the West Midlands, we can collectively take decisions for the big projects that matter to local people and businesses, without the bureaucracy of Whitehall. It is about attracting investment and generating income that we can keep and recycle back into the region's economy.
12. We are home to more than 130,000 businesses.
13. We're one of the top performing areas for foreign and direct investment in the UK.
14. We contribute £80 billion of gross value added (GVA) to the UK economy.
15. We have £7 billion of exports – making us the UK's third largest exporting region.
16. The percentage of employees in manufacturing is 50% higher than the average for England.
17. 300,000 of those jobs are in high value manufacturing.

The Statement of Intent

18. The [WMCA Statement of Intent](#) is the document which sets out the commitment of its signatories to deliver a new ambition for the West Midlands Region.
19. It is based around the three major challenges faced by the West Midlands:
 - (a) The international challenge facing all cities because of the trend towards global urbanisation.

- (b) The national challenge caused by the lack of balance within the UK economy caused in part by the dominance of London and the South East.
- (c) The regional challenge reflecting structural issues within the Midlands/West Midlands economy:
 - A skills deficit
 - A legacy of worklessness
 - A public service challenge - tackling the hard issues of complex dependency, mental health and ageing well
 - Transport connectivity

20. The early priorities are:

- (a) Development of a single Strategic Economic Plan across the 3 LEPS
- (b) Access to finance and a Collective Investment Vehicle
- (c) Getting the transport offer right for the long term
- (d) Creation of economic policy and intelligence capacity
- (e) A joint programme of skills

21. The working principles are:

- (a) Commitment to collaborative working on the creation of the WMCA
- (b) The prize is strong economic growth
- (c) Smart investment focused on the biggest outcomes
- (d) Growth will be accompanied by innovation and public service reform
- (e) Commitment to collaborative working with the private sector
- (f) All communities will benefit from growth, but not necessarily at the same time or in the same way.

Frequently asked questions

1. *Who are the member organisations?*

Subject to each one agreeing, the seven metropolitan councils of Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton would be the constituent members.

Subject to each one agreeing, the three LEPs and the county and district councils within them would be the non-constituent members. Telford and Wrekin, which is outside the 3 LEP areas, has also agreed to be a non-constituent member.

We won't know the final membership until the Draft Scheme is finalised for submission. The deadline for this is 22/10/15.

2. *Why are we considering this particular area (the 3 LEPs)?*

A combined authority is required to cover an area that makes sense economically – for example an area within which many people commute to work or where there are strong links between local firms, universities and other institutions. A combined authority also needs to be big enough to be able to compete in the world and to pull together the resources needed to support more economic success. The 3 LEP area does this.

3. *What will be the name of the Combined Authority?*

The working name is the West Midlands Combined Authority. However, it is possible that a brand will be established in order to market what the West Midlands has to offer. Six of the seven Metropolitan Councils do not support the use of the name "Greater Birmingham".

4. *What happens to the West Midlands Integrated Transport Authority and Centro and their responsibilities for transport provision?*

The WMITA and Centro will be dissolved with their existing functions, powers, duties, properties, rights and liabilities transferred to the WMCA.

5. *Would Solihull lose control over local decisions, like house building planning approvals?*

No. Local councils will continue to make the decisions over local issues. The Combined Authority can only have influence on land use strategies if all the constituent members decide to give it that function. A Combined Authority cannot take planning decisions on specific sites or approve Local Development Plans as that remains a matter for each individual council.

6. *Would Solihull lose any of its powers?*

No. This is about central government devolving powers to the West Midlands Region and not about councils giving up powers to the Region.

7. *Will our council have the power of a veto on any decisions affecting Solihull? In particular the extension of the powers of the combined authority to other matters beyond transport skills and regeneration?*

Yes. Requesting and accepting additional powers to those provided in the 2009 Act is a unanimous decision for the CA, so all constituent members would have to agree to enable it to happen.

8. *Does the Combined Authority have to reflect local political proportionality?*

No.

9. *How will the WMCA be held to account?*

The WMCA will have to set up overview and scrutiny arrangements which should, where possible, reflect the political proportionality of the West Midlands. If a mayor is elected in due course they will be accountable to the electorate.

10. *Will Solihull end up bailing out other councils?*

No.

11. *Will it mean a single big council that means we will lose our local identity?*

No, a Combined Authority is not a replacement for existing councils and councils do not merge to form a single new body when they create a Combined Authority. Each member council continues to provide local services and to represent the local area in the same way they did before. The leaders of the councils within a Combined Authority are in turn therefore accountable to their own council and their respective elected members and through them to their local residents and businesses.

12. *Would we have to pay more tax to fund the Combined Authority?*

No. The Combined Authority will be funded by contributions from the existing local councils and each council would pool some resources to support it.

13. What is Solihull contribution?

At this stage, all that is known is that the Solihull's contribution to the running of the ITA will be its contribution to the running of the WMCA.

14. Would councillors get additional payments to sit on the Combined Authority?

No. The Combined Authority will be made up of the leaders of the local councils, who already receive an allowance for working on these sorts of issues.

15. Is this just another layer of bureaucracy?

No. The Combined Authority will make use of existing staff and finances and the decisions will be made by the existing council leaders working together. There will be no election of additional councillors to the Combined Authority.

16. What's the role of the WMCA Shadow Board?

The relevant terms of reference of the Shadow Board are:

- a) To approve the Combined Authority Scheme and Governance Review for submission to Government in October 2015.
- b) To develop a Constitution ready for the Vesting Day of the West Midlands Combined Authority.
- c) To oversee devolution proposals made by the West Midlands and the subsequent discussions with government.
- d) To approve the Combined Authority branding.
- e) To make all necessary preparations for the West Midlands Combined Authority to ensure it is in place for April 2016, or as soon as possible thereafter (subject to parliamentary timetable).
- f) Any other such matters that the members of the Combined Authority Shadow Board deem appropriate.

Section 5

About the WM Devolution Deal

Facts

1. Once established, the WMCA would be the vehicle for delivering any devolved powers.
2. The creation of a CA is separate to any Devolution Deal agreed with Government.
3. Government asked for our devolution submission to be presented to them on 4/9/15. Our submission was ambitious and included:
 - (a) Significant devolution of funding and financial flexibilities to support a locally controlled ten year investment fund totalling around £8 billion. This will be used to take forward a transport investment plan and explore means of increasing the supply of new development land
 - (b) Implementation of the HS2 Growth Strategy, including regeneration around the Curzon (Birmingham city centre) and Interchange HS2 stations
 - (c) An integrated new employment and skills system for the West Midlands, supporting school leavers, helping more people into work and providing skills to match the needs of local businesses
 - (d) Transformation of public services for “troubled individuals”, including support for people with mental health and reforms to the criminal justice system.
4. Other elements of the Devolution Proposals include plans to revitalise the housing market, transform business support and inward investment, create a national Pathfinder for Innovation and invest in quality of life through an improved cultural offer.
5. Following the submission we immediately entered a very detailed and confidential negotiation with The Treasury. The outcome of this will be a deal/agreement between the Government and the Shadow WMCA initially specifying the offers of power and funding from Government and the reforms and measures the West Midlands will need to deliver. The specific outcomes are likely to emerge in stages, a key one being the Comprehensive Spending Review announcement on 25 November 2015.
6. Acceptance of any Devolution Deal, as a whole or in parts depending on how announcements are made by Government, will require a future decision(s) of the Council. It may also be necessary for amendments to existing or even new legislation to be passed by Government to enable the Deal to be enacted.

Frequently asked questions

1. *When will we know the content of the Devolution Deal?*

Unfortunately, this is still unclear.

2. *How much of the new funding promised by central government will actually be spent in Solihull?*

Without knowing what's in the Deal, this can't be answered at present.

3. *If a Devolution Deal or one that is acceptable is not forthcoming, what will happen to the WMCA?*

The WMCA can still be created if there is no deal or if one is delayed. There is much that the WMCA has set out to do in the Statement of Intent that is not reliant on a deal, particularly the plans around public service reform and the independent Commissions.

Section 6

An Elected Mayor – to be or not to be?

Facts

1. The Cities and Local Government Devolution Bill makes provision for the constituent authorities of a combined authority to ask the Secretary of State to make an order allowing for the election of a mayor. The Bill is now at second reading stage in the House of Commons and is likely to become an Act in early 2016.
2. The WMCA is being created under the provisions of the Local Democracy, Economic Development and Construction Act 2009 which does not include provision for an elected mayor.
3. A potential elected mayor for the West Midlands would only be elected by, and responsible for, the area of the constituent members of the WMCA.

Frequently asked questions

1. *Will there be an elected mayor for the West Midlands?*

We will not run before we can walk. As and when we have reached agreement with government on devolution, the Leaders of the West Midlands Metropolitan Councils will address the mayoral issue. The deal needs to be good enough for Leaders to consider having a Mayor. If a decision is made to seek an elected mayor, the earliest that person would take the role is the 2017/18 municipal year.

Section 7

What does it mean for Solihull?

Facts

1. Solihull's stance continues to be that devolution for the West Midlands must be at sufficient scale in order to ensure sustainable economic growth and the wellbeing of the population. These are two sides of the same coin. On one side of the coin we will focus investment on the areas capable of delivering high growth and maximising the creation of high skilled jobs. That is how we deliver the productivity gains to secure sustainable growth. On the other side of the coin we need to understand the economic equation and financial return for reform. Whilst reforming services for better outcomes for our population is important, so is the understanding of the medium to long term economic benefits of reducing the cost to the regional and national public purse.

The economic evidence supporting Solihull's stance:

2. Throughout this process the Council has consistently promoted the 'economic plus' model. For Solihull, this means that our membership of the WMCA has to deliver funding, powers and flexibilities in order to deliver elements of our Priorities (e.g. UKC/HS2 interchange in the Managed Growth Priority and the integrated public sector offer in the Deliver Value Priority) faster than would have been the case had the WMCA not existed.
3. Due to the confidentiality of the ongoing negotiations with The Treasury and because the outcomes of that cannot be predicted, it is difficult to be specific now about the potential tangible fiscal and non-fiscal benefits for Solihull. However, based on what we know (see below), the case for Solihull's membership of the WMCA is a very strong one. It is clear that we need to be a constituent member in order to be in the best possible position to reap the benefits of the Devolution Deal as and when its outcomes become clear. Below is a summary of our current economic position and some of the potential economic benefits.
4. The existing economic conditions are:
 - a) Solihull is starting from a relatively strong position economically.
 - b) Solihull and Birmingham are the two growth drivers for the region with the largest economic contribution per head of the Authorities in the West Midlands.
 - c) Solihull is the only West Midland Metropolitan Authority with a Gross Value Added (GVA) above the national average (on a per head basis) as at 2013.
 - d) Solihull is home to a concentration of key strategic and business assets in the region with 6 of the top 13 identified by key stakeholders being located within the Borough.
 - e) Solihull has the greatest proportion of level 4 and above qualified residents in the West Midlands and is also above the national average.
 - f) In 2013 there were nearly 59,500 jobs in knowledge intensive industries in Solihull, representing 59% of total employment in the Borough and 285 per 1,000 population. This compares to the England average of 248 knowledge intensive jobs per 1,000 and the West Midlands average of 219 per 1,000.
 - g) With estimated public expenditure of £1.8 billion and generated tax receipts of £2.2 billion, Solihull makes a positive net contribution to UK public finances of around £0.4 billion or £2,000 per head (compared to the West Midlands deficit of £1,483 per head). On this basis Solihull is, after Warwickshire, the major net contributor to public finances in the region (on a total and per capita basis).

5. The potential economic benefits are:
 - a) Increased retention of business rate growth supporting capital expenditure on transportation, land, infrastructure and regeneration.
 - b) Localisation and long term commitment to a range of funding streams including transport investment funding, funds for supporting housing provision plus a range of business support and inward investment budgets.
 - c) A Gain Share programme arising from the GVA and fiscal returns from the HS2 Growth Strategy, which will also support investment.
 - d) Powers to raise additional funding.
 - e) A specific capital allocation for the Birmingham Curzon to Interchange Metro linking major developments and key existing economic hubs such as Birmingham City Centre, High Speed 2, UKC, Birmingham Airport and the National Exhibition Centre
 - f) Increased funding to support the infrastructure for UKC growth at the HS2 Interchange site and UKC Plus. Including funding for the proposed people mover that will link the interchange station to the NEC and the airport.
 - g) Control of a 10-year Transport Investment Fund. This includes devolution of transport investment funding including Growth Deal, Integrated Transport Block, Highways Maintenance Grant.
 - h) In addition to the above, the WMCA is setting up a number of independent Commissions to help shape the agenda for the West Midlands. Two of those Commissions – the Land and Productivity Commissions – are specifically focused on increasing the rate of growth and addressing competitiveness. See the appendix for further details on what each Commission is aiming to do.

The public sector reform evidence supporting Solihull's stance:

6. Delivery of tangible Public Sector Reform (PSR) benefits by the WMCA is less dependent on the outcomes of the Devolution Deal negotiations than those relating to economic growth and transport connectivity. The intended outcomes of the extensive amount of work already in train on PSR, irrespective of what might come from a Devolution Deal, strengthen further Solihull's case for membership of the WMCA. Below is a summary of the PSR work already in train.
7. The challenge for the public sector is that it faces increased demand for services and a change in the nature of that demand. For example, the volume of crime is down but the proportion relating to serious and complex (high harm) offending has gone up and gone online. In the context of welfare to work, a much higher proportion of participants of work programmes have multiple barriers preventing entry into the labour market that cannot be addressed by traditional service siloes. Many citizens interact with a range of services and organisations. Disconnection between services is a significant cause of inefficiencies and impacts negatively on outcomes. In the case of individuals or groups with complex dependencies, the inefficiency and negative impact on outcomes can be marked. For example national research on troubled families showed that on average 22 professionals could be involved in working with one family.
8. In order to tackle this, the proposal is that PSR in the West Midlands will be delivered based on three principles:
 - a) **Prevention and Outcome Focus** - Decisions need to be made on the basis of optimising key shared outcomes, rather than just to individual service outcomes. This focus will lead to more preventative approaches, preventing or delaying high-cost negative outcomes for citizens. A high level outcome focus will unify collective effort across the public service landscape and

encourage more collaborative behaviour. This will be supported by policy based on robust data and evidence shared across the West Midlands.

- b) **Empowerment** - Making best use of the capabilities and assets of citizens and communities will be critical to future service design. “Everyone doing their bit” is the key ethos of this principle. Citizens need to have the capacity to access the information that they need to make choices. Professionals need to be empowered to design and deliver services from the perspective of the citizen *with* the citizen
- c) **Cost-effectiveness** - Decision making needs to focus on optimising the use of the “public pound” rather than each individual organisation’s budget. We will work with Government and partners to establish clear baselines for current spending, avoid double counting of savings and effectively model the costs and benefits of interventions. We will look to develop financial modelling that will enable us to move towards cost-effective earlier intervention and investment in preventative activity to deliver long term savings.

9. The four proposed enablers of these principles are:

- a) **Integration** (new integrated delivery models) - An integrated, coordinated and sequenced approach to joint working across agencies and sectors. Models need to be coherent but also allow for local flexibility. We will rigorously and consistently deliver the primary components of evidence-based interventions, whilst maintaining local flexibility around how secondary components are implemented.
- b) **Experimentation** (building a robust evidence base) - Systematic experimentation will underpin our reform. Effective public services need experimental, learning organisations – robustly and systematically testing things out, measuring them, and growing what works. Programme and service design will be based on evidence, building new capability in the region to access, build and use robust evidence. Partners have significant capacity in this area, and we intend to collaborate together and with local universities to further develop and more effectively apply these capabilities. We want to work with central government (e.g. HMT, DWP, MoJ and DCLG’s Troubled Families Unit) to develop effective data capture and sharing, and robust cost-benefit evaluations.
- c) **Whole Person** (With a focus on the whole person or family) - There is now strong evidence for adopting a “whole person” and “whole family” approach to complex problems, building services and support around individuals and families rather than organising and planning them through service silos.
- d) **Digitalisation** - We will pursue new cost-efficiencies through digitalisation. The new capabilities of digitalised services, the ‘internet of things’ and ‘smart cities’ will enable new and more cost-effective ways of delivering services and supporting key outcomes.

10. The PSR programme will centre on well evidenced interventions and service re-design to support ‘troubled individuals’. Within this, three specific areas have been identified in the submitted Devolution Proposals:

- a) **Education, Employment & Skills** - Addressing the poor skills in the workforce and exclusion of some groups from participation in the labour market. We aim to simplify and re-focus the education, employment and skills system; strengthen the connectivity between supply and demand for skills; completely redesign employment and skills services with devolution of all employment and skills funding and alignment with the WMCA Employment and Skills Strategy.
- b) **Mental Health** - Poor mental health and wellbeing is a significant driver of demand for public services and has an adverse impact on productivity, with

clear links to both the offending and the employment and skills agendas. The aim is to establish a Commission (see appendix) which will identify an evidenced-based approach to service re-design. This work connects with existing working including the developing NHS Vanguard in the region.

- c) **Devolving criminal justice** - We want to re-engineer the youth criminal justice system to be much more preventative through evidence-based programmes such as early and non-judicial intervention with offenders to reduce re-offending.

11. Through the Devolution Proposals, three specific asks have been made of government which are currently the subject of negotiation:

- a) Data devolution - working with Government Departments and the Information Commissioner to overcome barriers to using data to identify troubled individuals – this is particularly an issue for health data.
- b) Engaging with TFU, MoJ, DWP, Department of Health, the Home Office, HMRC and other relevant national partners to develop the programme.
- c) Joint analysis with Government to understand the costs of current arrangements working with this group, the potential savings from a more systematic approach and to pilot the creation of a place-based budget for Troubled Individuals.

Delivery of the Council's Priorities:

12. West Midlands Regional Devolution is one of the key programmes and areas of focus in the Solihull Council Plan. The product of the devolution deal will be important to the delivery of all four of Solihull's Priorities and to fulfilling the Council's Purpose to improve lives and its Ambition to move from good to great.

13. In Solihull we recognise that improved economic growth needs to be seen alongside public sector reform and improved outcomes in the wellbeing of the Borough's population. The Narrative in the Council Plan explains our intentions to align increased economic growth to improvements in wellbeing as they are two sides of the same coin. This will be essential to the realisation of the ambition to be a financially self-sufficient local authority in 2020.

14. The Council is clear that, in order to achieve its ambitions for economic growth, improved wellbeing for its population and self-sufficiency, it needs a high performing regional platform of a scale that can attract the significant inward investment needed.

Section 8

Engagement and consultation

Facts

1. A West Midlands wide process of engagement ran from early August to 7 September 2015. A concurrent process has been running in Solihull and we will continue with this for however long is necessary. The purpose of this engagement was the sharing of information to better inform a range of stakeholders. It was not a formal consultation with stakeholders or residents as the legislation does not provide for this.

West Midlands wide engagement

2. This involved:
 - a) Writing to a representative sample of 465 stakeholders comprising key private sector employers, public sector bodies and third sector organisations;
 - b) The establishment of an on-line survey to collate the views of parties whose views were requested; and
 - c) A number of briefings with the business and third sector communities. The centre-piece of this was a joint presentation to the Greater Birmingham Chambers of Commerce by the Chief Executives of Solihull and Birmingham and the Programme Delivery Director of the Greater Birmingham and Solihull LEP.
3. The on-line survey was completed by over 300 respondents and had free text fields for general comments together with 8 questions in respect of:
 - a) The efficiency and effectiveness of transport and economic development/regeneration;
 - b) The impact on local communities, and
 - c) The prospect of more joined up working with Local Enterprise Partnerships.
4. The results indicate broad support with over 60% of respondents agreeing or strongly agreeing that the statutory purposes for the Combined Authority will be achieved. There was a fairly even split between public sector, private sector and not for profit organisations within the responses.
5. The survey and website provided an opportunity for respondents to leave comments. There were over 70 responses in this format. As expected from a large sample there were a range of comments:
 - a) Support centered on the excellent opportunity offered, to capitalise on Manchester's success, to get the area on the map and the chance to improve the lives of residents.
 - b) One of the more common was regarding the name; some felt that the West Midlands did not reflect the 'city agenda'.
 - c) Some generally unsupportive feedback: undemocratic, another tier of Government, concerns around the dominance of Birmingham.

Solihull engagement

6. Presentations to a range of local stakeholders by the Leader of the Council and the Chief Executive, including:
 - a) Solihull Area Committee (town and parish council chairs/clerks)
 - b) Town and Parish Council members – 2 sessions were attended by 30 town and parish councillors
 - c) Solihull Partnership Governing Board
 - d) Solihull Together Leaders' Board – including leaders from health and police
 - e) North Solihull Partnership
 - f) Solihull Rotary Club

- g) Voluntary and Community Sector organisations – a presentation was made to its conference on 17 September and a dedicated session open to all organisations took place on 7 October
 - h) Solihull College Governors
7. The creation of a page on the Council's website and an email inbox for anyone who wanted to comment or ask questions. The purpose of this was information giving and not consultation. 50 emails have been received containing a wide range of views, concerns, support and questions are summarised below. A response has been made to the senders of these emails.
- a) Engagement/consultation – a number of views and concerns about the speed in which a decision is to be taken; the absence of a formal consultation of all residents; and a perceived absence of evidence to support the case for Solihull joining the CA.
 - b) Solihull's sovereignty, character, identity and reputation – a number of views and concerns including the impact on Solihull Council services and particularly those for vulnerable people; fear of a loss of planning powers; and impact on the quality of Solihull's environment. Particular concern is the dominance of Birmingham and the impact of the City Council's financial position on Solihull.
 - c) Cost and governance – a small number of concerns that the CA could increase costs and a recommendation that a careful costing of the WMCA structure be carried out. There were 2 responses objecting to the possibility of an elected mayor and 1 response in favour of the joint committee model.
 - d) Support – a few responses supporting the creation of the CA and some specific comments as follows:
 - Support for the inclusion of the three LEPs.
 - Support for the proposals on skills and connectivity.
 - Support for the approach being taken in that it should be beneficial for the community and businesses in the combined area.
 - Support for the emphasis on increased economic growth for the region.

Frequently asked questions

1. Will any further consultation/engagement take place?

Yes. When the Government receives our proposal (The Scheme) they will publish a consultation document, giving local people three months to comment. The Secretary of State will only recommend that our proposal goes ahead if it will improve decision making and efficiency and achieve better results on transport and economic development.

For further information or to ask any questions which have not been covered, please email Richard Tapson – rtapson@solihull.gov.uk

West Midlands Combined Authority Independent Commissions

The West Midlands Productivity Commission

Purpose/remit:

There is no one factor which explains the UK's productivity gap. The explanation lies in a blend of factors, including historically low levels of capital investment both in plant and machinery and public infrastructure, insufficient spending on research and development, and low skills levels across the workforce. The West Midlands has not been immune from the productivity gap. The total output gap is some £16 billion which translates to output of £20,137 per head, some £4,000 lower than the national average. There is a big prize to go for in closing this gap, hence the setting up of this commission, whose remit will be to:

- Establish the true extent of the productivity challenge in the West Midlands
- Understand the component causes of the productivity challenge and the inter-relationships between them
- Make recommendations as to how these individual causes can be addressed
- Ensure appropriate plans are developed for the implementation of these recommendations and monitoring systems exist to review their effectiveness.

Progress:

On 10th July 2015, the Secretary of State for Business launched the Government's proposals for a Productivity Plan. There is a need to reflect on the implications and impact of this announcement in developing the role of this Commission. There is also a need to clarify the Commission's role in relation to productivity in the private and public sectors.

The WMCA Shadow Board on 21 August 2015 agreed that the Steering Group overseeing the development of the Super Strategic Economic Plan* should take the lead in identifying and steering the work of the Productivity Commission as it relates to issues around private sector productivity. This should also pick up the implications of the Government's proposed Productivity Plan.

**As part of the process of bidding for local growth funds, each of the three Local Enterprise Partnerships produces a Strategic Economic Plan (SEP) setting out their strategic economic priorities and establishing the case for investment in a number of key projects. The three LEPs have agreed to work with Metropolitan Authorities to produce an overarching Strategic Economic Plan for the West Midlands, which will clearly demonstrate how the co-ordinated governance approach will add value to the region. This has become known as the Super SEP and a steering group has been set up to oversee the work.*

The West Midlands Land Commission

Purpose/remit:

Ensuring a constant supply of land for housing and employment use that is commercially developable is critical. Whilst recognising the important roles that the three LEPs and the West Midlands Councils have taken in driving investment and development across the West Midlands, there remains a need to do more. We need to ensure that the supply of development sites can meet demand, and we need to find a way to bring brownfield land back into use. We need to ensure that the opportunities afforded for development on public sector-owned land are fully exploited. We also need to ensure that transport investment is properly linked to priority employment and housing sites. To address these issues, a Land Commission for the West Midlands has the aim of:

- Compiling a comprehensive register of the development sites and available and vacant property available in the West Midlands region
- Preparing a comprehensive assessment of the viability of existing sites focusing in particular on the specification of a range of early opportunities for international marketing purposes
- Working with international, national and regional organisations on the identification of mechanisms which will enable sites and premises on a phased basis to be brought back into the most appropriate productive use
- Developing appropriate tools and partnerships to enable individual sites and premises to be remediated and further developed.

Progress:

The following terms of reference have been agreed:

The aim of the Land Commission is to enhance the supply of suitable development sites and make recommendations to remove impediments to that supply. This will lead to significant improvement in the supply of brownfield sites within the West Midlands through providing a greater understanding of:

- *Available land and premises across the public sector;*
- *Available land in the private sector;*
- *Spatial distribution in relation to key growth nodes and transport corridors;*
- *The impediments to bringing brownfield sites forward for development; and*
- *Wholly understand fiscal and non-fiscal mechanisms to overcome those impediments.*

Consideration is also being given as to appropriate Commission Members. It is important that membership covers as broad a spectrum as possible from the development industry to cover all aspects of the development and construction industry.

The West Midlands Mental Health Commission

Purpose/remit:

Around one in four people in the UK experience mental health problems in any given year. One in ten young people experience mental health problems before they reach adulthood. We also know that mental health problems lie at the heart of a range of our most intractable public service challenges, including the present levels of worklessness. Despite this, mental health remains too low a priority for the National Health Service.

We do not believe it is possible to rise to the challenge of reforming our public services without looking properly at the role mental health plays in driving demand for those services. More than that, we believe that tackling mental health will enable us to reduce our spending in the long run. Poor mental health is the root cause of many of our social and employment problems as well as the size of the benefit budget. All our work with the police, courts and prisons, in families, domestic violence and with children in care tells us that tackling mental health problems as and when they occur is vital to the effective reform of public services and the fulfilment of our wider economic objectives.

Progress:

The following terms of reference have been agreed:

- a) *To assess the scale of poor mental health and wellbeing across the combined authority area and its cost and impact on public sector services, the economy and communities*
- b) *To review national and international research and best practice to establish what works best in addressing the impact that poor mental health and wellbeing has on public services, the economy and local communities. Establish the relative costs and benefits of the application of this evidence to the West Midlands*
- c) *To identify, and consider the outcome from, work currently under way and/ or being piloted in the West Midlands to improve mental health and wellbeing, including but not limited to Headstart, the NHS Vanguard*
- d) *To make recommendations to both Government and the West Midlands Combined Authority on:*
 - *How public services should be transformed to reduce the impact that poor mental health and wellbeing have on public services, the economy and communities in the West Midlands, within the current resource envelope*
 - *How resources currently spent on supporting people with mental ill health can be re-directed to measures that keep people mentally well and enable recovery in people with poor mental health and wellbeing*
 - *The potential for a devolution deal for mental health and wellbeing, and if appropriate specify the nature of a devolution deal*
 - *The outcomes that can be delivered by public service reform, within existing resources, to address poor mental health and wellbeing and the impact on demand for public services and productivity*

Norman Lamb MP has agreed to chair the Commission and discussions with other potential panel members have started. The Commission is aiming to publish its findings in July 2016.