

The West Midlands Trailblazer Devolution Deal

The context for a new devolution deal

The West Midlands has so much to shout about. We have a young, diverse population, dynamic towns and cities, thriving, innovative businesses, and our culture and natural beauty — which are too often just well-kept secrets. We have a rich industrial history and heritage, and very recently we were the fastest-growing region outside London in the decade to 2019, breaking through the £100 billion economic output mark. We have captured the eyes of the world with a colourful Commonwealth Games and Coventry as ‘City of Culture’; the future is bright too — new businesses locating in the region and HS2 continues to take shape month by month.

The West Midlands Combined Authority, and its member authorities across the region, have shown how effective they can be in shaping the drivers of economic growth. We have grown an award-winning public transport system, built thousands of homes and unlocked brownfield sites for development, risen to the net zero challenge with pioneering retrofit schemes, and crucially turned around a failing skills system.

But not everyone is sharing equally in this success. And these successes are hard won in a country where too much is controlled from London. In the West Midlands, levelling up is about giving everyone in the region the chance to flourish by freeing our regional leaders to be more effective.

The past two years have been tough — the Covid pandemic, new trade frictions and supply chain challenges and global economic fluctuations have resulted in consequences for every region. The effects of climate change and environmental breakdown are having a growing impact and influence on public policy. Additionally, global affairs are causing significant economic instability, which is having a profound effect on energy security, inflation, and the wider cost of living. Despite all the progress, some of the inequalities that exist between towns, cities and regions are now growing ever wider.

Our priorities for a Trailblazer Devolution Deal

Opportunity for all must start with a thriving economy. The West Midlands Plan for Growth sets a path to returning to that growth trajectory and spreading opportunity and jobs across the region. It will require government to increase our ability to work more effectively with business and unlock private investment as other mayors can across the world.

We need to go further and faster. Since the original Devolution Deal with the WMCA in 2015, over £4.7 billion of new funding has been brought into the region as the mayor and member authorities have worked together to unlock growth.

The opportunity to negotiate a Trailblazer Devolution Deal creates the opportunity for us to double-down on our successes.

First, we must go further and faster on those drivers of growth that have been devolved to us already. We need greater control over post-16 technical and vocational training and opportunities to co-commission employment support to better address local needs.

We need more flexible funding to build more affordable, zero carbon homes and unlock stalled investment through new Levelling Up Investment Zones.

And we need new ways to encourage people onto public transport through mobility credit schemes, new e-mobility powers, and a dynamic role in Great British Railways.

In all these areas, we need simplified funding streams with fewer strings and competitions. We could really unlock private investment, local supply chains and training programmes in opportunities like domestic retrofit, if government could guarantee a more flexible flow of public funds rather than stop-start competitions for limited pots.

Next, to solve the productivity challenge in the West Midlands and create more, higher paid local jobs, we need new powers to reboot economic growth. We need a new model of consolidated, co-commissioned business support and, building on our Innovation Accelerator, we need to secure our fair share of public R&D investment, working more closely with UKRI to unlock opportunities in health tech and burgeoning low carbon technologies.

Our Global West Midlands programme requires a new relationship and support from the Office for Investment. Our 16,000 energy intensive businesses and their supply chains require a unique approach to addressing escalating energy costs and making the low carbon transition.

And then thirdly, to level up we must address our communities' concerns about public services and restore pride in place. Health and wealth are two sides of the same coin — working with our health system partners, we have plans to make much better use of data and digital innovation in tackling the healthcare backlog, and find new ways to tackle health inequalities.

We want to go further on homelessness prevention and addressing our high levels of digital exclusion and, working with the Police and Crime Commissioner, there is more we can do to improve community safety and tackle youth crime.

We have plans to improve access to the arts and culture in places that are underserved, ensuring that we build on the success of the Commonwealth Games and Coventry City of Culture to create a lasting legacy. We hope this will narrow the differences in participation rates in culture, sport and heritage within the region.

As the national leader in 5G mobile coverage, we will also bring forward a West Midlands Smart City Region programme to use our digital infrastructure to improve access to healthcare and unlock smarter transport and energy systems.

Collaboration and accountability

Levelling up is a collaborative effort. It rests on the hard work of our businesses, communities, schools, colleges, universities, hospitals and many, many others. And none of this will be possible without strong local leadership and accountability.

As part of our devolution process, we have agreed clear principles with our local authority members. **Where possible, new powers and funding will be 'double devolved'** — making sure it's truly local, closer to people and places who need it, with no powers sucked upwards.

Our plans for levelling up must be aligned to local plans and strategies. We're working hard to make sure we seize opportunities to make the whole greater than the sum of its parts –

making the links between innovation and transport, housing and net zero, digital and energy infrastructure and skills, for example.

We are also aware of what our proposals might mean for particular communities — for young people and old, for disabled people, and in tackling the inequalities experienced by minoritised black and ethnic communities.

To monitor our progress on our efforts to level up, we've developed a new West Midlands Outcomes Framework. This has a set of key metrics by which we can measure whether our collective efforts are having impact.

They will also allow the public to make a clear judgement on the performance of our regional leaders and make comparisons from region to region. Our mayor and many of our other local leaders are ultimately judged at the ballot box, but as we take on new powers and responsibilities, we will enhance our accountability too.

Fiscal sustainability and a long-term approach

The government's Levelling Up White Paper made one thing very clear: this is a broad, deep and long-term programme. The West Midlands Levelling Up Growth Prospectus details proposals for a Trailblazer Devolution Deal that we wish to secure in the coming year.

This new devolution deal must come with the appropriate resources. The White Paper recognises the need for simplified funding, monitoring and evaluation across key programmes of work, but **the WMCA needs a new long-term fiscal settlement to support its levelling up agenda.**

As the White Paper says itself:

“System change is not about a string of shiny, but ultimately short-lived, new policy initiatives. It is about root and branch reform of government and governance of the UK. It is about putting power in local hands, armed with the right information, and embedded in strong civic institutions.” - Levelling Up White Paper

The West Midlands is stepping up to this challenge and this Levelling Up Growth Prospectus provides a routemap to guide our path. But if we are to turn the tide on regional inequality and unlock unprecedented investment in our region to steer us out of such troubled times, then it will take all of us – not least national government – to forge new relationships that put communities at the centre of the fairer, greener, better-connected region that will benefit us all.

The West Midlands Combined Authority, and its member authorities across the region, have shown how effective they can be in shaping the drivers of economic growth. We have grown an award-winning public transport system, built thousands of homes and unlocked brownfield sites for development, risen to the net zero challenge with pioneering retrofit schemes, and crucially turned around a failing skills system. Now is the time to take this to the next level.