

## **Leader's Policy Statement, 9 June 2015**

### **A time for change, a time for Birmingham**

Thank you Lord Mayor.

I would like to present my Leader's Policy Statement for 2015.

This is a time of great optimism for the Birmingham economy, but also a time of many challenges for the people of the city and for this City Council.

I am confident that we will rise to those challenges – indeed we are already doing so.

This is a time for us to be bold and to accept the need for rapid change. It is a time to turn the page and write a new chapter in the history of this City Council.

I believe that in the years ahead we will see a level of economic success we have not seen for 50 years.

It is time for a further renaissance and a rebirth of the city's economy – a "Birmingham Boom".

### **There is good news for the Birmingham economy**

The latest figures show that growth in the West Midlands is now outstripping that of any other core city region. The region is now the nation's exporter, with a trade surplus with China. We are also a national leader on inward investment and the jobs it creates.

2015 will be a special year in the city's journey back to prosperity.

We are nearing the completion of the New Street Gateway project, with the Grand Central shopping centre, including John Lewis. The metro link extension from Snow Hill to New Street stations will also open soon, as will the new Park Regis Hotel at Five Ways.

The phased re-opening of the refurbished Mailbox will be completed. And work has begun on the Paradise redevelopment – a vital part of the jigsaw of our city centre renewal.

Last week's Birmingham Post summed up the current buzz of excitement around the city, with a front page headline of "A skyline transformed" and stories inside including the proposed new tower at 103 Colmore Row, Three Snowhill, Arena Central and Left Bank on Broad Street.

All in, a total of more than one million square feet of new offices are in the pipeline for the next two years – which means growth and jobs for the people of Birmingham.

The extension of the enterprise zone, announced by the Chancellor last week, will provide the funding for our regeneration plans for the area around the new HS2 station. We have already secured £275 million of investment from the existing enterprise zone. This expansion could create an investment pot of around £1,000m. This is another critical step forward in our plans for the most important regional centre of commerce outside London.

During the year we have also had the news that the HS2 training college will be coming to Birmingham to join the HS2 headquarters – bringing the prospect of career opportunities for young people and making Birmingham the hub of the nation's new high speed network.

Our plans and those of our neighbours across the West Midlands will build on the strengths and address the weaknesses of our economy by investing in transport connections and skills and opening up new opportunities for investment.

But a good quality of life and a vibrant, diverse community are essential elements of what attracts businesses and individuals to the city.

So, alongside this physical regeneration we are determined to ensure that Birmingham retains its world-class arts and cultural offer. We must find new ways of doing this as an integral part of our economic strategy.

We are blessed with some real cultural jewels as well as a richly diverse community arts scene. And we have been served by some real champions of the arts whose passion and commitment is there for all to see.

So I would like to say a public thank you to those retiring in this municipal year – Stuart Griffiths, OBE, 12 years with the Birmingham Hippodrome and Chris Barron, who has been with the Birmingham Royal Ballet for ten years, who are both leaving this summer, and Andrew Jowett, OBE who has led the Town Hall and Symphony Hall from the beginning and will be retiring next spring.

Lord Mayor, we remain committed to our goal of making Birmingham the enterprise capital of the UK and a natural home for entrepreneurs.

Young people are now coming to Birmingham from London, rather than leaving to make their fortune as they may have done in the past.

People are moving out of London because of the cost of living and by far the greatest numbers of them are coming to Birmingham. They include young professionals and entrepreneurs who, alongside those who grew up here or came here to study, are setting up new businesses in the creative and digital sectors.

As well as being the manufacturing hub of the UK, with an increasingly global profile, we are also the nation's second biggest centre for finance and professional services

after London, with good access to the capital, which will get even better when HS2 arrives.

Notwithstanding the news today, the announcement in March that HSBC will be relocating their retail banking HQ to Birmingham was and remains very good news for the city. At the time, Chief Executive Alan Keir said:

“Birmingham genuinely has a really dynamic plan and it also has the credibility to execute that plan. It has so many good things going for it...why wouldn't we want to be where entrepreneurial Britain is strongest?”

Lord Mayor, the Birmingham City Council that I lead will always have economic prosperity and business growth close to its heart.

And I cannot let this moment pass without a brief mention of the council's former Director of Planning and Regeneration, Clive Dutton, who sadly passed away at the weekend. Clive served the previous administration, but to all of us he was a shining example of a public servant dedicated to helping business to thrive. His vision and imagination live on in the many developments he worked on across the city and the memory of those he worked with, both in the council and beyond.

Lord Mayor, in the years ahead we will continue to drive key regeneration projects such as the Curzon masterplan project, the Icknield Port Loop housing initiative to build over 1,000 new homes, the Life Sciences Campus at Selly Oak, and Longbridge.

But the focus of this economic regeneration will increasingly be set within a city regional framework, reflecting the functional economic area of which Birmingham is the core.

In this speech last year I gave a commitment to work with our neighbours to build the governance structure necessary to take forward our ambitions.

In November the Black Country boroughs and Birmingham committed to this project and just last month we were joined by Coventry and Solihull.

Since the autumn, work to design the Combined Authority has been taken forward behind the scenes. We are on course to produce a draft scheme for consultation over the summer and to submit a final scheme to the Secretary of State in September, so that we can set up the new authority as planned next spring.

This City Council will have a full debate and a vote on the proposal before it is submitted to government.

But the prize we are seeking here is not a governance structure.

The Combined Authority will give us the platform from which to reach for the real prize – a devolution deal that will enable us to realise our ambitions for the West Midlands and make our full contribution to the nation's economy.

So we have also been carrying out the economic analysis and developing our vision for the West Midlands Engine for Growth and, together, we will shortly be publishing our prospectus.

At our meeting last week the Chancellor welcomed our focus on the economic outcomes we want to achieve. In the meeting, he did not mention the Metro Mayor once. That is an issue we can return to later and on which we need to see a wide public debate across the region.

We will build our Engine for Growth one step at a time and focus on the projects and investment programmes that will make a difference to people's lives.

We must take people with us and create a new authority that is popular because it delivers on the things that matter to people.

### **But the city faces many challenges**

But, Lord Mayor, alongside this economic optimism, the city faces a number of critical challenges that we must and we will address.

Whilst some are already benefitting from growth, too many in our city remain locked out of prosperity, without work or with low paid and insecure jobs.

Much of our economic opportunity is built on the skilled labour in the region. But there are skills shortages in many industries and the overall level of skills in the population is too low, damaging local growth and international competitiveness.

Birmingham is a young city and this is one of our great assets. But young people face real difficulties in gaining a good education, training and work, accessing housing or travelling around the city.

The safety of our youngest citizens remains our top priority. Safe families provide the start in life that every child deserves, so we are also particularly concerned about domestic violence and about the many challenges faced by troubled families.

There is a pressing need to increase the supply of new homes in the region, to meet the needs of a growing population. But we also need to provide more social housing to meet needs. And we need to improve the lives of those in private rented housing by working in partnership with good landlords and robustly challenging the not so good.

Another of our great assets is our diversity. It is a source of innovation and creativity and a key element of the city's quality of life. But there are also challenges and

threats here – from extremists of all types who would deny the liberties and the diversity we treasure.

We must also respond to the inequality and poverty in many of our communities.

And of course the other recent event that will have a big impact on our plans and these challenges is the general election and the creation of a new government.

The Prime Minister has shown a remarkable degree of loyalty to his senior cabinet members, which is no bad thing.

One minister who has departed of course is Eric Pickles.

It would be difficult, indeed dishonest, to say that we will miss him. But he did have a genuine love for Birmingham and its history. Often to be seen wandering the city during party conferences, he once described the Water Hall as the “epicentre of municipalism”.

But that also gives me the opportunity to congratulate Greg Clark on his appointment. I know from experience over the last three years that he will be a constructive and positive partner to Birmingham and the other core cities in taking forward the devolution agenda.

I hope that he will also adopt a more positive approach when it comes to the funding of our local services. We anticipate more cuts, as promised, but perhaps we will receive a more receptive hearing when we again take the case to government for fairer funding for Birmingham.

I also welcome the return to his post of the Transport Secretary, Patrick McLoughlin. He has been a key ally in our work on HS2 and, as a Derbyshire MP, will be a key supporter of our Midlands Connect campaign to improve transport links between the East and West Midlands.

Lord Mayor, we will work constructively with the new government, particularly on securing a devolution deal for the West Midlands. But we will also oppose policies that are not in the interests of the people of Birmingham. Three areas in particular are causing concern – the selling off of social housing, further cuts in benefits that will hit the most vulnerable and a centralist approach to education that continues to exclude local government and even parents from decision making.

We will find out what the government plans in terms of local government funding during the Comprehensive Spending Review to be published in the autumn and the funding settlement at the end of the year.

But the early signs are not promising, with the Chancellor having already announced further cuts for this year before he has even got to his second budget in July. There

is likely to be an impact in areas such as Early Years funding and our Public Health budget.

### **Responding to the challenges**

It falls to this leadership to address the challenges I have outlined.

We will not just invest in growth and hope that it trickles down to the most deprived and vulnerable in our communities.

We must work for a recovery for all the people of the city, not just the few.

As newly elected MP Jess Phillips said in her victory speech, “we’re all better off, when we’re *all* better off”.

So, in our priority programmes,

- We will improve schools through the Birmingham Education Partnership, with the aim that every school in the city will be rated at least “good”
- We will take forward the Birmingham Youth Promise, launched last year, to guarantee young people employment, education, training or work experience within four months of leaving a job and help with careers advice, transport and a new digital access point for services
- We will set out a new Birmingham Skills Investment Plan and work to create an Apprenticeship and Internship Agency
- And we will increase the number of companies paying the living wage and signing up to our Business Charter for Social Responsibility and tackle issues such as exploitative zero hours contracts.

We recognise that a stronger economy needs a stronger society.

So, in our priority programmes,

- We will make further progress with the transformation of the Children’s Safeguarding service
- We will launch an Early Years change programme to provide sustainable services that give a chance in life to under-fives, whatever their background and support families in need through the new Early Help Strategy, being developed with our partners
- We will tackle domestic violence through a citywide strategic approach as a priority for the year ahead

- And we will develop a comprehensive new housing offer, to ensure affordable, safe and decent homes, a better deal for tenants and a more integrated approach to homes and neighbourhoods.

As we say in the document, our most important goal is to create a more equal society.

We know that is an ideal shared by the majority of people in this city.

It is an ideal that motivates untold numbers of active citizens and voluntary and community organisations day in and day out.

Birmingham remains a city in which people value their community and stick up for one another. It is a city where people believe in fairness and justice.

To adapt a quotation from Bill Clinton, I would say that “there is nothing wrong with Birmingham that cannot be cured by what is right with Birmingham”.

### **The Future Council**

Lord Mayor, I believe that sentiment is also true of the City Council.

Our other big priority for the years ahead is the creation of a new City Council and a new landscape of local public services through the Future Council programme.

I am proud of the staff and councillors of this City Council who make a real difference every day to people’s lives, whether it is helping someone to find a home, getting families the support they need to ensure their children can get on at school, helping an older person to stay in their home or working with the community to clean up a local neighbourhood.

But, if we are honest, all of us must accept that the weaknesses of the council organisation have been apparent for many years. In some areas we have not been bold or radical enough in moving with the times, modernising what we do and how we do it.

Much of the Cabinet and senior officer energy during 2015 has been focused on our improvement plans and developing the Future Council programme.

Since the turn of the year we have been on the front foot, designing our own plans for change and improvement and focusing not on the past but on what we are going to do to make things better in the future.

We are getting back in control of our own destiny and these will be Birmingham’s improvement plans, not those of the government or anyone else.

Our top priority remains the transformation of our Children’s Safeguarding service. As summarised in the policy statement and in our three-year Improvement Plan, we

are making good progress and we have clear plans for the next two years. Above all, we have addressed the issue of recruitment and retention and we have invested a total of £31m extra in the service.

We are also making good progress in addressing the weaknesses of our corporate governance arrangements, with a new role for district committees established in the council's constitution and changes being put in place in strategic planning, performance management and human resources.

The Future Council will have at its heart a much stronger emphasis on partnership working and integration between different services.

We have begun the process of developing a new City Partnership Group through which the overall vision for the city will be set. But this will be part of a wide network of partnerships to deliver specific services and objectives.

We are also taking a different approach to budget setting, developing a medium-term financial strategy to take us through to 2021 linked to the redesign of services, rather than salami slicing. This is the only way in which we can create a sustainable council and respond sensibly to the scale of funding cuts expected.

So, our plans are in place and improvement is well under way. I have every confidence that the Chief Executive and the new team he is assembling will deliver.

But we must go further.

We must do more than simply correct the weaknesses that others have rightly identified.

Our aspiration must be to build a Future Council that is worthy of the heritage of this great city.

Our future local government may not have the paternalism and the grand ideals that inspired the building of this Council House in Joseph Chamberlain's day.

But we can still aspire to create a local democracy and local public services that inspire a sense of ownership and pride in Birmingham people.

And we can still inspire people with the capacity for democratic action to bring about change for the better and the capacity of public servants to change the lives of people every day.

Why do I say that change is so important?

It is not about modernisation for the sake of it, or doing things differently because other councils are, or the government suggests we should.



It is not about pursuing ideological models of the future of local government which result in mass outsourcing to large corporations and the loss of all democratic control for local people.

It is about creating an organisation that can achieve the outcomes we want and Birmingham people want, within the resources we have available.

The alternative is a rapid decline, leaving a residual and threadbare safety net of services.

Change will be difficult. But we have set out the direction and the principles that should guide us and the outcomes we want to improve. That must be our disciplined focus in the years to come.

## **Conclusion**

Lord Mayor, the document I have presented today sets out the political vision and values that will guide all the work of this City Council as we work in partnership with others.

It sets the vision for the city and the Future Council.

We want to see a fairer Birmingham, where everyone can make the most of their talents and abilities, inequalities are reduced and public services and the community are there to help those in need.

We want to see a more prosperous Birmingham, a place where everyone can share in economic success, a city of enterprise where entrepreneurs can find a home, a city of modern transport and clean, safe neighbourhoods.

We want to see a democratic city in which every citizen has a voice, a city with a strong civil society and excellent public services accountable to the public.

Lord Mayor, in the 1960s national government took the perverse decision to restrain Birmingham's growth in an attempt to redistribute it elsewhere, because the region was overheating.

Not since those days have we seen growth or employment to match the national level.

Well, Birmingham's time has come again. It is time to recreate the economic performance of the 1950s and 60s.

As a city region, I believe we should set the target of being the fastest growing of all the core cities.

If we work together, we can move towards that fairer, more prosperous and more democratic city.

If we work together, we can turn the page, start that new chapter in our history and create a Future Council we can all be proud of.

If we work together we can truly achieve that Birmingham renaissance and that “Birmingham Boom”.

Colleagues, this is a time for change.

This is a time for Birmingham.

Thank you.