

APPENDIX 7 - SUMMARY OF WMCA DEAL



WEST MIDLANDS
COMBINED AUTHORITY

WMCA Devolution Agreement:

Key Points

The proposed agreement takes forward the founding principles set out in the [WMCA launch document](#) published in July 2015:

- It confirms and endorses our commitment to work together across a three-LEP geography to secure our objectives
- It focuses on the issues that really matter to the people and businesses of the West Midlands: growth, jobs, skills, transport and homes
- It recognises that economic growth for the West Midlands is part of the wider Midlands Engine
- It gives us the ability to create a substantial investment programme and to make the investments that we decide will have the biggest benefit for the West Midlands
- It enables us to start work with government on our public service reform agenda
- It supports and strengthens our commitment to partnership with the private sector.

The agreement is the first step towards:

- Local control of investment plans and funds for West Midlands priorities (transport and land reclamation for housing and employment)
- Local control of adult skills provision
- A local employment service
- The development of new devolved approaches to mental health, troubled individuals and youth justice services
- Control over a more integrated local public transport system and influence over strategic road network planning
- A devolved business support and inward investment system
- An integrated locally led approach to public sector land and property – One Public Estate.

It will support an £8bn ten year investment plan to get the West Midlands moving and drive local growth.

The £8bn investment plan will be funded from a 30 year revenue stream from government, specific devolved funding streams such as local transport, private sector investment and locally generated funds, for example from business rate retention, our enterprise zones, borrowing and private sector investment. This is in addition to any future Local Growth Fund allocation to the three LEPs, which will not be affected by this agreement.

The agreement provides for a contribution to our investment fund of £36.5m per year over a 30 year period from government and grant support for the £97m Adderley Park Metro extension (which is equivalent to an additional £4.3m per year over the period – making an overall contribution worth over £40m per year). In addition the agreement includes other devolved funding streams. The financial package is broken down in detail in the attached financial briefing.

Expansion of our enterprise zones and creation of new zones will provide further investment funding across the region. Government will finalise decisions at the Spending Review but the agreement contains a commitment to expand the Birmingham City Centre Enterprise Zone to take in the Curzon regeneration area.

Benefits for every part of the area

Our local investment priorities - devolution means we will get the power to make our own decisions about investment in the West Midlands. This will ensure balance and region-wide benefits for communities and businesses alongside effective targeting of resources on strategic priorities. All areas will benefit, be they areas for new employment, those that will benefit from new jobs or skills training, areas for new homes or places that will be better connected.

- **The £4.4bn HS2 Growth Strategy to ensure maximum economic benefit from the HS2 investment.** This will include the Curzon Masterplan, our priority for expansion of the metro network east and west, from Brierley Hill to the HS2 Interchange station, the UK Central infrastructure package, including new transport links to Coventry and enhancing the HS2 supply chain. The 20 HS2 Connectivity schemes will ensure that nowhere in the WM is more than 40 mins from an HS2 station
- **The UK Central-Coventry scheme** will provide a road and public transport link from the HS2 Interchange station to Coventry as well as further specific investment of £150m in the regeneration of Coventry city centre
- **A £200m land remediation fund.** This will enable brownfield land to be brought back into use for housing and employment, and will particularly benefit the Black Country through the redevelopment of brownfield sites
- **A £500m housing investment fund** (mainly locally funded). This will be brought forward to support the development of new homes
- **A £1bn Collective Investment Vehicle** (locally funded) to help companies invest and grow

- **A £30m employment, education and skills programme for the three LEP area.**

Half a million new jobs

- The deal will enable the delivery of the Super SEP across all three LEPs, which has the potential to help support the creation of up to 500,000 new jobs.
- The power to make HS2 benefit the people of the West Midlands. The HS2 Growth Strategy alone will create an additional 100,000 new jobs.

Better training and improved skills – enabling local people to get the jobs on offer

- Better skills planning and a local strategy – identifying the skills that local people need for the jobs that local businesses need to fill
- Local control of public funding for adult skills training by 2018/19 – meaning local decisions about what training to invest in
- Better employment support – working with a range of government departments, including DWP to co-commission the Work Programme, building on the expertise of local councils. The deal is also the first stage in the development of a better, locally run system of support for people who find it the hardest to get back into work.

Better public services – helping people into the labour market and reducing the public finance gap

- Pioneering a new approach to mental health for the whole country – A new Mental Health Commission, chaired by Norman Lamb MP and supported by NHS England and Public Health England
- A new approach to troubled individuals – working with DWP to design a new system for people with complex dependencies and then piloting new ideas in 2016
- Reforming the youth justice system – building on the nationally recognised work of West Midlands Police, designating the West Midlands as an accelerator site for testing and developing youth justice reform.

Better business support services to accelerate innovation and growth

- Government will work with the 3 LEPs to develop an integrated business support system linked to the Growth Hubs that joins national and locally funded activity in a seamless manner, making it simpler for business to access and benefit from services
- A devolved approach to delivering national business support schemes will be in place by 2017, linked to support for start-ups, growth companies, and those needing access to finance
- Developing an integrated national and local support structure for businesses wanting to invest in the WMCA area, focused on sectors of national strength

such as advanced engineering linked to auto, rail and aerospace. This will be supported by the joint planning and promotion of a portfolio of regeneration sites for future investment

- A jointly agreed West Midlands Export support plan. A devolved approach to business support from 2017, including start-ups and business finance.

More and better homes

- Devolved compulsory purchase powers, to help drive housing delivery
- A Land Commission to develop ways to make more land available for employment and housing use
- A locally managed housing investment fund.

Faster, more convenient and affordable transport

- A bigger and more certain budget – over £5bn of investment over ten years, integrated and locally controlled
- Getting back control over buses - controlling fares and ensuring they run when and where people need them
- One smart ticket, allowing passengers to use any combination of bus and rail across the region and an integrated travel information service
- Better integration between local and national transport networks through joint working with Highways England and Network Rail. This includes working with the government to examine ways to reduce congestion on the strategic road network
- Powers to regulate freight vehicles to improve safety and to create Clean Air
- Zones to achieve Air Quality Plan objectives.