

MAYORAL JOBS PLAN:

GETTING THE WEST MIDLANDS BACK INTO WORK



FOREWORD

The Covid-19 pandemic is something none of us ever thought we would have to experience in our lifetime.



Thousands of people across the West Midlands have had loved ones snatched away by this dreadful virus, whilst our wonderful NHS and frontline workers across the region have been stretched to breaking point. The public health crisis has been unprecedented, and we are far from out of the woods yet.

But the light is starting to creep through at the end of the tunnel. Last week the Prime Minister set out a clear road map for a return to normality, against a backdrop of an incredible vaccination programme and falling infection rates. But what the roadmap didn't address was the untold economic damage the pandemic has caused. Before the outbreak, the West Midlands economy was flying. The record housebuilding, record investments in public transport, and record employment levels were keenly felt by businesses across the region. Personally, I had never seen the West Midlands in a better position after decades of decline and stagnation. But the brakes have been slammed on by the pandemic, and we are in danger of being the worst affected region economically due to our reliance on sectors such as manufacturing and live events.

The Chancellor will look to address the country's economic woes in his budget of March 3, but we also need a localised plan for the West Midlands that stops us getting knocked off course and gets us back to our pre-pandemic levels of success. It is no coincidence that the region's revival in recent years has coincided with the arrival of our first ever Metro Mayor. Andy and his businessman-like approach have been a force for good for the region, and I welcome his thoughtful and pragmatic plan that will guide us through this economic crisis.

WEST MIDLANDS MAYOR ANDY STREET

**Mayor of the
West Midlands**

Just over four years ago I gave up my business career as the boss of John Lewis to the start the job of working for our region as your West Midlands Mayor.

Growing up in Northfield and Solihull in the 70s and early 80s, I saw a region that was in a state of despair. From factories closing to urban decay, all I heard from friends was how they couldn't wait to leave the West Midlands and never come back. None of it sat right with me, and I knew if I ever had the chance to help my home region prosper again then I had to take it. So when the choice came of giving up my career and the job of my dreams at John Lewis after 30 years to run for Mayor, it took me seconds to decide.

At the heart of my plan for the region was one overriding objective – securing more high-quality long-term jobs and opportunities for people living in the West Midlands. Seeing the pain that came from years of underachievement is what drove me then. Stopping the pandemic from pushing us off course and causing lasting underachievement is what drives me today.

Everyone should have access to high-quality long-term employment opportunities, and it is my job as Mayor to make that happen. In the face of what could be the UK's worst recession since the Second World War, this plan sets out the path forward.

What follows is neither a party-political document nor a manifesto. It is not an official WMCA document, but rather a Mayoral publication.



'Five of the ten constituencies with the highest jobless rates across the entire UK are in Birmingham'.

Birmingham Mail



- 1 | Backing apprenticeships – in our region's great businesses
- 2 | Promoting the Kickstart programme – creating thousands of opportunities

THE CHALLENGE

Pre-pandemic the West Midlands had record employment levels. The 1.9 million people we had in work was an increase of 97,000 in just three years, whilst our economic output was up a quarter in five years with our regional economy valued at around £105 billion a year.

This didn't just happen by magic, we had a plan and we stuck to it. We built a record number of homes (the near-17,000 new homes in 2019/20 was double that of eight years ago); We pumped hundreds of millions of pounds into improving our transport network with extensions to the Midland Metro, planned new rail stations on re-opened lines, and new state-of-the-art zero emission buses; and we closed a pronounced skills gap, enabling many more people to get the qualifications they needed to move into well-paid jobs. We did all of this without a penny being added to people's council tax bills, with the money instead coming from Government and private companies – more than £3 billion of it.

We can't let the pandemic knock us off course, and indeed I've made sure we press on with our investment in transport and in remediating brownfield land to pave the way for more homes and businesses. But the situation we face is stark. We do not yet have definitive figures showing the scale of what has been lost, with different measures showing between 160,000 and 180,000 job losses across the wider West Midlands. But what we do know definitively is that there has been an unmistakable

increase in the claimant count since the start of the pandemic – with nearly 85,000 more people across the WMCA (3 LEP) region claiming compared to the year before. In the face of these statistics, it is looking likely that the West Midlands Combined Authority area that I serve as Mayor is set to see 100,000 more people out of work – eradicating the gains of the previous three years.

So the aim of my plan must be this: get 100,000 people back on the path to good-quality employment within two years.

But the task ahead of us is far, far more complicated than a single statistic could ever portray. As with the health impact of the virus, its economic consequences are being felt unevenly across our communities.

Places that are more reliant on sectors that have been shuttered by the virus, such as hospitality, have been particularly hard hit. Because of this, Birmingham has a furlough take-up rate of 16% as of the end of January, whilst our towns and cities together have seen particularly steep

falls in economic performance. Birmingham, Walsall, Wolverhampton, and Coventry have each experienced a near-12% decline in activity in 2020.

Then there is the knock-on effect this has on people who work in town and city centre sectors such as hospitality and retail. Many of our young people are facing great difficulties finding work and securing their place within the labour market. In the WMCA (3 LEP) area, as we entered the new year, we had 41,160 claimants aged 16-24 – almost 9% of that group.

At a national level, the economic effects of the crisis have been particularly severe for BAME communities. Every region of the UK has a BAME unemployment rate that is higher than the unemployment rate for white people, and here in the West Midlands, with the country's largest BAME population outside of London, that is a major problem. This is already being seen in the claimant figures, with some of Birmingham's constituencies with a high BAME population – such as Hodge Hill and Ladywood – amongst the UK's highest for rates of people looking for work.

So yes we need to find 100,000 jobs, but we also need to make sure they are spread evenly across the West Midlands, and can be accessed by our region's youngsters and those from some of the most deprived communities. Inclusivity is key, no group can be left behind.

To achieve this we will follow the same blueprint we already have been using for the last four years – working together as a team. The resources available to the Mayor directly can be limited in some areas, but what I can do is act as the regional convenor between the public sector, business, and academia, as well as the main link to Central Government. This makes the Mayor uniquely positioned to lead this team, and this collaborative approach has characterised the West Midlands Mayoralty since I was elected.

By using this collaborative approach, the following are the six parts that make up the plan to get 100,000 people on the path back into work over the next 24 months.



THE INGREDIENTS OF OUR RECOVERY

1. Protect what we have
 2. Make the most of recent 'big wins'
 3. Double down on what was working well
 4. Play to our distinctive strengths
 5. Build back better
 6. Get people work ready
- Total: 100,000**

Each of these ingredients has an interlinked role to play. Although inevitably only directional at this stage, this plan identifies how many employment opportunities could be provided by each area (taking in jobs as well as pathways into work such as apprenticeships and training). Critically, we must work on each one at the same time.

Of course it is inevitable that our job losses will rise before we are able to fully reopen the economy. But the underlying fundamentals of the economy will also significantly improve over the course of the year. The Bank of England predicts that we will see substantial economic recovery this year, and return to pre-Covid GDP levels in early 2022. So as our economic conditions recover, many tens of thousands of new jobs will be created across all sectors of the economy in our region alone.

Private sector growth will be the backbone of any region's recovery and future growth. What I want to show here is how we are doing our part to contribute to and enable this. This plan sets out how we can help people here and now, focusing on those areas of our economy that the West Midlands Combined Authority itself directly touches, or does so either in partnership with Government or in alliance with business and other organisations.

- 1 | Supporting our automotive industry in their transition to an all-electric future
- 2 | A comprehensive transport plan for the WHOLE region to underpin economic growth
- 3 | Working with Government to secure the investment our region needs



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1. PROTECT WHAT WE HAVE

The impact of lockdown has been felt hardest across those businesses in hospitality, non-essential retail, live events, and tourism – the sectors which have been forced, by law or in practice, to close for a large part (if not all) of the past 12 months. These sectors employ large numbers of people, particularly those in the younger generation, and have as a result suffered significant job losses.

We now know that these sectors will be reopening over the course of the coming months, and we expect them to have a bumper bounce-back with consumer surveys and business sentiment alike indicating that there is significant pent-up demand. Last year, households across the country saved £125 billion more than they normally would have, and so as consumers are able to return to shops and restaurants, or to go and see their favourite band in concert, their spending will provide an enormous boost to these hard-hit sectors. This will help prevent further losses and allow firms to start creating jobs again in substantial numbers.

But businesses will only be able to take advantage of this consumer bounce back if they can sustain their cash flow through the next few months and stay afloat. Some great businesses have already been lost, and we mustn't lose anymore at the final hurdle. The Government has, of course, already committed what were unimaginable amounts to protecting jobs in every viable business. The furlough scheme. Business rates relief. VAT cuts. Multiple rounds of grants. Sector-specific support packages. These measures (and others) have all made a huge difference, and continue to do so. But there is no doubting the fact that businesses, particularly in the worst-hit sectors, need one final push to get them over the line. The Prime Minister has already indicated this will be the case when setting out his roadmap last week, and I am confident that on Wednesday the Chancellor will set out exactly what is needed.

The support that would have the most impact on West Midlands' businesses is:

- Providing an extension of the VAT cuts for these businesses, and providing continued business rate exemptions
- Making debt more manageable for business by working with lenders to make repayment terms for all existing and new Covid support loans as generous as possible
- Extending support to those currently ineligible, such as company directors paid by dividends, freelancers, and the newly self-employed
- Considering tailored support packages for the sectors that have been most affected by the virus and lockdown. This includes, for instance, an underwriting fund for live events to enable businesses to plan events and reopen as soon as possible once safe to do so. In parallel, this could also include sectors that will take longer to recover such as aerospace

The thinking in the Treasury ahead of the budget has been underway for some time now, and I am confident that the needs of the West Midlands are being heard loud and clear. We won the argument for more support for affected businesses last year, with the Chancellor noting the “vocal” role I played in making it happen, and I am confident we will win the argument again.

With the right support in place for businesses to make the most of the expected surge of consumer demand, I estimate we could create more than 6,000 jobs in the next two years simply by protecting the industries like hospitality and retail that have been hit the hardest by the pandemic and subsequent lockdowns. This would represent a recovery of around 40% of those hospitality and retail jobs lost during the pandemic.

Target = 6,700

But as much as the West Midlands has a phenomenal track record of working with Government with more than £3billion investment secured during the course of my mayoralty, we must not rely on Government alone to foster economic recovery in the region. At the WMCA we are mobilising our own resources to provide direct business support such as:

- Preparing the ground for a pathbreaking £25m equity fund, which will use public investment to leverage private capital and give dynamic new start-ups the capital they need to grow and create new jobs. A similar model in London helped create nearly 2,000 jobs in four years.
- Accelerating the entrepreneurship schemes within our Innovation Programme, which focus on equipping people – many from under-represented communities – with the skills they need to launch new business ventures
- Commissioning a Made Smarter programme in the region, which will help firms pivot and develop new business models
- Pushing forward with our Thrive at Work programme, which helps businesses and employees adapt to the new working conditions imposed by Covid-19.
- Convening new supply chain summits to show SMEs the opportunities available to them in the major infrastructure projects we have secured for the region (on the model of our recent HS2 summit)

By using our resources in this way, we aim not just to sustain businesses through the final phase of the crisis, but also to lay the ground for lasting prosperity in the future by enabling our creative entrepreneurs and SMEs to thrive. Done well, this could enable around 1,150 jobs.

One further power I am refusing to use is the option of levying further taxes on business with a 4% “business rate supplement”. This would be worth at least another £34 million in business taxes, and in my view would be inconceivable to introduce after everything businesses have already endured. Quite simply I think it wouldn't do anything but cost jobs rather than create them. I cannot speak for other mayors or prospective mayors, but I am maintaining my commitment to not introduce this tax.

Target = 1,150

1 | Backing hospitality – crucial to strong communities and our village, town and City life
2 | Supporting local retailers and businesses to get back on their feet

2. MAKE THE MOST OF RECENT BIG WINS

Part of the progress that we were making before Covid was in our ability to win bids to bring major projects to the region. Working together as a region, and in concert with Government, we had notched up several major successes, including securing HS2, the Commonwealth Games, and UK City of Culture. All three will be key anchors of our economic recovery, and it is therefore critical we maximise the employment opportunities they present.

HS2

HS2 is the ultimate game-changer for the West Midlands, both in terms of job creation and economic investment. The enhanced connectivity and capacity that HS2 promises will drive economic growth and prosperity for our region, and over time our recent Growth Strategy predicts HS2 could support up to 175,000 jobs overall. 100,000 of these total will be delivered by 2030, with 12,000 having already been created (many in construction and engineering). But we must focus on the immediate future. Major contractor Balfour Beatty VINCI and its supply chain partners say they will require up to 7,000 skilled jobs over the next couple of years across the wider region. If you combine this with the further roles that will be created at HS2 Ltd themselves, and of course jobs down the supply chain, we should be looking at about 5,000 over the course of the next two years.

In order to ensure these jobs go to local people living in the urban West Midlands, we are setting up more construction training hubs for people to get the skills they need to work on a major infrastructure project like HS2. We will also continue to do whatever we can to ensure that supply chain contracts are awarded to local firms, such as through convening suppliers' summits to demonstrate to local SMEs how they can win HS2 contracts, as we did in October. We are well aware that these contracts mean money in the till of local businesses and pay packets for families in the West Midlands, as well as job creation.

Target = 5,000

- 1 | HS2 already providing thousands of local jobs and set to provide thousands more as construction ramps up
- 2 | Commonwealth Games providing construction jobs now and bringing millions in trade for our region's businesses in the coming year

Commonwealth Games and City of Culture

The 2022 Commonwealth Games in Birmingham, and Coventry's designation as UK City of Culture for 2021, will provide a major boost for our economy, even in the shadow of Covid. Once restrictions have been lifted, both will draw in large numbers of visitors, as well as leaving a lasting mark on their host cities through legacy programmes. Benefits from these must be felt across the region, which is why projects like the Sandwell Aquatics Centre are critical. As we competed to host these events – and as we dug deep to find millions to invest in them – we had the thousands of jobs, apprenticeships, and training placements that they would create at the front of our minds.

Over the course of the Commonwealth Games, we expect there to be tens of thousands of roles available. So as the launch of each draws closer, it is critical we ensure these jobs are filled locally. To do this we are running specialist training programmes through our Commonwealth Jobs and Skills Academy to help local people get the skills they need to seize these opportunities. As a result of our actions we aim to support at least 6,000 people into a work or training opportunity related to the Games. And via the £24m Tourism Trade and Investment programme that we have secured for the Games, we would hope to create another 600 at least.

With City of Culture, it is estimated that more than 2000 jobs could be created all told, along with numerous training opportunities. Many of these, especially in construction, will already have been created given how close we are to the main event. But many more remain to be filled - perhaps as many as 750. The WMCA is proud to be the single biggest investor in this celebration of Coventry and its rich cultural landscape. And we are proud to be playing a leading part in using the opportunity to help get people back into work, both directly through the jobs it creates, as well as through training programmes which we sponsor, which will support around 750 local people.

Target = 8,100



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- 1 | Pressing on with our record house building on brownfield land
- 2 | Our Construction Gateway programme – helping local people get a career in our successful construction industry



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3. DOUBLE DOWN ON WHAT WAS GOING WELL

As has already been said throughout this plan, the West Midlands economy was performing very well before the outbreak of the pandemic. Mainstays such as construction were sustaining and creating thousands of jobs, while our digital sector was going from strength to strength. Therefore a critical part of our near-term recovery – and an engine for new job creation – will be ensuring that these sectors return to their strong trajectories.

Construction and Infrastructure

Pre-pandemic construction was one of our fastest growing sectors, and a major employer across the region. Being such a large employer construction has shed jobs faster than almost any other sector because of Covid, but the evidence is there to suggest we can re-ignite the sector quickly and get some of these jobs back. Housebuilding forms a key part of this, as do new commercial and industrial sites.

From the start of my mayoralty, the WMCA has been a major funder and accelerator of new sites on brownfield land. Left derelict for decades, these abandoned sites were a horrible reminder of previous economic decline. Through our Single Commissioning Framework, we have funded the delivery of thousands of new houses – including many affordable homes, following our requirement that all new sites offer at least 20% affordable housing. In addition, through our major investment funds

and through funding won from Government, we have provided the support needed to unlock new commercial and industrial sites. This will include the regeneration of the “West Works” part of the former Rover factory in Longbridge, a site that had been left idle since the collapse of Rover 16 years ago – and which now has the potential to generate scores of new jobs when completed. To progress our pipeline of sites over the next couple of years, hundreds if not thousands of construction workers will be needed. And the end result of the commercial and industrial developments will be thousands of new jobs and training opportunities.

Target = 4,650

The revival of the construction sector will be accelerated by the diffusion of new technologies and ways of working in the next couple of years. The West Midlands has already been at the forefront of promoting Advanced Manufacturing in Construction – the use of efficient, modular manufacturing in construction. We expect significant new public and private investments in the near term (perhaps even in the budget on Wednesday) and the jobs that will come with them, as well as a raft of new skills and training opportunities, to build the construction workforce of tomorrow. This will also include construction of zero carbon homes, as part of our WM2041 climate target.

Target = 2,700

Policy and funding

In addition we will also take steps to make good quality developments easier to deliver by changing policy at the regional level, and working with Government to make sure its planning reforms reflect local needs. Locally, this means pressing ahead with our work to free up public land for development and to stimulate the revival of our town and city centres. It also means pressing ahead with the National Brownfield Institute in Wolverhampton, which will become a centre of excellence for brownfield remediation training. At the national level, this means working with Government on a range of policies to support the revival of our urban spaces, from the overhaul of business rates to sensitive modifications to the Permitted Development Right system. It means helping Government progress those elements of its planning reform proposals that remove bureaucratic hurdles to development – especially on brownfield sites – while in the process protecting our green spaces and opening up the sector to SMEs. And finally it means working with Government to access further funding for affordable housing, brownfield remediation, and town centre revival (including through the Towns Fund and Future High Streets Fund). Even very modest progress on these changes to the policy and delivery landscape, which the Government has indicated it is keen to do, could generate significant numbers of new construction jobs – and that’s without even factoring in the employment at these sites once completed.

Target = 3,000

Transport Infrastructure

Since 2017 we have made major strides in connecting the region through new transport infrastructure, bringing in hundreds of millions in funding for new projects such as our Metro extension programme. We pushed forward with our plans during the crisis and we will not let up over the next couple of years. This means pressing ahead with new developments, such as the Camp Hill line in Birmingham and the reopening of Darlaston and Willenhall stations on the Walsall to Wolverhampton line. In addition to the projects we already have in the pipeline, we are due to start receiving our share of Intra-city Transport Settlement funding from next year, worth hundreds of millions. This will enable us to expand even further and take even bigger strides towards bringing my 2040 plan to life. Delivering these critical new pieces of infrastructure will create significant new construction opportunities – particularly given our insistence that contractors make as much use of local labour as possible. Once built, they will also serve as an engine for lasting economic growth – particularly for those disadvantaged communities that have been cut off from our transport network for too long. Like all infrastructure projects, we are also looking at training people in construction skills so they can take advantage of the jobs we are helping to create through our investments.

Target = 1,300



Making the most of what makes the West Midlands unique, such as being the UK's first large-scale 5G testbed

4. PLAY TO OUR DISTINCTIVE STRENGTHS

In 2019, we were the first region to publish a local industrial strategy. Our Local Industrial Strategy set out an innovative, long-term economic vision for the West Midlands, built around a core set of major market opportunities where we have leadership:

- Future of mobility
- Data-driven health and life sciences
- Creative content, techniques, and technologies
- Modern services

The thinking that went into the Local Industrial Strategy is still very important. Each of these areas continues to represent a major source of future prosperity and jobs for the region – sources that we continue to put resources into, from funding specific projects or training through to funding the West Midlands Growth Company, which attracts inward investment and protects thousands of jobs across these sectors each year. Of course in a post-Covid world our plans will need to evolve, and we will need to take every fresh opportunity we can to accelerate the growth of each area and to widen our lead in each.

Future of Mobility

The West Midlands has long been a world leader in the automotive and mobility industry. But we recognised early as a region that the next decades would bring unprecedented change in transport technology. That's why the Combined Authority has put millions into innovative facilities like the UK Battery Industrialisation Centre and into technologies like Very Light Rail, which will help manufacturers and passengers make the transition to net zero in transport. And it's why we've invested in upskilling the automotive workforce, as with new skills courses such as the Electric Vehicle and Green Technologies Training Centre in Wolverhampton.

Although jobs have been under threat in some parts of the sector, the next couple of years will see the realisation of major private sector investments, which will create many more than have been lost. For instance, we recently saw Norton Motorcycles return production to Solihull, and Wave Industries begins vehicle production in its new zero-emissions Coventry facility this year. And we saw only last month a major vote of confidence in the region, as Jaguar Land Rover committed to keeping all its regional facilities – including Castle Bromwich, Solihull, and Wolverhampton, with plans for heavy investment into electrification as it transitions into a battery-first company.

Target = 1,500

We will continue to use every effort to promote the sector. This includes working with Government and operators to fund the £50m electrification of the entire Coventry bus fleet and pressing ahead with our bid to host a battery Gigafactory at Coventry Airport. It also means using our status as the UK's first Future Mobility Zone to test out innovations like e-scooters and Mobility-as-a-Service.

With perhaps more job losses to come, balanced out by growth in future mobility sectors, we expect to see the creation of around 1,000 new jobs over the next two years.

Target = 1,000

Data-driven health and life sciences

The need to remain at the forefront of healthcare and life sciences has only been confirmed by recent experience. Effective use of advanced technologies – from genomics to vaccine production – and of new digital care delivery models have helped us weather the pandemic. That's why we have made significant investments into the sector, such as £11m into the Precision Health Technology Accelerator last year, which will function as a focal point of the Birmingham Life Sciences Park, offering an innovative co-creation and incubation space. And it's why we've made fostering the adoption of digital health technologies a key focus of our Digital Roadmap, along with making the case for a regional network of 5G-enabled diagnostic hubs.

These investments have unlocked – and been more than matched by – the private sector. The Life Sciences Park alone has secured £210m in investment, and when fully complete will support up to 10,000 jobs. Even Phase 1 – complete in 2023 – will create 1,000 roles in life sciences and construction. With thousands of medical graduates from our universities every year, and hundreds of healthtech firms among the almost 7,000 healthcare and life sciences firms in the region, this sector will remain a critical engine for growth and new employment opportunities. With 1,000 jobs already coming via the Selly Oak Life Sciences Park and the sector growing rapidly, 1,500 is a very conservative target.

Target = 1,500

Tech and Digital

The broader tech sector has been a strong area for the region in recent years, and one that we have made significant enabling investments in. In 2018 we secured a multi-million pound investment from Government to become the nation's 5G testbed, making the West Midlands' residents and businesses the first in the UK to try out new 5G applications and services at scale. At the same time, we saw major private investment from tech and telecommunications businesses of all sizes. At one end of the spectrum, we know that BT are create a new regional hub in Birmingham, bringing together 4,000 staff at Three Snowhill. On the other, we saw tech startups and scaleups secure £390 million in investment in 2020 – just under three times the figure raised in 2019. On this trajectory, we can expect many more good-quality jobs to follow.

Given the importance of this sector as a source of prosperity in its own right as well as in its role as enabler of others, we are working hard to expand the reach of our existing investments. Only in January WM5G and partners set up the first SME in the region – AE Aerospace – with a private 5G network to enhance the efficiency of its operations. And we are also widening the scope of our ambition. As set out last month in our refreshed West Midlands Digital Roadmap, we aim to become the UK's best-connected region, strengthening our digital infrastructure and boosting the skills of thousands more of our people. With the right training in place, which we are aiming to provide through programmes within our devolved Adult Education Budget like our Digital Bootcamps, we will help local people fill the substantial number of vacancies in tech that we already have across the region, and to prepare them for the many more that are likely to come. The number of new jobs could end up being significantly higher than expected.

Creative content, techniques, and technologies

A vibrant cultural sector has never been an optional extra for the West Midlands. The arts in all their forms enrich our daily lives, and they also provide a springboard for our economy by stimulating tourism demand and employing thousands of people.

Covid has, of course, hit culture hard. With venues shut, many jobs have been lost, and we have faced the threat of the sector permanently losing so much of its talent as people have sought jobs in other fields. But I am confident that new developments on the horizon will push the sector back on to its growth trajectory once our economy has reopened. A notable example is the Digbeth Creative quarter, where plans are afoot to bring in new studios (Mercian Studios), state-of-the-art virtual production facilities (StudioUK), and a new centre for the region's independent television sector (Creative Content Hub), close to the new HS2 station. Indeed, we secured all the funding needed for the hub just last week. This creative drive is being led by Create Central, which I established under my Mayoralty to finally address our long-standing experience of being overlooked when it comes to film and TV, as well as to further promote areas where we have powered ahead, such as gaming.

There is also the prospect of BBC investment. I have been lobbying the new Director General of the BBC incredibly hard to finally address the under-representation of the West Midlands within the broadcaster, and I am hopeful we will have good news being announced shortly. Even a modest commitment from the BBC to rebalance its production and employment footprint in the region will have a significant impact on jobs.

Overall it may well be longer than two years before our full plan is realised, especially for the creative quarter, but I am confident we can expect 1,500 roles to have been created by March 2023.

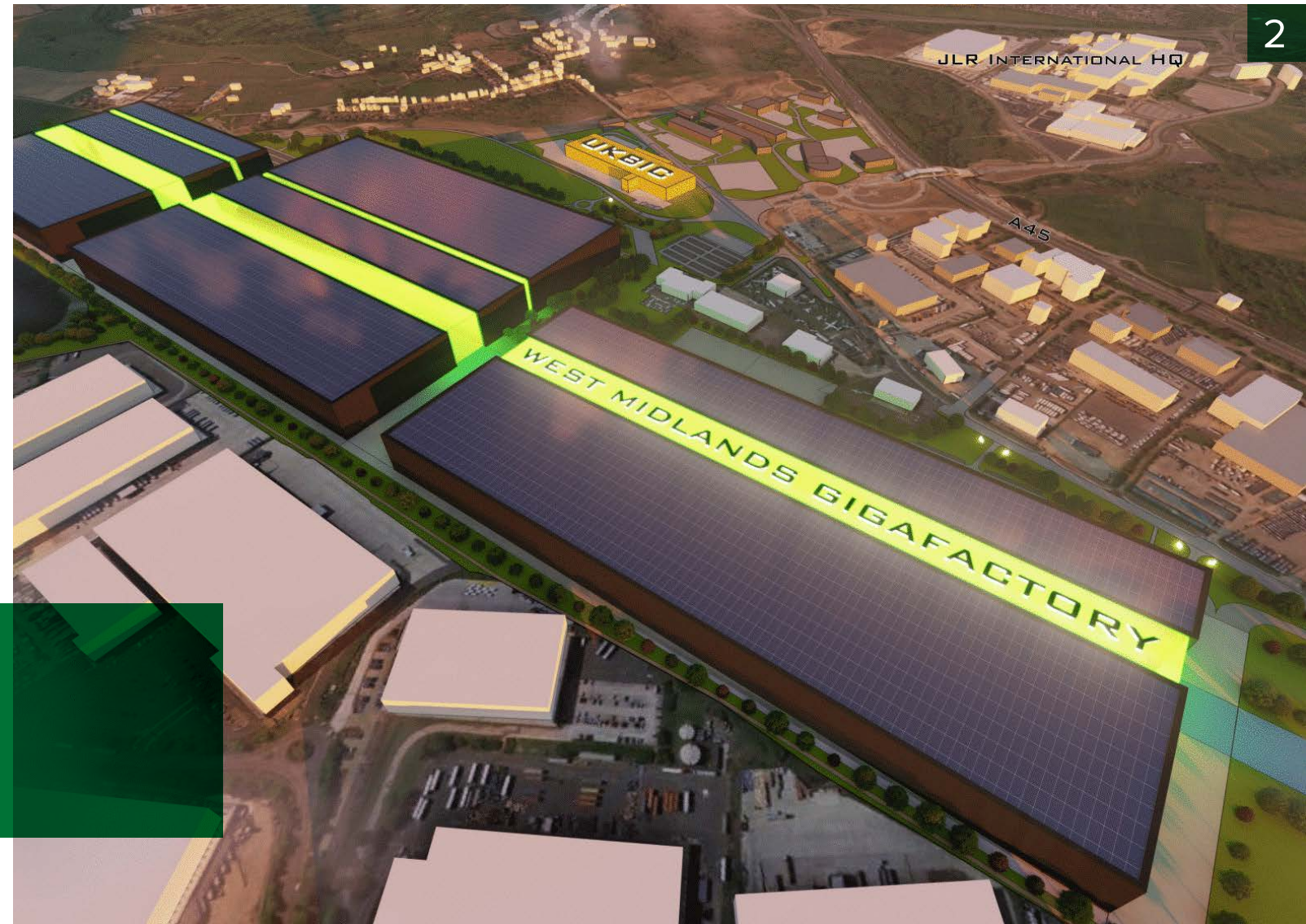
Target = 1,500

Modern Services

In recent years the West Midlands has had significant success in attracting investment from service providers to the region, driven in part by our talented workforce, favourable cost of living, and investments in quality-of-life improvements. Just before the pandemic, the business, professional, and financial services segment accounted for a third of the region's total output and represented the most significant cluster outside London. The impact of all this was clearly visible in our cities, such as in HSBC's new head office in Birmingham.

The sector has been relatively insulated during the crisis – and has played a crucial role in supporting other sectors through restructuring and refinancing efforts during this period. Demand for its other service-lines will similarly rise as the economy picks up, and as many firms in other industries move out of 'survival mode' and go for growth. Signs of this are already clear. Complementing existing centres of excellence in services in the region (such as the Advanced Services Group at Aston Business School), only last month we saw the launch of SuperTech, the first Professional Services technology cluster in the UK. And we will continue to offer our support to the sector, especially in the form of workforce training, such as through providing dedicated training courses for those looking to enter professional services. Even just a small growth in a sector which already generates so many jobs over the next two years will create 5,000 roles as a minimum.

Target = 5,000



- 1 | £50m to make Coventry the first electric bus City, building on the existing routes in Birmingham and Solihull
- 2 | West Midlands Gigafactory – protecting the jobs we have in automotive and creating thousands more

- 1 | Innovative businesses like Acquapak in Northfield
- 2 | Brilliant manufacturers like Castings in Brownhills
- 3 | National Brownfield Institute, one of multiple major investments in Wolverhampton



5. BUILD BACK BETTER

As we emerge from the shadow of the pandemic, a number of longstanding national priorities will return once again more closely into view. Many of these in fact – such as the need to level up the regions and spread prosperity more widely – have only become more important in the wake of Covid. Each of these represents a challenge and an opportunity. If we take decisive action now, we will make meaningful progress against each, and generate a raft of employment opportunities for our people in the process.

Green Growth

There has never been any hiding from the climate emergency the West Midlands faces, and we are determined to take the action required to address it however difficult that may be. We are committed to carbon neutrality no later than 2041 through our #WM2041 programme, and critical to achieving this will be delivering on a range of measures including decarbonising domestic heating and electricity, through to changing the way we use land itself. This will require major investment at the regional and national levels, building on significant sums already committed. The region has already established a global reputation for technologies that will be critical to achieving the transition, such as batteries and energy storage. We host pathbreaking R&D institutes and accelerators, from the UK Battery Industrialisation Centre to the Energy Systems Catapult. We already have almost a thousand firms dedicated to bringing low carbon technology to market alone. The targets we have set ourselves in our 2041 plan will be a great stimulus for these businesses, and spark the creation of many others. And as we deliver on the plan, thousands of green jobs will be created - as many as 21,000 by 2026. A significant fraction of this total is expected in the next couple of years (especially to support retrofit and heat pump programmes).

Target = 7,000

Reshoring and trade

Before the crisis we had a strong track record of attracting new inward investment. In 2019/20 alone the wider region attracted around 4,000 jobs from overseas. Even if investment levels globally remain substantially below their pre-pandemic peak for some time, we should still remain attractive to investors. Provided that we continue to offer a skilled workforce, a large domestic market, and a favourable business climate, multinationals will increasingly consider relocating production to the UK – especially when given bespoke support by highly-experienced bodies like the West Midlands Growth Company. You only have to look to the recent news of Cadbury production being moved back to Bournville as evidence of this.

Whilst Brexit has shaken up the basic pattern of our international trade and in some cases made exporting to the EU more challenging, thousands of new possibilities await our local firms with the numerous free trade deals that the Government is now striking with partners across the globe. With additional trade support resources from the Department of International Trade and the prospect of exporting via Freeports on the horizon, our SMEs will be well-placed to sell into these new markets, creating new jobs through increased exports.

Target = 3,350

Reshaping the civil service to meet the needs of the region

Relocating civil servants outside of Whitehall has long been talked about, and the benefits for our region are obvious. I am at the forefront of negotiations with Government over this, and only the weekend before last we saw MHCLG confirm plans to bring at least 500 jobs to Wolverhampton. This means not only relocating jobs and creating new jobs locally, but also major national policy decisions being taken in the heart of the West Midlands. I am confident that we will soon see more from other departments.

In addition to the opportunities the relocation of Whitehall departments brings, our local public services will also continue to generate new recruitment opportunities. West Midlands police, for instance, is pursuing a scheme to bring in an extra 1200 constables by 2023, which the WMCA is supporting through its Apprenticeship Levy Transfer Fund. And the Government remains committed to recruiting 50,000 new nurses by the end of this Parliament. Even after the accelerated pace of recruitment in 2020 to turn the tide against the virus, that will mean hundreds more nurses for the region in the next couple of years.

Target = 2,750

Levelling-up

In addition to civil service relocation, the Government is committing major sums to level up the regions. Last year we secured £66m from the Getting Building Fund – money which has gone into projects which bring with them numerous jobs and which will soon see completion, such as the Very Light Rail Centre in Dudley. And at the last Spending Review, the Government confirmed more than £4 billion for the Levelling-up Fund. Starting this year, this money will be allocated for use in shovel-ready projects that will make a meaningful difference in communities across the country. Our share of this should generate thousands more jobs in the next couple of years, both in terms of construction and once the projects are complete.

Target = 4,800



Helping people to get the skills they need to move into work, such as at Cadbury's which is moving more production back to its Bournville plant

6. GET PEOPLE WORK READY

The most important part of the whole plan is identifying how we are going to get all these opportunities coming up over the next 24 months filled by local people. The short answer to that question is one word – training.

Providing effective training for our workforce had long been a challenge for the region. Recent successes have been due to a clear plan supported by the devolved Adult Education budget, the tireless efforts of the WMCA's skills team and its partners, and the Skills Board and its sub-groups under Cllrs Duggins and Brookfield. By 2019 we had more than 50% of working-age people qualified at level 3 (A level or equivalent) or above, and last year we reached the milestone of more than a third of working-age people in the region being educated to degree level or above. The percentage of people with no qualification was also down 20% on 2013 levels.

By having a devolved Adult Education Budget – worth more than £130m a year – we are able to work both with Government and training providers and Further Education colleges across the West Midlands to make sure people are being taught the skills needed to seize the opportunities available in the labour market.

Kickstart

The Government's Kickstart scheme enables employers to create 6-month paid placements for those aged 16-24 who are claiming Universal Credit. The WMCA is a key partner in the delivery of the scheme, acting as a clearinghouse for information across the region about eligibility and enrollment, and working with councils and chambers to help smaller businesses pool their resources and bid together to participate in the scheme. In this way, the programme won't just be the reserve of large employers: people on kickstart placements will be exposed to a greater range of businesses at differing scales, honing their skills in a variety of sectors and locations. The capacity of the scheme in the West Midlands is 20,000, and we absolutely must fill that within two years. We also must ensure that the scheme acts as a proper pathway, so after six months the young people involved in the scheme can move into full-time employment.

Target = 20,000

Apprenticeships

As part of our Skills Deal with Government, we negotiated our pioneering Apprenticeship Levy Transfer Fund. This allows us to connect large businesses with SMEs, and to help the former transfer remaining apprenticeship levy funds to these smaller firms, covering their apprenticeship training and assessment costs. Since 2018 £21m has been pledged to the scheme and to date, 1,840 apprentices at 613 SMEs have benefited. We hope to support at least as many again in the next two years – and many more if our apprenticeship policy proposals currently under discussion with Government are approved (including a proposal to allow employers to 'convert' young people on Kickstart placements into apprentices).

Target = 2,000

Sector-based Work Academy Programme

The WMCA has set up a range of sector-based work academy programmes in partnership with our FE colleges, which offer short courses (normally up to six weeks in length), aimed at preparing people for work in our region's growth sectors, such as construction, digital, and healthcare. An interview is guaranteed for everyone who completes their course, and to maximise the likelihood the programme leads directly to job offers, each course is supported by one or more employer looking to recruit staff. Programmes are also tailored to match up the needs of employers and potential employees. The Government has recently made available additional national funding to help provide many tens of thousands more places on these programmes – a vote of confidence in their track record of getting people into work.

Target = 10,000

Digital Bootcamps

Digital bootcamps offer flexible courses lasting up to sixteen weeks, dedicated to giving unemployed people and those in low-paid jobs the skills they need to start new careers in a range of digital subsectors (e.g. data science). The WMCA worked with a number of training providers to do this, including those best-placed to reach young people from BAME backgrounds, such as the Black Codher team who provide tailored coding training for black women aged 18-35. Across providers, the courses on offer have honed participants' skills in a range of topics tailored to their experience and employment goals, from the major programming languages (in preparation for employment as data scientists) to the better use of digital resources for CRM and data management. The programme has had substantial success, with 70% of learners, as of October last year, gaining new jobs as a result of their participation. This success has led the Government to announce an additional £1.5m in funding to extend the programme.

Target = 900

National Skills Fund

Last year the Government confirmed its commitment to invest £2.5 billion into adult skills training over the course of the Parliament, through the National Skills Fund. Large parts of this funding will go to funding two key programmes – skills bootcamps and an expanded Level 3 adult skills offering. The skills bootcamp programmes build off the successful model we piloted with our digital bootcamps, and extend the focus to other areas such as welding, engineering, and construction. The expanded Level 3 adult skills offering provides us with the funding to allow any adult in the region over the age of 24, who does not already have a level 3 qualification (A-level equivalent), to get one – a crucial path into better quality work. Courses range from engineering, to health and social care, to manufacturing technologies, as well as many others. An initial estimate suggests around 3,000 people in our area will take up this opportunity.

Target = 3,000

Employment Support Programmes

In 2018 we launched our Connecting Communities employment support programme. The aim of Connecting Communities is to get people into jobs with higher rates of pay, by giving them specialist support and targeted advice and coaching. Set up in communities where unemployment is relatively high and levels of pay relatively low, the programme is particularly focused on young people, disabled people, and other vulnerable groups.

We also have our Thrive into Work programme, which is aimed at helping those with long-term physical and mental health conditions into work. The programme involves employment specialists based in GP surgeries and other health and community settings working with primary and community health teams to integrate employment support and health services for people with these conditions, and to identify suitable jobs for them. Over the course of a two-year trial we helped 600 people into work who otherwise might never have had the opportunity. Building on the success, we've now secured another £3m in funding to extend the scheme so that another 1750 people can benefit from it this year and next.

Finally, our programmes will also be enhanced by the Government's pledge to hire hundreds more work coaches, which will be further jobs for people locally.

Target = 3,135

Our ability to deliver all of this is underpinned by the Government's ongoing commitment to strengthen skills provision in the coming years, as most recently reconfirmed in the new FE 'Skills for Jobs' white paper.

CONCLUSION

Covid has presented the West Midlands with unprecedented challenges. In response, we have come together as a region to protect lives and livelihoods with an unmatched spirit of defiance, unity, and collaboration. Young and old. Public, private, and voluntary sectors. People from every community, creed, and political persuasion. Everyone has done their part.

Nonetheless, I recognise the scale of the challenge that we still face. Many people are worried about job security – or where their next job will come from. What I have tried to show here is that even now, still confronting the virus and the dreadful toll it is taking on our communities, we have a path forward to start replacing the jobs that have been lost.

This, of course, is just a plan for the near term, and I will set out my wider vision for the future of the West Midlands economy in due course.

Getting our region back on track for recovery - Dudley Very Light Rail Innovation Centre





Mayor of the West Midlands

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