



# Three policy priorities for the West Midlands

February 2017

## Introduction

The first metro mayor of the West Midlands will be elected with a vision for the city and clear strategic, deliverable policies to meet it. The challenge and workload will be considerable, with powers and expectations ranging from delivering policy, to establishing the institutions and capacity for effective city-region governance. This briefing offers the metro mayor three priorities that address the biggest issues facing the West Midlands.

A **'quick win'** will help the mayor to set the tone for delivery right from the start. Signalling change quickly will show what the metro mayor is able to do for the city region and build trust. The best of these policies are high profile and valuable to residents.

**Strategic decisions** form the framework for delivering the metro mayor's vision over their term. As such, the metro mayor will have the power to take the decisions that will make the most of the new geography of governance. While the mayor will be keen to show progress towards their vision, strategic decisions will often take longer to show outcomes, therefore careful evaluation is needed to allow for flexibility and to demonstrate the effects.

A **long term vision** for the city will be the key election platform – it is what the mayor is working towards while in office. This should be ambitious, but reflect the real needs and potential of the city. Some aspects of the vision will be achievable within the mayor's term in office, while others will build momentum or signal a change in direction. It is important to be clear and strike the balance of where each policy lies on this spectrum.

## Policy priority 1: A quick win

### Getting people out of their cars

- Signal an intent to keep West Midlands moving by **retaining the M6 toll**, the metro mayor should commit to use scarce funds on other transport priorities instead.
- Pledge to **increase walking, cycling and taking public transport to work**, commit to making other transport options more attractive and easy to use.
- **Simplify ticketing across the West Midlands** by fully integrating the Swift card and making it easier to use.
- **Improve public transport** with a strategic plan to make the West Midlands work as a single city region to live, work and travel across.

Road congestion is a challenge for any city region and, while efforts have been made to remove the ‘concrete collar’ and improve public transport in the West Midlands, congestion is especially acute in Birmingham and Wolverhampton. To tackle this, the metro mayor must strategically plan for a West Midlands that works as a coherent city region, rather than separate towns. If residents struggle to get around, this not only makes it difficult to access the amenities and services on offer but also limits the jobs each person can reach and businesses’ access to talent.

#### Signal your intent to keep the West Midlands moving by retaining the M6 toll

There are few quick wins in transport but on the metro mayor’s first day they should rule out scrapping the M6 toll road fee. Instead the mayor should signal the importance of other forms of transport and focus scarce public money on improving public transport and prioritising space for cycle lanes rather than more cars. Research shows that residents in poorer, disconnected areas disproportionately benefit from better public transport, and job seekers especially rely on bus services rather than private cars. It must be the metro mayor’s priority to make transport work for these communities by developing alternatives to the car.

#### Pledge to increase walking, cycling and taking public transport to work

At the same time as committing to the M6 toll, the metro mayor should make ‘getting people out of their cars’ a strategic priority for their transport agenda, and work on providing better alternatives.

The city region currently lags behind comparator areas in other ways of getting to work: eight out of ten commutes are by car while just two per cent of residents cycle to work and three per cent take the train.

The metro mayor should use their position to call on residents to use other types of transport around the city region where possible, and make cycling and walking an appealing way to get to work. Backing this by dedicating more road space for buses and bicycles on key strategic roads should make these alternative methods of travel more attractive and viable.

## Simplify ticketing in the area

Improving public transport across the city region will also help residents get around and access job opportunities whether they live or work in Dudley, Solihull, Coventry or Birmingham. At the moment, the Swift card helps to a certain extent, but the metro mayor will have new regulatory powers to make it more integrated across modes and operators, and crucially to incorporate capped fees. Rather than a topped up cash-card system, introducing an ‘oyster style’ card will mean users have a clearer and simplified ticketing system that makes taking multiple trips cheaper, especially when run by different bus operators. This would be a more effective way of spending resources than removing the M6 relief road toll and would mean real change for residents who cannot currently access all the opportunities of the West Midlands.

## Improve public transport to make the West Midlands a single city region

While signalling a shift in priorities and simplifying smart ticketing will help change minds and make travel easier, significant change to commuting patterns will also require long term investment in rail and bus links.

To achieve this, the metro mayor should support the strategic aim of the ‘Movement for Growth’ strategic plan:<sup>1</sup> that each resident can access at least three main strategic centres, including Birmingham, within 45 minutes at peak times. Currently only around half of West Midlands residents have this access but implementing these changes would be transformative in areas such as Dudley, Brierley Hill, North Wolverhampton, North Walsall, and East Coventry – making it a single accessible city region.

## Policy priority 2: A strategic aim

### Be the spokesman for the West Midlands internationally

- Use the metro mayor’s profile and visibility to **make the case for the West Midlands globally** by leading trade envoys, establishing international networks between cities.
- **Represent all industries**, not just one or two key firms, to ensure that the broad range of businesses and workers benefit from exporting to the world.
- Encourage and enable exporters to **be ambitious under the West Midlands brand** and enhance this brand with the globally recognised firms already exporting.

Through marketing itself as the Midlands Engine and with Birmingham battling with Manchester for the title of second city, the West Midlands has been keen to highlight itself as a valuable brand to trade upon globally. This will be a baton that the metro mayor should pick up from day one to create ties with cities globally. While the mayors of Greater Manchester, Liverpool City Region and London have name recognition for a single city, the metro mayor for the West Midlands has multiple areas, including Coventry, the Black Country and Birmingham. This gives the metro mayor both a challenge and an opportunity to shape the way the world sees and values the city region. The metro mayor should be using its globally recognised brands such as Jaguar Land Rover, GKN, Birmingham, Coventry and Warwick Universities, as well as its size, global links and diversity, to promote the West Midlands around the world.

<sup>1</sup> WMCA (2016) MOVEMENT FOR GROWTH: The West Midlands Strategic Transport Plan

## **Use the metro mayor's profile and visibility to make the case for the West Midlands globally**

The metro mayor's term will be primarily judged on delivering the services for which they are responsible and meeting the challenges that emerge for the city. But the power of the metro mayor's office will be considerable as the voice of the most high profile politician in the city region.

For the mayor of the West Midlands this means there is a huge opportunity to convene businesses in the area to ensure they understand business priorities and, where possible, remove barriers to companies' growth and trade. Strengthening exports will benefit the city region because firms are more likely to trade internationally when firms around them do, and cities with higher export levels are more productive, especially if they export a high share of services. This has benefits for local wages and demand for goods and services.

The metro mayor should be working with central government and UKTI to build networks with cities internationally, brokering links through organisations such as G40 or the Global Parliament of mayors, and reaching out to cities and mayors across the world. This should include opening up trade links by taking businesses on envoys on behalf of the West Midlands, and broadening the scope of exporting ambitions within the city region.

## **Represent all industries not just one or two key firms**

There is more to the 'Midlands Engine' than any one industry - Birmingham is now home to 40 per cent of the UK's national conference trade, it is Europe's second largest insurance market, tourists flock to the home of Shakespeare, and automotive innovation flows from the Warwick Manufacturing Group. But Centre for Cities' polling on businesses in the West Midlands found that firms outside the city region's successful automotive supply chains felt their needs were not well represented.<sup>2</sup>

The metro mayor must act to change this. While manufacturing makes up a higher share of jobs in the West Midlands than nationally, almost 90 per cent of jobs are not in this sector. Indeed there are more workers employed in the city region's growing high skilled, knowledge intensive industries, including in the more than 500 legal firms in the city. The metro mayor must ensure that firms from non-manufacturing industries are, and feel that they are, well represented, and that that their ambitions to export are supported.

## **Encourage exporters to be ambitious under the West Midlands brand**

The biggest export for the West Midlands is road vehicles, led by Jaguar Land Rover but supported by myriad supply chain firms throughout the region. The metro mayor should celebrate this and use it to promote the West Midlands brand and encourage the export ambitions of other firms in the city region.

Exports in services from the West Midlands have also increased over the last five years, and the proportion they make up of the UK's total exports has increased too - the West Midlands is becoming more important in exporting financial services, insurance, pensions and IT. The metro mayor must assist businesses looking to export in these and other industries. The mayor should also ensure that this good news story becomes part of the West Midlands brand and that the most ambitious and growing firms in the West Midlands are recognised worldwide.

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<sup>2</sup> <http://www.centreforcities.org/publication/firm-views-business-take-on-devolution/>

The metro mayor will have a big part to play in selling the West Midlands to foreign investors, and opening up trade links to make exporting as attractive and easy as possible to businesses in the city region. The metro mayor must use their profile and position to lead trade envoys, establish international networks and build relationships with cities internationally to sell West Midlands and its firms to the world.

## Policy priority 3: A longer term vision

### Helping people back into work

- Encourage more **key employers to work directly with schools and skills providers** to give residents a second chance to access job-ready skills.
- Challenge firms to **offer high quality in-work training** to ensure workers are best placed to thrive, and firms are as innovative and productive as possible.
- **Work with local universities, using them as a hub** to improve the skills of local residents and businesses.

The biggest long term concern for the West Midlands' first metro mayor must be the city region's very low employment rate (only 65 per cent of residents have a job compared with 74 per cent nationally). To address this, the metro mayor should give residents a 'second chance' to access jobs, education or training. It will take a long term, rounded approach to improve the chances of many residents to access these jobs, but success would transform their opportunities and improve the city region's economic performance.

### Get more key employers to work directly with schools and skills providers

For the 61,000 residents who are looking for work in the West Midlands, and the 47 per cent leaving school without sufficient qualifications (five good GCSEs), the opportunities to enter the labour market will remain limited if they do not have the right skills. The metro mayor therefore should be making the most of examples such as the Inspiring Tomorrow's Engineers programme and Manufacturers Technology Centre,<sup>3</sup> and encourage more firms to work closely with schools, further education colleges and skills providers to open up clear career pathways and practical skills.

It is also important for the metro mayor to cast their net further than any specific industry. The mayor should ensure that those who do not have the right skills can access them, launching a second chance programme with an emphasis on providing accessible, flexible learning that equips residents currently outside the labour market with job-ready skills to help them into work.

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3 ITE refers to Jaguar Land Rover's work with local schools, while the MTC is a partnership between businesses, academia and other institutions

## Challenge firms to offer high quality in-work training

Research shows there is a greater tendency for individuals in the UK to develop the skills most relevant for their job in the workplace.<sup>4</sup> This means that ensuring employers are investing in training is crucial. The metro mayor should be challenging firms to develop career pathways and offering opportunities for existing workers to develop their skills and retrain.

## Work with local universities and businesses to increase the demand for high level skills

A 2013 UKCES survey of firms in the West Midlands showed they struggle to recruit the high skilled workers they need due to a shortage of qualified applicants to fill the positions. This is also reflected in the proportion of high skilled residents: only 28 per cent of residents in the city region have a degree, compared with 37 per cent nationally. The metro mayor can act as a convenor, making the most of the West Midlands' 10 universities to develop residents' higher level skills. The mayor should be using these institutions as bases and hubs to work with local businesses in the area and develop residents' skills. This could mean hosting courses with local businesses, capitalising on expertise or utilising universities' networks.

By supporting businesses to work with colleges, universities and skills providers, and encouraging more training pathways within companies, the metro mayor can improve the options for residents, and the labour pool for businesses. This will take time but can be set in motion during the first term by the metro mayor setting a visible and important challenge for firms throughout the city region to take a significant and meaningful role in skills development.

## Contact

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<sup>4</sup> See UKCES (2012) //www.gov.uk/government/uploads/system/uploads/attachment\_data/file/304873/Engaging\_low\_skilled\_employees\_evidence\_report\_43.pdf. And Clayton, N (2015) [www.centreforcities.org/blog/skills-and-cities-10-years-of-change/](http://www.centreforcities.org/blog/skills-and-cities-10-years-of-change/)