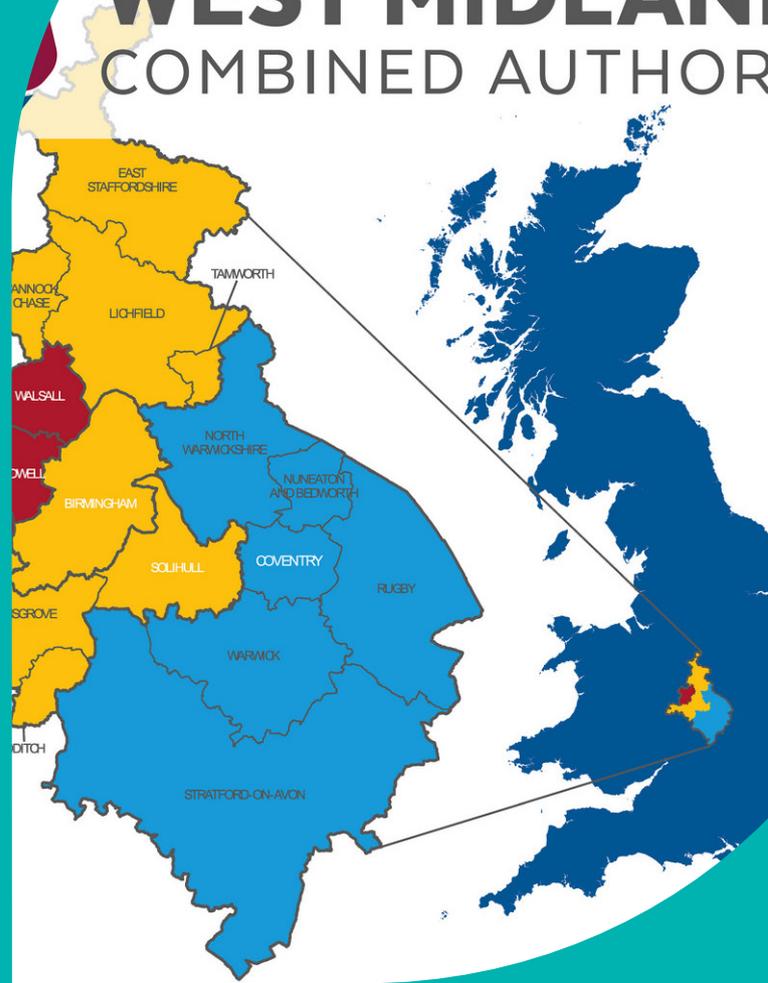




Greater Birmingham
Chambers
of Commerce

WEST MIDLANDS
COMBINED AUTHORITY



Briefing Paper

West Midlands Combined Authority

July 2016

Connect. Support. Grow

What is the West Midlands Combined Authority?

A Combined Authority is a legal structure established by two or more Local Authorities. With approval from the Secretary of State, statutory powers can be transferred to a Combined Authority, along with any further functions the Local Authorities involved agree to share. The West Midlands Combined Authority is a partnership between 12 Local Authorities and 3 Local Enterprise Partnerships. The constituent or “full” members are the Metropolitan Councils of Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton.

November 2015 saw the announcement of an £8bn devolution deal made between the Treasury and the West Midlands Combined Authority. The deal included giving the WMCA powers over a devolved transport budget and responsibility for road networks and planning powers to drive housing delivery. The WMCA will receive control of an additional £36.5 million a year funding allocation over 30 years. The deal was contingent on the West Midlands Combined Authority creating an elected mayor.

In June 2016, the WMCA officially launched and took control of a range of powers which cover economic growth, jobs, skills, transport, and homes, as well as partial control over mental health services and the youth justice system. The leaders of each constituent member local authority have full voting rights on the WMCA board. The Board is presently chaired by the Conservative leader of Solihull, Bob Sleigh. He will be replaced as Chairman by the directly-elected WMCA mayor in 2017.

Each of the leaders has also been allocated a cabinet portfolio, as follows:

- Bob Sleigh, Conservative Leader of Solihull Council, is in charge of the HS2 growth strategy
- John Clancy, Labour Leader of Birmingham City Council, is responsible for economic growth
- Pete Lowe, Labour Leader of Dudley Council, is responsible for health and wellbeing
- Steve Eling, Labour Leader of Sandwell Council, is in charge of public service reform and will also be responsible for developing policies to help troubled families
- Sean Coughlan, Labour Leader of Walsall Council, is responsible for housing and land
- George Duggins, Labour Leader of Coventry Council, is responsible for skills and productivity
- Roger Lawrence, Labour Leader of Wolverhampton Council, is responsible for transportation

How will the West Midlands Combined Authority affect my business?

If the West Midlands Combined Authority is successful in meeting its aims, it could have a positive impact on the business environment in Greater Birmingham. Their priorities involve boosting economic growth, improving skills and reducing unemployment amongst the local population, greatly improving transport infrastructure and collaborating on identifying and making ready viable sites for housing development. Under current plans, a West Midlands Combined Authority Mayor will have the power to introduce a Supplementary Business Rate to fund infrastructure programmes, with the backing of the Local Enterprise Partnership Boards. Naturally, any increase in Business Rates will have a direct impact on local businesses.

What is the GBCC position on the West Midlands Combined Authority?

The Greater Birmingham Chambers of Commerce believe that a West Midlands Combined Authority represents an opportunity for Local Authorities to “think bigger” and work beyond their boundaries to deliver tangible positive outcomes on the economy and transport infrastructure. We also recognise that the direction of travel has been firmly set by the Chancellor and the Greater Manchester Combined Authority and, if our region is going to receive the investment and time from Government that it deserves, a Combined Authority is likely to be the most effective model.

However, we do have concerns about the WMCA mayoral power to introduce a Supplementary Business Rate (SBR). While we support the idea of innovative sources of local funding for infrastructure programmes that will be of clear benefit to the local business community, we believe that engagement needs to go further than LEP approval. We believe that businesses within the proposed SBR area should be formally consulted directly, in partnership intermediaries and membership organisations.

The GBCC also believes that the devolution agenda is more important than ever in the wake of the UK's decision to leave the European Union. The Referendum clearly exposed the imbalanced nature of the UK economy and shifting power to the regions is an important step towards addressing this issue. Government must remain committed to devolution in spite of any economic headwinds we encounter and allow combined authorities the space and resource to work.

The Greater Birmingham Chambers of Commerce support the fledgling WMCA and will continue to engage closely with it as it starts to exercise its powers and shoulder its responsibilities.

How can GBCC help?

The Greater Birmingham Chambers of Commerce are working closely with key people within the emerging WMCA structure to champion the needs of businesses. We are also working to raise awareness of the development of the WMCA through events, documents such as this and updates through our media and communications channels.

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