

WEST MIDLANDS IN CONTEXT

ISSUE 12, SEPTEMBER 2016

West Midlands in Context highlights a broad mix of reports, statistics and other material that has something to say about the West Midlands or that help provide a wider context to the work of councils and other organisations in the region.

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FULL SERVICE HISTORY

WEST MIDLANDS' MANUFACTURING AND SERVICE EXPORTS

West Midlands' exports continue to grow

One of the brightest features of the West Midlands' economy in recent years has been the growth in exports. Strong performances by manufacturers particularly in the automotive sector such as JCB and Jaguar Land Rover (JLR) have helped make the region one of the UK's top sources of exports. Indeed, JLR recently reported a 16% increase in vehicle sales in the three months to the end of June, with around 80% of the company's revenue coming from overseas sales.

Moreover, HM Revenue and Customs Regional Trade Statistics show that while the value of UK exports fell between June 2015 and June 2016, the West Midlands was one of only four



English regions where the value increased, while looking over the longer period of June 2013 to June 2016, it was one of only three regions where exports grew in value. This leaves the region with a creditable 11% of the UK's export value, second only to the South East and level with London.

However, as the focus of the Regional Trade Statistics is "*the physical flow of goods across borders*", it does not include the trade in services such as banking and tourism, or cover "intangibles" such as financial investments. Indeed, while manufacturing is a significant part of the country's economy and a vital one to the West Midlands economic health, it is by no means the largest part. As an illustration, in 2015 although the the UK's manufacturing output was worth £162 billion this amounted to "only" 10% of the country's output, 80% of which was made up by service industries, to the tune of £1.3 trillion. With this in mind, it's worth looking at recent experimental figures from the Office of National Statistics (ONS) which estimate the value of services exported from the different parts of the country.

More so than for manufactured goods, identifying which part of the country is responsible for the export of a service is not an exact science. Using the head office as a proxy will often skew results to London, while a shortage of data makes it difficult to assign exports to the location from which it actually takes place. Even if sufficiently accurate data were available, this would tend to favour the final point of production or distribution. To combat this, the approach taken by ONS is to assume all parts of an organisation contribute to export value and uses a variety of proxies and assumptions to allocate the relative contributions. As such, ONS suggest a little caution, noting some discrepancies. For example, the official figure for UK service exports in 2014 was around £218 billion, while the experimental approach came up with a figure of just short of £216 billion. Nonetheless, ONS say that the estimates are "*broadly consistent*" with the UK figures in the Balance of Payments. With this in mind, what follows is a brief look at the relative performance of the different parts of the UK.

Service exports grow in the West Midlands...

All in all, the value of UK service exports increased in value between 2011 and 2014, rising by 48% in Northern Ireland, 39% in Scotland and 36% in the North West. However, due to some difficulties with the Northern Ireland data, ONS subsequently excluded it from the more detailed analysis. Over this period West Midlands' growth has been significant at around 30%, rising from £6,346 million to £8,264 million. Despite this level of growth, the West Midlands continues to lag behind a number of other parts of the country in its service exports, coming seventh out of the UK's nations and regions. Even excluding London and the South East and Scotland, the West Midlands was comfortably out-performed by some, possibly more appropriate benchmark regions such as the North West, the East of England, and the South West.

... but manufacturing service exports lag behind

The ONS also looked more closely at specific service sectors in Great Britain, providing some different perspectives. For example, given the recent strength of the region's manufacturing exports, it might be thought that this would be reflected in the export of manufacturing services, such as assembling, processing or packing goods owned by foreign companies. However, by the reckoning of the ONS this is not the case, with the region clocking in, in second last place with £627 million. Nevertheless, The West Midlands has shown a steady increase in value between 2011 and 2014 and it may be that if manufacturing exports continue to grow, this will also help generate further service growth. In some other regions, even where manufacturing service exports fell between 2013 and 2014, they have continued to do better than the West Midlands in this field by significant margins. For example, in 2014 the North West posted £3,530 million worth of these service exports, the South West £1,517 million and the East Midlands £877 million.



Other service exports

In other sectors the West Midlands has performed relatively better. In the field of information and communications the West Midlands is behind only London, the South East, and the East of England. With its value of exports increasing from £645 million to £1,089 million between 2011 and 2014, the West Midlands leapfrogged the North West in the process, but remains some way behind the East of England's £1,598 million. Transport service exports also grew strongly in the region from £468 million to £718 million. However, due to its low base in 2011, only North East and Wales exported a lower value of these services. Of greater value, were the exports of travel services, which amounted to just over £1,000 million in 2014.

For real estate and professional, scientific and technical services, the ONS notes that that West Midlands "saw strong growth" from 2011 to 2014, rising from £546 million to £788 million. This category includes legal activities, accounting, management consultancy, advertising, market research, architectural and engineering services, and scientific R&D. Needless to say, London and the South East were dominant in these fields, with the West Midlands coming seventh out of Britain's eleven regions and devolved nations. London also dominated exports in the financial services category (excluding pensions and insurance). Despite suffering a fall in value from £30.7bn to £25.2bn between 2011 and 2014 it was still streets ahead of second placed Scotland's £3,241million. The West Midlands was in sixth place with £2,185 million.

Sources:

- Jaguar Land Rover - Press release - [New Models Support Jaguar Land Rover Sales Surge in First Quarter](#), August 2016
- HM Revenue and Customs - [UK Regional Trade Statistics](#), September 2016
- HM Revenue and Customs - [Overseas Trade Statistics Methodology Paper](#), July 2016
- Home of Commons Library - [Briefing paper - Industries in the UK](#), August 2016
- Office of National Statistics - [Estimating the value of service exports abroad from different parts of the UK - 2011 to 2014](#), August 2016

ALL SORTS AND CLUSTERS

Creative clusters and innovative businesses in the West Midlands

Creative growth

According to the Department for Culture Media and Sport (DCMS), in 2014 the creative sector accounted for some £81.4 billion of GVA, equivalent to over 5% of the UK economy. Moreover, it seems that between 2013 and 2014 the productivity of creative industries grew almost twice as quickly as the economy as a whole, while job creation grew at more than double the national rate.

These figures are quoted by Nesta and Creative England in their recent report on creative clusters. Focusing on the creative industries of design; software and digital; advertising; film, tv and radio; architecture; publishing; and music and performing arts, their report not only looked at businesses and employment, but also relevant local institutions such as universities and business networks.

The West Midlands' creative cluster

In terms of the concentration of this activity, it is no surprise that much of it is focused on London and the South East. Nonetheless Nesta found significant clusters of activity across the UK, often in major cities such as Manchester, Leeds, Bristol and Cardiff, but also in a number of large towns or combinations of towns. One such location was Leamington Spa in Warwickshire. While this is good news for the West Midlands, the bad news is that this was the region's sole representative among the 47 creative clusters identified in the report. The picture is similar in the East Midlands, where only Northampton registered as a significant concentration of creative activity.

Clusters are generally thought to improve effectiveness by sharing resources such as a common pool of skilled workers, improving networking, the creation of spin-off businesses, and increasing collaboration and the sharing of ideas. If clusters are considered beneficial to the growth of this important sector, the report suggests there are some issues for the region and across the Midlands as a whole. However, the lack of clusters does not mean that there are not important creative industry businesses and significant employment centres in other areas. Indeed, the West Midlands' percentages of creative industry businesses and creative industry employment is middling, coming sixth out of the twelve UK nations and regions in both cases.

Clusters of clusters

Even so, the absence of cities such as Birmingham led Nesta to re-run their analysis with extended criteria, only to yield the same outcome. The shortage of clusters is clearly not the "be all and end all" and, as the report points out, the current position is not immutable and, of course, different approaches to analysis could lead to different results. Nonetheless, even if the results are only taken as a broad indication, they suggest some issues for the Midlands. This is highlighted by the situation in other parts of the country, where Edinburgh, Glasgow, Cardiff and Belfast all feature for the devolved nations, while the other English regions have at least two clusters. For example, Yorkshire and Humber has three clusters (Leeds, Sheffield and Harrogate), the North East two (Newcastle and Middlesbrough/Stockton), and the North West has clusters centred on Liverpool, Manchester, Warrington/Wigan, Chester, and Crewe on the list. As one of the smaller clusters, the total amount of activity in the Leamington cluster was relatively low compared many of the others. Nonetheless, the concentration of activity was significant, with nearly 10% of businesses falling into the creative industry category, a higher proportion than 28 other clusters.

Innovation in the West Midlands

Looking at a different type of creativity, the government recently published a study mapping the distribution of business innovation across the country. The report measured innovation by looking at the number of businesses undertaking technological innovation (improved products and processes) and non-technological innovation such as significantly improved forms of organisation, practices or marketing strategies. By these measures Yorkshire and Humber (65% of businesses) was the most innovative region while the South West (43%), the only region to show a decline, was the least. Across the English regions the West Midlands came in fifth place with 55% rising from 44% in an earlier survey. Since that earlier survey, it seems that the gap between the least and the most "*innovation active*" regions is growing, rising from 8 to 22 percentage points between 2013 and 2015.

Importantly for local and regional economies, innovative businesses tend to have a number of positive characteristics compared to non-innovative companies which bring wider benefits. For example, they are considerably more likely to export, more likely to employ more highly qualified staff and more likely to collaborate on innovation related activities. Looking at the economic sectors, it seems that the production sector and in particular manufacturing was

the most innovative. Indeed, the categories for the manufacture of “electrical and optical equipment” and “transport equipment” both recorded 70% percent or more innovating businesses. The distribution and service sector was the next most innovative with 59%.

Sources:

- Nesta - [The geography of creativity in the UK](#), July 2016
- Department of Business, Innovation and Skills - [The UK Innovation Survey 2015 - Main Report](#), July 2016

THE SONG REMAINS THE SAME

WEST MIDLANDS CONTINUES TO ATTRACT HIGH LEVELS OF FOREIGN INVESTMENT

Inward investment

Among the changes made by Theresa May upon becoming Prime Minister was the creation of the Department for International Trade (DIT). Charged with negotiating trade deals, its role incorporates the international business support previously provided by UK Trade and Investment (UKTI). Among the big wheels in the department is Wyre Forest MP Mark Garnier. As Parliamentary Under Secretary of State he leads on high value investment campaigns in a number of key areas including financial services, advanced manufacturing and aerospace, automotive and creative, as well as on UK regional delivery.

While the name on the report may have changed from UKTI to DIT, their recent inward investment publication has not changed the overall tune for the UK or the West Midlands. Over the last financial year there were a record number of projects across the country, up 11% on the previous year. These projects created or safeguarded some 116,000 jobs, the second highest figure on record. All in all, the result was that the UK remained Europe’s top destination for foreign inward investment.

Good news for West Midlands’ employment

The press release noted that nearly 14,800 jobs were created in the Midlands Engine, up 9% on the year before. A quick look at the statistics, however, shows that by far the majority of these were in the West Midlands, which contributed over 11,100 of these jobs. This imbalance is reflected in the number of projects, with 168 in the West Midlands compared to 85 in the East Midlands. For what it’s worth, that amounts to around 66 jobs per project in the West Midlands and 43 in the East Midlands. Demonstrating the success of the region in this department, the number of jobs created in the West Midlands was second only to London, comfortably exceeding those in the third placed North West.

Mergers and acquisitions

As a general point, it’s worth noting that the DIT figures differ from other surveys such as those undertaken by EY (Ernst Young) and the Financial Times in that they include unannounced projects, which other organisations may not be aware of, and mergers and acquisitions.



On the subject of inward investment mergers and acquisitions, the Office of National Statistics' (ONS) figures show that the number of deals, where foreign companies acquire UK companies worth over £1 million has been steadily falling, but that their average value has been increasing. For example, between 1997 and 2001 the quarterly average number of inward acquisitions was 54, averaging £183 million per deal. By 2012 to 2016, the average number had fallen to 36, but the average value of each transaction had risen to £242 million. Clearly the figures fluctuate over time, however, the 20 completed transactions in the second quarter of 2016 were seen by the ONS as "*evidence of a further decline in inward M&A activity*", although the average value had now reached £316 million.

Sources:

- gov.uk - [Mark Garnier MP](#)
- Department for International Trade - Press release - [UK remains number one investment destination in Europe](#), August 2016
- Department for International Trade - [Inward investment results 2015 to 2016](#), August 2016
- Office of National Statistics - [Mergers and acquisitions involving UK companies](#)" Apr to Jun 2016, September 2016

WHEN YOU'RE YOUNG

YOUTH UNEMPLOYMENT IN THE WEST MIDLANDS AND ZERO HOURS CONTRACTS

Unemployment rates

The creation of jobs whether from foreign investment or domestic activity has seen unemployment in the West Midlands fall substantially since the height of the economic crisis. While the trend has been generally downwards, the path is not a smooth one. Recent figures from the Office of National Statistics (ONS) showed that despite unemployment falling nationally in the three months to July, it increased in the West Midlands by some 17,000, leaving the region in a worse position than at the same time last year. All in all, the West Midlands had the second highest unemployment rate in the country of 6.2%. In comparison, the national rate was 4.9%. The last time it was lower was July to September 2005.

Of course, there are all manner of variations beneath these headline figures. A recent report by EY (Ernst Young) looked specifically at youth unemployment, including the variations between and within regions. The good news is that like the headline figures, youth unemployment rates have fallen significantly since the recession and, while it is almost double the rate of Germany's, the UK is performing relatively well compared to a number of other European countries including France, Italy and Spain. That said, between March and May 2016 unemployment for 16-17 year olds in the UK was still 28.7% and 11.6% for 18 to 24 year olds.

Youth unemployment in the West Midlands

Encouragingly, the West Midlands has seen one of the most significant falls in youth unemployment rates. This has had the effect of improving the West Midlands' position



relative to other regions, rising from last place in 2011 for 16-24 year olds' unemployment, to fourth from last place in 2016. With a rate of 15.5%, this compares to the highest rate of 18.3% in the North East and the lowest of 11.2% in the East of England, marginally ahead of the East Midlands.

The study was covered in the media, with reports often reflecting on the variations within the individual regions. Within the West Midlands it seems that at 27% Wolverhampton had one of the highest youth unemployment rates of the UK's cities, while at just over 8% Coventry had one of the lowest. Of the other West Midlands' locations identified in the report, Birmingham's figure was 22.5%, Stoke's 17.3% and Solihull's 11%.

Young people are exposed to economic volatility

In releasing their report EY commented that *"history has shown us that young people are more exposed to economic volatility and industry restructuring than the population as a whole"*. Indeed, across the UK the report highlights the fall in youth employment in manufacturing and construction. As the report notes, manufacturing is a key sector for growth in the region, suggesting that in the context of the proposed national industrial strategy, *"future skills development should be delivered against those target industries that support access to employment for young people"*. On the other hand, EY finds that the sectors that already employ the highest proportions of young people are set to increase employment opportunities, for example in distribution, hotels, restaurants and other services such as entertainment, sport and culture.

EY go on to suggest that young people, particularly from disadvantaged groups are not getting access to work experience and skills training, while employers are *"missing out"* on local talented young people because *"they are not recruiting from a diverse enough talent pool or because they perceive that young people do not have the skills required for entry-level roles"*. As such, EY state that it is *"imperative that UK employers open their doors to invest in developing the skills of young people"* including by offering paid work experience opportunities to develop young people and improve work prospects.

Zero hours

For those young people in employment, the ONS found that a significant proportion were in jobs that do not guarantee a minimum number of hours work, or zero hours contracts. Indeed, 16-24 year olds make up 36% of the zero hours' workforce compared to only 12% of the "non-zero hours" workforce. Overall, one in four people on zero hours contracts work in the accommodation and food industry, among the sectors EY highlighted as those employing the highest proportion of young people. For some groups, such as students, it seems the flexibility of these contracts can be attractive, with 20% of those on zero hours contracts in full time education.

Sources:

- ONS - [UK labour market statistics - September 2016](#), September 2016
- ONS - [Regional labour market statistics in the UK: September 2016](#), August 2016
- EY - [The employment landscape for young people in the UK - challenges and opportunities](#), August 2016
- EY - [Stark variations in youth employment levels across the UK could impact local economic growth](#), August 2016
- ONS - [Contracts that do not guarantee a minimum number of hours](#), September 2016



£78 BILLION - THE HIGH COSTS OF POVERTY

THE JRF LOOKS AT THE BROADER COSTS OF POVERTY

Counting the cost of poverty

In August the Joseph Rowntree Foundation (JRF) published Counting the Cost of Poverty, a study estimating the public costs, not of alleviating poverty, but the costs that come as a “consequence of poverty’s existence”. In doing so, it draws attention not only to the costs themselves, but also to the potential savings that could be made.

All in all the JRF come up with the figure of £78 billion, or as they put it “slightly more than the entire public deficit last year”. With around a fifth of public services spending associated with tackling poverty, they comment that “putting public effort into helping people thrive is ultimately more fruitful than having to spend money picking up the pieces”.

Some of the key figures are set out below:

- **£29 billion - health care.** JRF state there is growing evidence that health care costs are strongly related to current poverty and a legacy of past experiences of poverty, with around a quarter of all spending on acute hospital care and primary care attributable to greater use of services by those in poverty.
- **£10 billion - school spending** related to poverty, for example the Pupil Premium and the increased targeting of resources within local authorities. JRF states that 20% of school spending can be attributed to more being spent in areas where there is a greater take-up of free school meals.
- **£9 billion - police and criminal justice.** JRF states crime is highly concentrated in poorer areas, with just over half of all crime-related expenditure attributable to the additional crime associated with poverty.
- **£7.5 billion - childrens’ services** including early years provision. JRF suggest that 60% of family service spending and 40% of early years spending can be attributed to poverty.
- **£4.6 billion - adult social care.** JRF estimate around a quarter of all this expenditure is related to the additional costs arising from poverty.
- **£4 billion - housing.** Investment in new social housing amounts to only a small part of the costs, with a larger proportion for the improvement of existing stock and recurring costs such as those on homelessness.

As well as direct costs, JRF highlight some of the knock-on impacts of poverty due to individuals who have experienced poverty having worse economic outcomes, these include:

- **£4 billion - lost tax revenues** associated with £13 billion of lost earnings of individuals who have grown up in poverty.
- **£2.4 billion - additional benefits** paid to the additional number of adults not working as a result of having grown up in poverty.
- **£1.4 billion - Employment and Support Allowance** attributable to the higher claim rates in poorer parliamentary constituencies and associated to evidence that poverty has long term consequences for physical and mental health.



- **£1.3 billion - Pension Credit** attributable to higher claim rates in poorer areas, having been unable to build up sufficient retirement income on their own, linked to poverty and low income throughout working life.

The working poor

Earlier in the summer, the Institute of Fiscal Studies (IFS) also published a report on poverty. This looked at some of the changes to average incomes, income inequality and poverty. Among their findings were that the proportion of children living in a household where no one works has fallen from nearly one in four (1994-95) to less than one in six (2014-15), so that the “new poor” tend to live in households where there is someone at work. Indeed, “only” one third of children in absolute poverty now live in workless households, with two thirds classified as poor even though they have at least one parent in work. As a result, the IFS suggests that further falls in worklessness are likely to have much less impact on reducing child poverty than in the past and that raising the incomes of working households would be more effective in improving life chances.

Among other things, the IFS note that while wages made up half of the income for the poorest 20% of households, up from a third 20 years ago, this does make them more sensitive to any downturn in the labour market than they were in the past. They also note that inequality in weekly earnings has fallen during the recovery, this has been helped by the growth in the number of hours worked by those on low hourly wages.

Solving poverty

As a follow up to their August study, the JRF produced their strategy to “solve” poverty along side an evidence base, *UK poverty: causes, costs and solutions*. The strategy focuses on five themes - boosting incomes and reducing costs, an effective benefits system, improved education standards and raised skills, strengthened families and communities, and the promotion of long-term growth that benefits everyone. The aim of the plan is that by the time someone starting school this year becomes an adult in 2030, no one is ever destitute, less than 10% of the population are in poverty at any time, and nobody is in poverty for more than two years.

In responding to the strategy the Local Government Association said councils are “*best placed to lead the way*”, not least because of the roles they play in building affordable homes, preventing homelessness, integrating support to tackle drug and alcohol abuse, and improving schools. They stressed the need for councils to have the financial freedoms and powers to coordinate services, for example over national employment and skills schemes. In doing so they highlighted the importance of maintaining momentum around devolution and the importance of education. As such, they said that the government needed to recognise councils’ role in turning schools around, pointing out the ineffectiveness of “*imposing structural changes on schools*” as a way of improving education.

Sources:

- Joseph Rowntree Foundation - Counting the Cost of Poverty, August 2016
- Institute of Fiscal Studies - Living standards, poverty and inequality in the UK: 2016, July 2016
- Joseph Rowntree Foundation - We can solve poverty in the UK, September 2016
- LGA - press release - Councils respond to JRF’s strategy to solve poverty, September 2016



CONSULTATIONS AND CALLS FOR EVIDENCE

PLEASE CHECK CONSULTATION DEADLINES AND DETAILS ON THE APPROPRIATE WEBSITE

RECOUPING LOCAL AUTHORITY FUNDING FOR FREE SCHOOLS - CONSULTATION

DEPARTMENT FOR EDUCATION – CLOSES 21ST SEPTEMBER 2016

Local authorities receive funding from the DfE based on the total number of pupils in the area. Recoupment is where the Department takes back funding for pupils in academies and free schools, which are funded directly by government. The Department is consulting on proposals to make free schools “recoupable” from the first year they open.

Full details here: <https://www.gov.uk/government/consultations/recouping-local-authority-funding-for-free-schools>

HOW CAN WE ENSURE A SUSTAINABLE FUTURE FOR THE NHS - INQUIRY

LORDS SELECT COMMITTEE – CLOSES 23RD SEPTEMBER 2016

The Committee has launched an inquiry into the long-term sustainability of the NHS as it tries to identify what the NHS of the future may look like. Among the themes of interest to the Committee are: resourcing issues, including funding; productivity and demand management; workforce, including supply, retention and skills; models of service delivery and integration, including how can health and social care be incentivised to work together; and digitation, big data and informatics - how can technology be used to ensure the sustainability of the NHS.

Full details here: <http://www.parliament.uk/business/committees/committees-a-z/lords-select/nhs-sustainability-committee/news-parliament-2015/call-for-evidence/>

SELF-SUFFICIENT LOCAL GOVERNMENT: 100% BUSINESS RATE RETENTION

- CONSULTATION

DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT – CLOSES 26TH SEPTEMBER 2016

This consultation seeks views on the government’s commitment to allow local government to retain 100% of business rates that they raise locally. Specifically it seeks to identify some of the issues that should be kept in mind when designing the reforms. This includes, for example, whether the system would work the same way across the country, whether there could be a more ambitious devolution of responsibilities in areas with Devolution Deals, and how business rate income might be shared across different tiers of local government.

Full details here: <https://www.gov.uk/government/consultations/self-sufficient-local-government-100-business-rates-retention>



GOVERNMENT'S INDUSTRIAL STRATEGY - INQUIRY

BUSINESS INNOVATION AND SKILLS COMMITTEE - SUBMISSIONS BY 27TH SEPTEMBER 2016

This inquiry follows the inclusion of the term "industrial strategy" into the Department for Business's name and an indication from the Prime Minister that the government will explicitly intervene to support certain parts of the economy. Among other things the inquiry will investigate: what the government means by the term industrial strategy; how interventionist in the free market the government should be, for example on foreign take-overs; the pros and cons of a sectoral approach; and whether the strategy should have a geographical emphasis - including links to devolution initiatives and how the strategy would work with local authority and local enterprise partnerships, reconciling UK strategy with local, regional and the devolved nations' priorities.

Full details here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/business-innovation-and-skills/news-parliament-2015/industrial-strategy-launch-16-17/>

PUBLIC PARKS - INQUIRY

COMMUNITIES AND LOCAL GOVERNMENT COMMITTEE – CLOSES BY 30TH SEPTEMBER 2016

The Committee has launched an inquiry into public parks examining the impact of reduced local authority budgets on these open spaces and considering concerns that their existence is under threat.

Full details here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/communities-and-local-government-committee/inquiries/parliament-2015/public-parks-16-17/>

POST-16 EDUCATION AREA REVIEWS - INQUIRY

SUB COMMITTEE ON EDUCATION, SKILLS AND THE ECONOMY – CLOSES BY 30TH SEPTEMBER 2016

The sub committee is inviting submissions on a number of key areas including: the area review process, the role of area reviews in mergers between institutions, the potential of area reviews to deliver savings and their likely impact of the financial sustainability of the further education sector; the role of Regional Schools Commissioners, local authorities and local enterprise partnerships in area reviews; the relationship between area reviews and other post 16 education providers such as University Technical Colleges and school sixth forms; and the extent to which area reviews and subsequent mergers take into account apprenticeship provision in the local area.

Full details here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/education-skills-and-economy/inquiries/parliament-2015/post-16-education-16-17/>



MANDATORY GENDER PAY GAP REPORTING PUBLIC SECTOR EMPLOYERS – CONSULTATION

GOVERNMENT EQUALITIES OFFICE - CLOSES 30TH SEPTEMBER 2016

The Government's commitment to introduce mandatory pay gap reporting for large private and voluntary sector organisations, which were consulted on earlier this year, has been extended to the public sector. Among other things, the current consultation for public sector employers includes the nature and size of organisations that should be covered, defining employees, defining pay (including bonuses), and the timetable and methods of reporting.

Full details here: <https://www.gov.uk/government/consultations/closing-the-public-sector-pay-gap>

THE FINANCIAL SUSTAINABILITY OF LOCAL AUTHORITIES - INQUIRY

PUBLIC ACCOUNTS COMMITTEE - CLOSES 4TH OCTOBER 2016

The Committee is calling for evidence ahead of its session on the financial sustainability of local authorities. It notes that local authorities in England have maintained their overall capital levels, but face pressure to meet debt servicing costs and to maintain investment levels in their existing asset bases. Revenue spending power, including government grant and council tax, fell by 25.2% in real terms from 2010-11 to 2015-16. The National Audit Office have found that authorities face a growing challenge to continue long term investment in existing assets. Total spend has remained stable, but increasingly capital activities are focused on "invest to save" and growth schemes that cover their costs or have the potential to deliver a revenue return. Many areas of of authorities' asset management programmes do not meet these criteria and are now seen as a lower priority.

Full details here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/inquiries/parliament-2015/financial-sustainability-local-authorities-16-17/>

TROUBLED FAMILIES - INQUIRY

PUBLIC ACCOUNTS COMMITTEE - CLOSES 11TH OCTOBER 2016

The Committee is calling for evidence ahead of its session on troubled families. The call for evidence notes media reports that the troubled families programme has not had the expected, intended impact while independent evaluation has found the programme has had "no discernible" effect on unemployment, truancy or criminality. The programme was set a target against with which its success could be measured - to "turn around" 120,000 families between April 2012 and May 2015.

Full details here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/inquiries/parliament-2015/troubled-families-16-17/>



REFORMING BUSINESS RATE APPEALS: DRAFT REGULATIONS - CONSULTATION

DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT - CLOSES 11 OCTOBER 2016

The government published a consultation paper on proposals for a reformed business rate appeal system last October seeking views on the proposals for a new three stage approach to business rate appeals: "check, challenge, appeal". Following the passage of the Enterprise Act 2016 as the enabling legislation, the Government are now consulting on the relevant draft regulations.

Full details here: <https://www.gov.uk/government/consultations/reforming-business-rates-appeals-draft-regulations>

DISABILITY AND THE BUILT ENVIRONMENT - INQUIRY

WOMEN AND EQUALITIES COMMITTEE – CLOSES 12TH OCTOBER 2016

The accessibility of homes, buildings and public spaces is an issue not just for those with a permanent physical disability. With an ageing population it is likely more people will experience reduced mobility in their lives and there are also other considerations such as mental health. This inquiry explores the extent to which those needs are considered and accommodated in the built environment and asks whether more could be done to increase the accessibility and inclusivity of both new and existing properties and spaces.

Full details here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/women-and-equalities-committee/inquiries/parliament-2015/disability-and-the-built-environment-16-17/>

REPORTING AND ACTING ON CHILD ABUSE - CONSULTATION

HOME OFFICE AND DEPARTMENT FOR EDUCATION – CLOSES 13TH OCTOBER 2016

This consultation seeks views on the possible introduction of mandatory reporting of child abuse and neglect or a duty to act in relation to child abuse or neglect. This could cover practitioners or organisations in close and frequent contact with children such as those involved in the delivery of education, child care, social care and healthcare, and law enforcement. It might also cover those in close but infrequent contact such as probation and housing services. In addition, even if they are not delivering these activities themselves, senior managerial levels within councils, health services and the police could be in scope. Those in administrative or other support role such as school secretaries, caterers, or care-takers may also be in a position to identify and take action in relation to abuse or neglect.

Among other things, the consultation also covers issues such as individual and organisational responsibility and potential sanctions.

Full details here: <https://www.gov.uk/government/consultations/reporting-and-acting-on-child-abuse-and-neglect>



APPRENTICESHIPS - INQUIRY

PUBLIC ACCOUNTS COMMITTEE - CLOSES 14TH OCTOBER 2016

The Committee is calling for evidence ahead of its session on apprenticeships. It will examine the value derived from apprenticeships. It notes that Department for Education has not set out how it will use the increase in apprenticeship numbers to deliver improvement in productivity, and how it will influence the mix of apprenticeships in order to deliver the most value. It also notes that DfE has not defined what "success" will look like in a reformed programme and that since 2013 there has been a process to develop new, employer-led, apprenticeship "standards", which will eventually replace the previous frameworks. In practice, the development of new standards has taken longer than envisaged with employers expressing concern about the amount of time they have had to invest at their own cost. As at April 2016, only around 2,600 people had started an apprenticeship under the new standards.

Full details here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/inquiries/parliament-2015/apprenticeships-16-17/>

FORESTRY IN ENGLAND - INQUIRY

ENVIRONMENT, FOOD AND RURAL AFFAIRS COMMITTEE – SUBMISSIONS BY 18TH OCTOBER 2016

The Committee is seeking recommendations on how effectively current government policies achieve forestry objectives and how they should be developed in future, for example, to increase the level of tree cover and improve the management of forests, balance protection with exploitation, provide a strategic framework to support forestry businesses, and provide grants and advice through CAP, the Rural Development Programme and any successor programme.

Full details here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/environment-food-and-rural-affairs-committee/news-parliament-2015/forestry-inquiry-launch-16-17/>

IMPLEMENTATION OF NEIGHBOURHOOD PLANNING PROVISIONS IN THE

NEIGHBOURHOOD PLANNING BILL - CONSULTATION

DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT – CLOSES 19TH OCTOBER 2016

This consultation is seeking views on the detailed regulations to implement the neighbourhood planning provision in the Neighbourhood Planning Bill. There are proposals covering three matters: the detailed procedures for modifying neighbourhood plans and Orders; the examination of a neighbourhood plan proposal where a neighbourhood area has been modified and a neighbourhood plan has already been made in that area; and the requirement for local planning authorities to review their Statements of Community Involvement at regular intervals.

Full details here: <https://www.gov.uk/government/consultations/implementation-of-neighbourhood-planning-provisions-in-the-neighbourhood-planning-bill>



SHALE WEALTH FUND - CONSULTATION

HM TREASURY – CLOSES 26TH OCTOBER 2016

The government seeking views on the delivery method and priorities of the Shale Wealth Fund. The consultation is looking at key issues including: what the government's priorities for the Fund should be, the allocation of funding to different stakeholder groups, the extent to which the industry community benefits scheme and Shale Wealth Fund should be aligned, potential delivery methods to ensure that households and communities benefit, deciding how funds are spent, and how any processes are administered.

Full details here: <https://www.gov.uk/government/consultations/shale-wealth-fund>

MUSEUMS AND GALLERIES TAX RELIEF - CONSULTATION

HM TREASURY – CLOSES 29TH OCTOBER 2016

This consultation is into a tax relief designed to encourage the creation of more and higher quality exhibitions, as well as to support touring exhibitions across the country and abroad, raising the UK's profile internationally.

This consultation document sets out the details of the proposed tax relief and seeks views in the key areas of its design. Its aim is to develop a museums and galleries tax relief that works well for the sector. Views are invited from a wide range of respondents including local authorities, individuals, charities and representative and professional bodies. The government specifically invites comments from those working directly in the museums and galleries sector. The government will take all responses into account before confirming the final policy design.

Full details here: <https://www.gov.uk/government/consultations/museum-and-galleries-tax-relief-consultation>

REVIEW OF MUSEUMS IN ENGLAND - CONSULTATION

DEPARTMENT FOR CULTURE, MEDIA & SPORT – CLOSES 31ST OCTOBER 2016

The Museums Review will consider how museums and galleries across England can thrive and become more inclusive. The Review will look at how the sector operates, the challenges it faces and the role of government-sponsored museums.

To help inform this review, DCMS welcomes feedback from:

- museum or sector bodies
- individual, users and potential users of museums

Full details and terms of reference can be found here: <https://www.gov.uk/government/consultations/review-of-museums-in-england>



IMPROVING THE USE OF PLANNING CONDITIONS - CONSULTATION

DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT – CLOSES 2ND NOVEMBER 2016

This consultation covers measures in the Neighbourhood Planning Bill to address the inappropriate use of “recommencement” planning conditions, and to prohibit the use of other types of planning conditions which do not meet the tests in the National Planning Policy Framework. To help address the inappropriate use of “precommencement” conditions, the government is introducing a power in the Bill ensuring these conditions can only be used with the agreement of the applicant.

Full details here: <https://www.gov.uk/government/consultations/improving-the-use-of-planning-conditions>

EVENTS

If you have a suitable event you would like to suggest for inclusion in this section please email: swong@westmidlandsiep.gov.uk

SHOES - Sandwell Health Other Economic Summit

Sandwell MBC
Portway Leisure Centre, Oldbury, 26th September, 10am - 4pm

This year’s conference will explore austerity, poverty and health. It will look at a global picture and will include speakers on the Icelandic and Greek alternatives and from key national commentators on the picture in England.

For more details visit the Learning for Public Health West Midlands website [here](#)

Sustainability and Mental Health Conference

Sustainability West Midlands in partnership with Public Health England
5 St Philips Place, Birmingham, 12th October, 9.30am - 12.30pm

This workshop is for members of the West Midlands Sustainability and Public Health and West Midlands NHS Sustainability networks and mental health specialists in Trusts and public health capacities across the region. Other delegates will also be considered.

The conference will show how sustainability and mental health are overlapping, and how interventions and projects that can benefit sustainability can also benefit people with mental health difficulties. Moreover, ensuring that mental health is a priority amongst health practitioners and leaders is vitally important to achieving sustainability goals and will contribute towards reducing the widening West Midlands health inequalities gap.

For more details, visit the Sustainability West Midlands website [here](#)



Workshop: Practical application of Health Economics in the Workplace

Public Health England
5 St Philips Place, Birmingham, 1st November, 10am - 3.30pm

This is not an economics course, but an opportunity to start building-in health economics as a key part of decision making and an opportunity to discuss with others how to do that. The Workshop is aimed at those working in public health who wish to gain a better understanding of the capability of PHE's health economic tools and how to use them. The day will include an overview of available tools and smaller workshops to gain a better understanding of a number of tools.

Speakers will include Rebecca Worboys, Health Economist Central PHE Health Economics team and Dr Helen Carter, lead for Health Economics at West Midlands PHE centre.

More information can be found [here](#).

WEST MIDLANDS IN CONTEXT

West Midlands in Context is written and produced by Sherman Wong for the West Midlands Chief Executives Group with design and distribution supported by [IEWM](#), Improvement and Efficiency West Midlands. Every effort is made to ensure accuracy but please refer to the source material via the links and references provided.

To receive West Midlands in Context please contact Sherman at: swong@westmidlandsiep.gov.uk

