

ANNUAL REPORT OF THE DEVELOPMENT, TRANSPORT & THE ECONOMY PORTFOLIO TO THE ECONOMY, SKILLS & SUSTAINABILITY OVERVIEW & SCRUTINY COMMITTEE – 12 FEBRUARY 2016

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1. INTRODUCTION

- 1.1 This report will focus on the Development, Transport & the Economy portfolio achievements over the last year. It includes information on: the contribution made to the Leader's Policy Statement Objectives and progress with portfolio priorities; performance; and new initiatives introduced and funding secured.

2. SUMMARY OF ACHIEVEMENTS

- 2.1 The primary function of this portfolio has been to drive the Birmingham economic agenda to promote a '**Prosperous City**' in accordance with the Leader's Policy Statement. The outcomes of the contribution to the Policy Statement Objectives are reflected in the following high level achievements:
- With an economy worth £23.2 billion in 2014, Birmingham has the largest Gross Value Added of any UK city, apart from London.
 - Birmingham's economy grew by £2.4 billion in the post-recession period, more than any other regional city.
 - Gross Value Added in Birmingham is over £47,300 per worker.
 - In both 2013/2014 and 2014/15 the Greater Birmingham area attracted more Foreign Direct Investment than any other Local Enterprise area in the UK – and Foreign Direct Investment projects have created more than 13,500 local jobs.
 - Birmingham is recognised as Western Europe's most 'Competitive City' for Foreign Direct Investment. In 2015 Birmingham was the only city in Europe to be nominated as a 'Location of the Future' by *Site Selection*, a global inward investment magazine and in 2014, also according to *Site Selection*, Birmingham overtook London as the 'Number One UK City for Investment Attraction Activity'.
 - Office construction in Birmingham is at the highest level for 13 years, with 969,000 sq ft of office space under construction.
 - Birmingham has a thriving Visitor Economy – in 2014, the city welcomed more than 37 million visitors, up by 3.2 million (9%) on 2013. Expenditure of £6 billion was up by £0.6 billion (12%), while jobs supported by tourism rose by 4,700 (7%) to 68,400.
 - Last year Birmingham made it into the top 20 European Business Travel Destinations, for the first time.

- Birmingham has been the 'most entrepreneurial UK city outside London' in the last two years, with more than 18,000 new businesses registering in the city last year alone.
- Birmingham accounts for nearly 17% of business in the West Midlands region and nearly 50% of business in the Greater Birmingham area.
- After growing strongly in 2014 and 2015 employment in Birmingham is now back above pre-recession levels.
- Between 2013 and 2014 some 22,000 net new private sector jobs were created in Birmingham – the biggest increase of any Core City, and twice the number in Sheffield, Leeds and Nottingham, and three times the number in Manchester.
- Birmingham provides jobs for over 190,000 in-commuters, each day.
- All 40 wards in Birmingham have seen a decrease in unemployment rates over the last eighteen months.
- Unemployment in Birmingham stands at 5.8%, its lowest level since 2004, but still unacceptably high.

2.2 Birmingham is an economically successful city. However, we suffer from underlying economic problems that stem from disastrous national economic policies, which have damaged this city for decades, including: constraints on investment and growth; the undermining of our manufacturing base; and the forced sale of public assets. The result has been local 'Jobs Gaps', 'Skills Gaps' and 'Housing Gaps'.

2.3 Birmingham's success in creating businesses has, in part, been undermined by the loss of public sector jobs, which were traditionally taken by local residents, thereby producing unemployment. Only through our own efforts and working with partners, can we address these entrenched structural issues, to ensure prosperity, and promote a fairer share of its benefits for local people.

3. CONTRIBUTION MADE TO THE LEADER'S POLICY STATEMENT OBJECTIVES

The contributions made by staff working within my portfolio to the Leader's Policy Statement and Portfolio Objectives are set-out below under the following headings: Jobs and Employment; an Enterprise City; Planning and Infrastructure; Transport and Highways; and Regional Economic Capital.

3.1 JOBS AND EMPLOYMENT

3.1.1 Birmingham Jobs Fund

The Birmingham Jobs Fund (BJF) has continued to successfully support our young people into employment. Analysis by the Department for Work and Pensions (DWP) on the impact of the BJF, since it commenced in August 2013, shows that the Fund achieved 1,827 Apprenticeship starts, of which there is evidence that 683 (37%) remain in employment and only 120 (7%)

are again signing on. The remaining 56% are not so easily identifiable, as they were not initially DWP claimants and are therefore more difficult to track in the long-term.

The BJF has also supported 471 people into non apprenticeship job opportunities. Some 78% of these are reported as 'off –register' by the DWP and therefore assumed to be in employment, with only 61 (13%) identified as signing-on again. These figures compare very favourably with those achieved elsewhere.

Currently total spend, (actual and committed), over the delivery period from April 2013 to January 2016 is just over £5 Million, leaving a further £800,000 to be committed.

3.1.2 Birmingham Skills Investment Plan

The Birmingham Skills Investment Plan (SIP), led by Councillor Holbrook, will be launched in the new financial year. Developed after extensive consultation, this will be a jointly-owned document with stakeholders and is key to ensuring that local people are appropriately skilled to secure the jobs that are being created. The investment will be focussed on an employer-led assessment of current and future skills needs. It will support the delivery of the Birmingham Youth Promise and align with the work developing out of the Kerslake Review.

The Birmingham SIP sets down the scope and nature of Birmingham's skills and employability challenges. It identifies those areas ripe for investment and aims to ensure that both the economic development and skills agendas are closely aligned, to enable Birmingham to capture the maximum benefit from the jobs that are being created. Although Birmingham specific, the SIP model could be adopted across the GBSLEP and West Midlands Combined Authority areas, using the resources of the Devolution Deal.

The SIP will align with the wider growth ambitions articulated through the developing transport infrastructure plans, (HS2 and the Midland Metro extension), the Enterprise Zone and the developments in key growth sectors, all of which will create jobs and highlight the skills needs across the sub-region. In particular, we wish to see skills plans aligned to all major infrastructure developments in future.

3.1.3 District Jobs and Skills Plans

The development of **District Jobs and Skills Plans** with the DWP and other local stakeholders across all 10 Districts in Birmingham has provided a vehicle to capture local priorities and opportunities. Capitalising on local growth and development, the District Plans are helping to ensure that local residents have access to appropriate pathways to jobs across the city.

The Council's relationship with the DWP continues to improve, following the difficulties last year. Local DWP staff are now co-located with the Council's employment and skills team, in order to align and improve the recruitment

service to local businesses. In March 2015, we launched a campaign to secure **10,000 Work Experience pledges** across the City. The Council has committed to offering 600 work experience places, along-side pledges from other companies.

3.1.4 Flexible Employment Support

We have also secured in excess of £1million from the DWP's Flexible Support Fund. Badged as '**Project 20,000**', we are delivering a programme of pre-employment training linked to key sectors of the economy. As well as supporting recruitment to Grand Central, we are also supporting Construction, Call Centres, Rail Engineering, LGV Driver Training, Automotive Supply Chain companies, retail and hospitality. The '**Work Local**' project is delivering pre-employment training for lone parents in 15 Children's Centres, with at least one in each of our 10 Districts. The Birmingham Adult Education Service are also delivering an '**English Works**' programme to provide English in vocational settings and leading to jobs for participants.

The other major benefit from the use of the Flexible Support Fund monies is the **Pop-Up Jobs Shop**, which has been operating from Unit 22 in the Pavilions Shopping Centre, since August and offering both jobseekers and employers a place to meet and make a jobs match. The project is so successful it is staying on in the space until the end of March 2016.

3.1.5 Destination Work

The Council is the Accountable Body for the Destination Work project, which is funded via a £4 million grant from the Cabinet Office. Delivering across Birmingham and Solihull on behalf of the GBSLEP, the project provides support and mentoring for unemployed 18-24 year olds, referred by the DWP, via seven specific Jobcentres in priority areas (Perry Barr, Handsworth, Washwood Heath, Erdington, Chelmsley Wood, Solihull and Yardley).

The project commenced in December 2014 and is due to run until October 2017. A significant amount of activity has already been undertaken. As at December 2015, 1,280 people had been engaged and supported, with 324 starting jobs. Overall, by the end of the delivery period, the project should have support 2,800 young people, of whom, 1,500 are expected to move into employment.

3.1.6 Construction & Built Environment

The City Council continues to provide leadership on the wider GBSLEP and Regional Construction & Built Environment Sectoral Strategy, to maximise the opportunities for jobs, apprenticeships and work experience. Through the **Building Jobs in Greater Birmingham Initiative**, there is now a successful partnership working arrangement with the private sector, education and training providers and neighbouring local authorities, as well as, the Construction Industry Training Board. This has resulted in the development of

a joint investment proposal, National Skills Academy for Construction and a shared apprenticeship scheme for the sector.

The construction of the new **Midland Metropolitan Hospital** provides a good example of how this partnership is working in practice. Commitments have been made by the lead contractor Carillion, in terms of jobs and training opportunities, for communities across Birmingham and Sandwell.

The **Building Birmingham Scholarship** continues to provide encouragement and financial support for talented young people from disadvantaged backgrounds and some of the most deprived areas of Birmingham. The scholarship provides financial support in the form of a bursary and contribution towards tuition fees up to £3,500 for young people aged 18 – 24 years, who wish to study for a degree or equivalent, in a construction related subject. Combined with other support through mentoring and a guarantee of a paid work placement, this provides opportunities for young people to reach their full potential. A total of 45 scholars have been supported since the project began in 2013, with 25 recruited to date in 2015/16.

3.1.7 Jobs at Grand Central

Grand Central opened in September and has been a catalyst for jobs in a variety of vocational areas, including: catering, beauty, customer service and management. A good number of the jobs have been taken up by local people, with many now in work after a long period of unemployment.

The Council's Employment and Skills Service worked with a group of agencies, including the National Careers Service and the DWP, on an employment and skills programme, designed specifically for Grand Central employers. The programme included a 'SMILE' customer service training element that had a strong focus on selling Birmingham.

Local unemployed people were matched to opportunities created by Grand Central and the wider city centre developments. This was assisted by a 'talent pool', created for retail, catering and hospitality, which assisted around 450 people into work. A group of agencies, known as the 'Birmingham Growth Alliance Partnership', worked with Birmingham Metropolitan College, Solihull College and University College Birmingham, to provide training. Through this process we achieved:

- **75%** of the unemployed jobseekers who were supported into work through the partnership programme had completed the two-week pre-employment training, including SMILE.
- **35%** of the unemployed jobseekers who were supported into work, were young people aged 16 to 24 years.
- **28%** of Birmingham residents helped into work were from Priority Wards.

The SMILE element of the training was well received by learners and was rolled-out to Taxi Drivers around New Street Station, so that they too can help deliver a better overall customer experience for visitors to Birmingham.

The construction phase of both New Street Station and Grand Central saw: 208 unemployed residents receiving pre-employment support; 1,442 Birmingham residents directly employed on site; 217 unemployed Birmingham residents supported into employment; and 116 Apprentices were recruited on site.

The 'Talent Pool' is being continued to serve other employers and it will be expanded to help support other sectors, starting with Construction. The delivery of externally funded projects is increasingly embedded in creating pathways to real work and apprenticeship opportunities identified through the Council's own activity and the successful partnership working with the DWP that we now have in place.

3.1.8 National College for High Speed Rail

Progress to develop the newly incorporated National College for High Speed Rail continues at a pace. Site preparation and demolition works has already commenced. Planning consent is anticipated later this month, with construction due to start in April. Governance arrangements have been formulated and are now embedded with private and public sector representation. The Business Plan for the College was published in August, setting-out the vision for the College to respond to industry needs.

A high level curriculum has been developed in consultation with FE/HE sector and rail industry, to ensure that the College delivers the skills required, across the whole high speed rail sector. We are, therefore, working with partners to develop feeder routes to high speed rail provision, including HS2, to ensure that local people will be in a position to benefit from the opportunities that the National College for High Speed Rail will offer.

3.1.9 Shelforce

Shelforce, the Council's sheltered employment company has made good progress over the past year, towards its goal of a sustainable future. In period 9 of 2015/16, sales reached £1.1 million, compared to £0.5 million for the same period in 2014/15. This is a 55% improvement, which is making a significant contributing towards Shelforce breaking-even, in the near future. Shelforce, now managed in a commercially-focused way, is committed to meeting customer requirements, with much better quality control, improved delivery scheduling, better communication, and dramatically improved productivity and efficiency, which have all made a major contribution towards this success.

Building on this momentum, Acivico are now more involved in the management of Shelforce and are providing their commercial expertise and contacts in the construction sector. It is proposed that Shelforce, after this

interim management arrangement, will transfer to Acivico. This would allow Shelforce to become part of the overall construction procurement chain and allow Acivico to expand the range of services and products that it could offer.

3.2 ENTERPRISE CITY

3.2.1 Economic Growth Sectors

We continue to make good progress on developing the **Economic Zones**, to support development and businesses in key growth sectors, through simplified planning and investment in infrastructure.

Advanced Manufacturing Hub

International hydraulic manufacturing company, **HydraForce**, completed a brand new 120,000 sq ft factory at the Advanced Manufacturing Hub (AMH), in Aston in July. Job numbers at the company, will almost double to 500 by 2018. Contracts were also exchanged with German machine tool company **Guhring** to become the second occupier at the AMH. Guhring will build a new 50,000 sq ft facility creating a further 50 jobs. In addition: the highway works, (beginning with the demolition of the King Edward VII Public House), were completed; the CPO Inquiry, which completed land assembly in Phase 1 of the AMH, was approved by the Secretary of State; a second CPO in relation to Phase 2, was served; and remediation of the Serpentine site and Phase 1 remediation of the Rylands Garage site were completed.

Life Science Campus

The remediation of the Life Science Campus in Selly Oak is underway, which will deliver a developable site by April 2016. In excess of £8 million has been awarded from the **Local Growth Fund**, to support the site remediation works and deliver highway improvements, (Selly Oak New Road Phase 1b), which will remove a congestion hotspot on the A38 and improve access to the site.

Strong interest from occupiers continues to be shown in the Life Science Campus and Bilfinger GVA has been appointed to support the Council with the **strategy for developing and marketing** of the site. This will commence in 2016 and include all marketing and branding, culminating in an open call for a development partner. Alongside this, Marketing Birmingham has produced a brochure promoting the Life Sciences sector, with the aim of stimulating global and national interest in both Birmingham and the Campus.

Environmental Enterprise District

The Council is preparing a **Local Development Order (LDO)**, which will provide a simplified prior approval planning process for the Tyseley Environmental Enterprise District. It is anticipated that the LDO will further encourage investment into and in the area. Formal adoption of the LDO is anticipated in the summer, subject to an initial consultation exercise.

Further to the publication of an Industrial Symbiosis Study in 2013, which identified opportunities for the local re-use of industrial waste produced in the area, development work continues on the **On-line Waste Exchange Network**. This is being led by CIVICO Ltd that manages the Freecycle network in the West Midlands.

A **Wood Biomass Power Station**, under construction on Phase 1 of Tyseley Energy Park, will be operational in March. The plant has been built by MWH Global at a cost of £47 million. It will be operated by Birmingham BioPower and generate 10 Megawatts of power from waste wood feedstock, from commercial sources in the West Midlands. Twenty permanent staff will be employed on the site.

The Canal and River Trust have launched the **Wharfdale Park development**, at the former Tyseley Wharf site, off Wharfdale Park and have pre-let a 15,000 square foot unit to a local building materials company. Wharfdale Park has the capacity for the development of 225,000 square feet of floor-space for industrial warehousing and distribution uses.

Extension works to the **Zip Textile Services unit** on Redfern Parkway, was completed in June, with the benefit of £500,000 grant funding, under the Tyseley Property Assistance Programme grant scheme, funded from the ERDF. The investment created 38 jobs and safeguarded the long-term security of 122 staff; in addition, over 18,000 square feet of commercial floor-space has been created.

At the **Signal Point development site**, immediately outside of the Tyseley Environmental Enterprise District, £1.26 million has been secured from the Local Growth Fund for highway works on Battery Way.

Food Hub

As a major element of the Food Hub at Witton, Cabinet has agreed that Birmingham's **Wholesale Markets** will move to a new 210,000 sq ft purpose-built facility based within the site. This will be a major catalyst for the growth and development of the Food Hub.

Resources have also been used to conduct research into the **growth potential of food and drinks related industries** in Birmingham and their location at the Hub site. The research will now be used as the basis of funding bids to ERDF and GBSLEP, as appropriate. Since the Cabinet decision planning consent has been secured, (in September 2015), for the relocation of the Wholesale Markets to the Food Hub. This scheme is now under construction with completion envisaged in early 2017.

ITEC Business Park

With regard to the Longbridge ITEC Business Park, the City Council is working with the developer St Modwen to secure **ultrafast broadband** solutions, including 4G. A new data centre has opened at the Cofton Centre,

in Bromsgrove - and proposals for the installation of ultrafast broadband as part of the utilities package are being developed. This would provide the same connectivity as the city centre. Some £50 million of Local Growth Fund monies have also been secured to enable a connectivity and infrastructure package to complete the improved access.

3.2.2 City Centre Enterprise Zone

The Enterprise Zone (EZ) remains on track to **deliver against the targets** for 2015/16 for job creation of 2,500 jobs. By October, 1,179 jobs had been created, with a further 1,000 jobs to be added from the HS2 Headquarters development and with more in 2015/16 still to come forward.

The EZ has now also exceeded the **commercial floor-space** development requirements of the 100,000 sqm target for 2015/16, with 117,169sq.m now created. Overall the EZ continues to make positive progress delivering development sites and supporting infrastructure.

Major highway and utility works continue at **Paradise Circus**, with demolition of the former library now well underway. Detailed planning applications for the first two buildings and public realm were granted approval in September 2015.

The winning design has been announced for **Centenary Square**, where detailed design continues in conjunction with discussions with Centro and the Metro extension. Work is on course to start on site for Centenary Square in 2017.

Agreements and planning are in place for the **New Wholesale Market** to start on site in January 2016. Feasibility work has been agreed for the **Birmingham Smithfield** site to support the delivery of the Masterplan in 2016.

The **Site Development and Access Fund** has now agreed over £11 million of investment, including funding for the restoration of the former Belmont Works, on Eastside Locks, the Junction Works building on Fazeley Street and the creation of the Garrison Data Centre, off Great Barr Street, Digbeth.

Creating Economic Opportunities sees projects progressing to detailed design phases, with some of the City Centre, Pinch Point Ring Road schemes, commencing on site.

Recent approvals will see further progress and investment in **Business Development and Support** of the EZ in 2016. This will help to incentivise occupiers to locate to the Zone.

Projects funded by the EZ continue to make positive progress and the investment programme remains affordable within the income forecasts. Maintaining this affordability in future years will be dependent on sites being completed and business rates being paid. Whilst the business rate income

forecast has seen a reduction in 2015/16 to that which was presented in the Investment plan, this is reflected in a decrease in spend.

The forecast contained in the **Investment Plan** remains on track to be able to see a significant increase in income from 2020/21. Whilst the revised income forecast for 2017/18 to 2019/20 is lower than the estimate in the Investment Plan, it will provide for an average cumulative surplus for these years of over £5.5 million and therefore an affordable programme. However in light of the Birmingham Curzon approval, the Investment Plan and financial model are to be updated.

The forecast also remains positive by the **recent announcements** of HSBC occupying an office building at Arena Central, with work starting on site in summer 2015 and demolition commencing for 103 Colmore Row (former NatWest Tower). Planning permissions for Three Snow hill has also been granted, with the preferred contractor secured.

3.2.3 Business Improvement Districts

The City Council has continued to support Birmingham's Business Improvement Districts (BIDs), recognising the role they play in the city's economy. This summer saw successful ballots for the Westside BID, (following on from Birmingham's first BID for Broad Street) and Southside BID2. With BIDs for Westside, Southside, the Jewellery Quarter, Colmore Business District and the Retail BID most parts of the City Centre are covered by BID activity, with the exception of Digbeth. Led by the Digbeth Forum, work on the feasibility of a BID for the area is being undertaken.

Beyond the City Centre a number of BIDs are being supported for ballots this summer; Acocks Green BID2, Northfield BID2, Sutton Coldfield BID2 and Erdington BID3. The Council has strongly promoted the growth of BIDs in its district centres, but also recognises that this needs to be business-led and a partnership model that meets the needs of individual centres. A BID proposed by the Lifford Business Association received a no vote at ballot. In Sparkbrook and Springfield, where the BID ballot outcome was overturned, feasibility work on a partnership way forward is being explored.

3.2.4 Advanced Manufacturing Supply Chain Initiative

The Council is the Accountable Body, for a total of £345 million of Regional Growth Funds (RGF) for the delivery of the national **Advanced Manufacturing Supply Chain Initiative (AMSCI)**, which is being delivered by Finance Birmingham with some £25 million having been allocated on a regional basis.

AMSCI in total has committed £276 million, (80% of its budget), towards funding 74 projects, with this leveraging in an additional £421 million of private sector funding. Many of these projects are made up of consortia of businesses, so the **total number of businesses receiving funding from AMSCI is 376**, (the majority of which are SMEs). These 74 projects have

already created and safeguarded 3,883 jobs over the past 3 years, with an expectation of them meeting the total jobs target of 13,500. Some £82.2 million (30%) of the committed funding has already been drawn down by businesses. This process is progressing rapidly, as many projects have now moved beyond their start-up phase.

Of this AMSCI funding, the **GBSLEP area** has received **funding for 23 projects**, with 17 businesses having been assisted with a commitment of £7.7 million of funding. The West **Midlands Combined Authority area** has received **funding for 109 projects**, supporting 89 businesses, with £45.9 million of AMSCI funding.

In December 2015 Cabinet agreed, with the support of the Department of Innovation & Skill, for the **Council to continue as the Accountable Body** for the initial AMSCI allocation of £125 million for a further two years, thus helping to enable the continuing delivery of this part of the AMSCI programme, using £21.9 million of uncommitted funding.

In mid-2014, the Council, as the 'Accountable Body' for the Regional Growth Fund, received an allocation, totalling £28 million, to launch three **new access to finance programmes**. This has been matched by funding of £40 million from the West Midlands Pension Fund and £21 million from a range of local public sector funding sources, producing a total fund of £89 million.

These programmes are being delivered by Finance Birmingham and progress to date:

- **National Tooling Loan Fund** (of £24 million), in total 7m has already been committed towards funding 14 tooling projects (10 businesses of which 5 are based in the GBSLEP area), with this leveraging in an additional £12.2 million of private sector funding creating and safeguarding a total of 320 jobs.
- **Mezzanine Fund** (of £56 million) operational across the West Midlands area and the **Debt & Equity Fund** (of £9 million) operational across the GBSLEP area have jointly funded a number of businesses and in total £18.4m has already been committed towards funding 24 businesses with the Debt & Equity Fund now fully committed. This has in total levered in over £19m of additional private sector funding helping to create and safeguard a total of 600 jobs.

These Funds have seen strong demand in the 18 months since their launch and have committed a total of £25.7 million, (29% of the total available), with there being a number of potential good quality applications in the pipeline.

Debt and Equity Funding Programmes have now provided 52 Birmingham-based businesses with a total of £15.6 million of funding, (out of a provision of £25 million), with this helping to create and safeguard 1,769 jobs. During 2015 there were 13 investments totalling £1.565million. This included investments into:

- Ascension Ventures, which is a venture capital business which focuses on investing into early stage digital media businesses; and into
- Obillex, which supports small businesses by helping to accelerate supplier payments, and thereby helping suppliers to meet their commitments to the Council's Social Charter for fair payments.

To date, £6.1 million of capital has already been repaid to the Council.

3.2.5 Business & Enterprise Support

Land & Property Support for SMEs

The £2.4 million **Industrial Corridors Programme** is approaching completion. To date, it has supported 31 businesses, created 98 jobs, safeguarded 273 jobs, generated £3.3 million in private sector match-funding and created or improved 20,000 square metres of floor-space.

The **Tyseley Property Assistance Programme**, which completed in December, supported eight SMEs. The scheme provided approximately £840,000 of ERDF, creating or safeguarding of 257 jobs, with the creation or improvement of over 7,300 sqm (78,580 square feet) of commercial floor-space. Overall, the programme exceeded the outputs targets set by government.

With the help of a £1.4 million ERDF grant the **Digbeth and Jewellery Quarter programme** supported the Birmingham Assay Office's move into their new purpose-built office fronting Icknield Street in the Jewellery Quarter in June. The Assay Office now employs around 150 people and the development forms part of the wider St George's Enterprise Zone site. In total the programme created 79 jobs, safeguarded 39 and created over 11,000 sqm of floor-space.

Delivery of the Council's programmes of ERDF funded Land & Property programmes have all been completed. An application for a city-wide property investment programme is currently with the DCLG for appraisal.

Business Programmes

A portfolio of **Business Development Programmes** designed to stimulate business activity, improve market confidence, encourage new investment and create jobs has been successfully delivered by the City Council across the region's LEPs. These utilised a mix of ERDF and Regional Growth Fund and private sector match, and included:

- Green Bridge Supply Chain Programme - £75 million
- Business Innovation Programme - £9 million
- Business Development Programme - £8 million

The **Green Bridge Supply Chain Programme** is funded through Regional Growth Fund (£20 million), ERDF (£15 million) and private sector match of £40 million. The programme offered finance assistance of up to a £1 million to develop and grow the SME supply chain, within the green economy. This West Midlands wide programme launched in June 2013 and was completed at the end of November. The Programme has delivered the following results:

- 380 projects successfully delivered
- £78 million generated in private sector investment
- 3,241 jobs created and safeguarded
- Generating £390 million in GVA by 2020 to the West Midlands economy

The programme has been great overall success achieving 98% spend, making a significant impact on the region, exceeding all programme targets and raising the profile of Birmingham across the region and nationally.

The **Business Development Programme** has been successfully delivered with help from GBSLEP partners. It offered financial assistance; mentoring and coaching to support SMEs to grow. The programme was completed at the end of June and has generated the following results:

- 394 applications received financial assistance, mentoring and coaching support
- £4 million generated in private sector match-funding
- 600 new jobs created
- Generating £65 million in GVA by 2020 to the West Midlands economy

The **Business Innovation Programme** was launched January 2014 and completed in June 2015. It was designed to encourage and stimulate 'close to market' investment in innovation by existing SMEs. The programme offered financial assistance of £10,000 to £30,000 towards: improvements in systems, production processes and new equipment; concept development, product testing, prototyping and product launch; market development and research, development of marketing strategy, branding, exhibiting and marketing; and mentoring to implement new innovation processes. The programme has generated the following results:

- 166 supply chain companies helped to grow
- £5.3 million generated in private sector match-funding
- 742 jobs created and safeguarded
- Generating £52 million in GVA by 2020 to the West Midlands economy.

Total impact of all the Business Programmes has been:

- 3,000 enquiries received
- 940 businesses helped to grow
- 4,583 jobs created and safeguarded
- Average of 97% spend on all programmes

- £87 million generated in private sector investment
- £507 million in GVA by 2020 to the West Midlands economy
- Saving to exchequer £11,000 per job created.

Based on the successful delivery of the previous programmes, The Council is awaiting final approval of a £43 million ERDF funded **new Business Growth Programme**, which will be operational from March 2016 to December 2018. This is an integrated and comprehensive support package, aimed at strengthening supply chain companies, (HS2 and Green Economy related), stimulating innovation and growing existing SMEs.

The new Business Growth Programme will operate across the GBSLEP, Stoke-on-Trent and Staffordshire LEP and The Marches LEP areas, to provide revenue and capital grants of £10,000 - £200,000. It will support the growth of 635 SMEs, create 1,732 new jobs, generate £40 million in private sector investment and increase regional Gross Value Added.

3.2.6 Women's Enterprise Hub

The new Women's Enterprise Hub, at the Southside Business Centre, in Sparkbrook, was formally opened in November, complementing the existing partnership support. This new facility offers business space, hot-desk facilities and meeting rooms to support women owned enterprises.

To date over 45 businesses have been supported and 16 new enterprises created through a support programme comprising of workshops, events and one to one coaching. There is strong demand for the business space with 50% of the units let or in advanced negotiations for letting. Alongside the business support work, the Enterprise Hub has also held weekly community days, whereby groups or individuals can deliver women focused activities.

3.3 PLANNING AND INFRASTRUCTURE

3.3.1 Birmingham Development Plan

The draft Birmingham Development Plan 2031 sets out a spatial vision and a **strategy for the sustainable growth of Birmingham** for the period to 2031. This will be the Council's key strategic policy documents. It will provide the basis for land management; promoting economic growth, transport infrastructure and helping to close the 'Housing Gap'.

The Birmingham Plan and consultation comments were submitted to the Secretary of State in July 2014, which was followed by a **public examination** into the Plan's soundness by an independent inspector. We received the Inspector's interim findings in January 2015, which required further work in relation the Sustainability Appraisal and assessment of housing need.

This work and further modifications, which the Inspector proposed to make the Plan 'sound', were consulted upon last year. We are now awaiting the **Inspector's conclusions**, as to whether any further Hearing sessions are

necessary, before he issues his final report. Once the report is received, approval will be sought from Full Council for the adoption of the Birmingham Plan.

3.3.2 Community Infrastructure Levy

The Community Infrastructure Levy (CIL) **became operational on 4th January**, following public consultation and approval of the CIL Charging Schedule by an Independent Inspector. The CIL is a funding stream generated by certain types of development, once they commence on site. It ensures those, CIL - liable developments, contribute to the infrastructure needed to support that development, e.g. highways improvements, improvements to education capacity, enhancements to parks and open spaces. The Regulation 123 list was also approved by the Inspector and outlines those projects which may be eligible to receive CIL funding. This list cannot be changed without further public consultation.

3.3.3 Birmingham Smithfield Masterplan

With progress being made on the relocation of the Wholesale Market operation, the Council has begun the process of how Birmingham Smithfield can be redeveloped and the preparation of a **Masterplan** to guide future development and investment decisions to maximise the area's potential.

The first stage of the was the successful launch of a **Visioning Document** for Birmingham Smithfield in March at MIPIM, the international real estate conference in Cannes, and locally in Birmingham. The launch marked the start of an eight week public consultation on the Visioning Document and commenced the debate on the future of Birmingham Smithfield, enabling ideas to evolve and the Masterplan to develop.

The Visioning Document presented the development opportunity at Birmingham Smithfield and set the vision for what the area could look like in the future as an exciting new destination in Birmingham. It proposed **four 'Big Moves'** that should be at the heart of creating Birmingham Smithfield: (1) a vibrant market and family leisure quarter; (2) a market square; (3) a pedestrian spine; and (4) integrated public transport. Further to this the Masterplan is currently being prepared defining the approach to future development

3.3.4 City Centre Retail Strategy

The City Centre Retail Strategy was adopted by Cabinet on the 24th October 2015. The Strategy takes a **comprehensive view of the Retail Core** with the aim of strengthening its position as a destination of choice for visitors. It sets out a series of actions to deliver a high quality attractive environment, with distinctive streets and spaces and the creation of a unique and diverse offer. This will see the current offer expand to include: independent and specialist retailers, leisure, family entertainment, food, beverage and the revitalisation of key streets.

The Retail Strategy seeks to capitalise on the £220 million worth of recent investment in the Retail Core, including Grand Central Birmingham and the refurbishment of The Mailbox and Selfridges. Over **£30 million is being invested in improving public realm**. The vision for the future of the Retail Core has been developed in partnership with Retail Birmingham and has been informed by extensive stakeholder engagement.

3.3.5 **Birmingham Curzon**

Significant progress has been made toward maximising the impact of HS2 and ensuring the **City Centre Terminus Station** becomes a world class arrival focus for the city. Throughout 2015, work has progressed on establishing the local funding, finance and delivery mechanism to secure major regeneration around the terminus station.

The GBSLEP **HS2 Growth Strategy** was submitted to government in April. The Growth Strategy sets out how the region is going to maximise the economic opportunities presented by the development of HS2.

The Strategy established the **Curzon Infrastructure Investment Package**, which will unlock significant growth across the Curzon area. This constitutes a local investment package worth over £600 million, and consists of two phases:

- Phase One - upfront investment in the infrastructure required to unlock growth immediately around the Station, including HS2 Station Environment ('Big Moves'), Metro Extension to Digbeth, Site Enabling works and public realm and local transport improvements
- Phase Two - further investment over wider area, including area wide public realm and local transport/highway improvements, Social Infrastructure and Duddeston Viaduct Sky Park.

The **West Midlands Devolution Deal** has confirmed the government's commitment to supporting the HS2 Growth Strategy and in particular Curzon, for which the Masterplan was adopted by Cabinet in July. The Deal includes the following:

- Extension of the City Centre Enterprise Zone, both in terms of geography and time to support the delivery of infrastructure across the Curzon area. The proposed additional area is an additional 40 hectares; and the time period for retention of business rate growth for the whole EZ, (existing and extended), is to 31st March 2046.
- Funding for the extension of the Midland Metro Eastside Extension to Adderley Street, subject to final business case.
- Commitment to the East Birmingham and Brierley Hill Metro Extensions, subject to business case development.

Implementing the **Growth Strategy for Birmingham Curzon** will lead to the following outcomes:

- A stronger regional centre, including 36,000 jobs (net), £1.4 billion Gross Value Added per annum and £1.7 billion of private sector investment
- New residential communities, including 4,000 new homes, with improved local amenities and leisure facilities

The City Council continues to work effectively with HS2 Ltd. and Centro, to establish the design brief for the **International Design Competition** for the Curzon station. An ambitious design document has been created that will guide the future design brief.

3.3.6 Housing Growth

Cabinet approved proposals for a further 1,090 new homes through the **Birmingham Municipal Housing Trust (BMHT)**, from March 2015. These approvals include major regeneration schemes at: Jarvis Road and Abbey Fields in Erdington, Kings Norton, and Perry Common in Kingstanding. So far 1,104 BMHT rented homes have been completed since the inception of the programme and another 147 rented homes will be completed before the end of 2015/16. Some 467 new BMHT homes are under construction on 19 sites across the city.

In 2015 we will see the **largest number of BMHT homes approved** by Cabinet, in any one year since the programme commenced. Additionally, through the BMHT programme, the Council has sold, exchanged or completed 866 properties to date for outright sale.

In addition to the already agreed **Affordable Homes Programme**, the City Council was awarded a further £840,000, through slippage, in grant from the government, to support delivery of its new Council homes programme. This brings the total grant funding awarded to the Council through this programme to £10.737 million. The Council has also secured a further £3.675 million in grant from the Affordable Homes Programme 2015-18, for 147 Affordable Homes and additional HRA borrowing approval of £14.5million, for 252 affordable homes. (This programme is part of the Local Growth Fund.)

This additional funding has been made available through the inability of other agencies to deliver new homes, and this funding has been reclaimed from them by the government and reallocated to Birmingham in recognition of the **reputation for reliability and delivery** of new homes that the Council has now achieved.

We have continued to roll-out our successful **Dormer Bungalow Housing** typology that was tested in 2014/15 in Sutton Coldfield and Selly Park. Further homes for older tenants of this type have since been provided in Brandwood, Bangham Pit, Billesley and Selly Oak, with more being developed on former

garage sites across the city and as part of the housing offer on major regeneration schemes.

We have also piloted a new style of '**Mobility Apartments**' at Shenley Lane, in Weoley Castle, that have generous space standards and a lift to each floor, but located in a 3 – 4 storey development. These new style of homes, specifically designed for older people, have proved incredibly popular in promoting people to release under-occupied family houses, whilst meeting the specific needs of an ageing population. The Council's success has been recognised by being shortlisted in the LGA Awards in 2015.

Through the **BMHT Contractors Framework** for the delivery of new BMHT homes, six private sector companies have made a commitment to maximise local labour and training opportunities. They are making funding available for a programme to support young people who wish to work in construction related sector.

The **Building Birmingham Scholarship (BBS)** funded by contributions from our BMHT contractors, continues to support young people through higher education with coaching, mentoring and financial support and creating a ready-made talent pool of professionals for the private sector organisations that we do business with to deliver BMHT. During the summer, 14 of our BBS scholars and some students from Birmingham City University, were supported with work placement opportunities and placed with our partner organisations on the BMHT programme. Two of the pilot scholars have now secured fulltime employment, being paid the Birmingham Living Wage, as a result of their placement and are now both studying on a day release basis. We have recently recruited our 2015 scholars and will be supporting 25 new scholars through the programme.

As this financial year draws to a close we will see the completion of the regeneration of **North-East Newtown** in Aston, with around 300 homes being built via BMHT model. This scheme has proved so popular that all of the homes for sale have been sold subject to contract some 9 months ahead of the end of the completion of the construction, demonstrating that the Council is in tune with local housing markets and providing real housing choice in mixed-tenure neighbourhoods.

The need for more and more homes has meant that **underused Council-owned land** that is causing problems with anti-social behaviour and rubbish dumping has come under close scrutiny for development. Schemes, such as the one at Millward Street in Nechells, have provided an opportunity to create high quality new homes on land that is deemed to be surplus and a drain on the Council's resources.

Having piloted a first phase of developing **former garage sites** in 2014, we are in the process of completing our Phase Two Garage Sites Development Programme, which will see 38 new homes built on smaller sites, A third phase of garage sites for development has started to be drawn-up, with support from

local Members and will form part of the BMHT forward programme for 2016/17 and beyond.

3.3.7 Land for Burials

Work continues to increase burial capacity through the development of Sutton New Hall Cemetery, phases 2 and 3. The Full Business Case will be brought forward in March.

The following initiatives have enhanced the visitor experience and increased the footfall within the Cemeteries and Crematoria:

- We have successfully bid for £1.38 million of Heritage Lottery grant funding for the restoration of the two Jewellery Quarter Cemeteries.
- Digital Book of Remembrance kiosks have been installed at the three crematoria.
- Kings Norton Cemetery and Sutton Coldfield Crematorium successfully retained the Green Flag Standard, each gaining an improved score. The Standard is awarded to quality green spaces that are managed in environmentally sustainable ways.
- New initiatives include: installation of canopies over the floral tribute area at Sutton Coldfield Crematorium and the external Book of Remembrance Kiosks; introduction of new cremated remains burial schemes and after cremation memorialisation schemes; resurfacing of roads and paths at various sites.
- We have continued to work in partnership with the Community Payback initiative to provide opportunities for offenders to contribute to work projects across a number of the City's cemeteries which has resulted in significant improvements.
- Three Apprenticeship posts are being supported, though partnership working with Solihull College

3.3.8 Major Projects

Paradise Circus

The Paradise Circus redevelopment will be one of the biggest development schemes that Birmingham has seen for many years and will dramatically transform this whole area of the city centre. When complete, it will comprise 1.8 million square feet of offices, shops, cafes, restaurants and a hotel in up to 10 buildings, all set within public realm of the highest quality in Birmingham's civic and historical centre.

The scheme will make a major contribution to the Council's vision for the city and is key to the Enterprise Zone. It will create employment opportunities and generate additional business rates, whilst making significant enhancements to the setting of the city's historic buildings. Major improvements to pedestrian routes, road layout and public space will also result from the redevelopment.

The Council has formed a Limited Partnership, Paradise Circus Limited Partnership (PCLP), with renowned developer Argent and the British Telecom Pension Scheme, to implement the development. This innovative vehicle enables us to invest our land interest in return for a long-term income stream and to use Enterprise Zone funding for the infrastructure works, which will unlock the site. The GBSLEP has approved a £61 million investment.

Following the CPO enquiry and confirmation order, the general vesting declaration was carried-out by Council officers. This allowed the Council to grant a 250 head lease to PCLP in January 2015, to allow site preparation, demolition and construction activities to commence.

Following the grant of the outline planning consent in February 2013, planning consent for the first two buildings on the site along with the major enhancement of public space in Chamberlain Square was secured in September 2015. These first two buildings will be known as One and Two Chamberlain Square, both world-class office buildings comprising seven storeys each. Work on these is due to commence mid-2016 following completion of the first phase of demolition and will bring over 350,000 sq ft of speculative office development to the market.

Site preparation works have been taking place throughout 2015 and the first phase of demolition started in December, to include the old Central Library and Paradise Forum. This is a key milestone for the project and which will make way for the development of One and Two Chamberlain Square.

Off-site works are also progressing well and traffic has now been re-routed to the new road layout around Paradise. This has facilitated the demolition of the buildings on the Paradise site and enables the pedestrianisation of the area, as part of the scheme.

New Street Station & Grand Central

Birmingham's New Street station officially reopened on 20th September, after a £600 million redevelopment. The revamp includes a new concourse for passengers and an atrium, allowing natural light into the interior, for the first time since the city centre station was redeveloped in the 1960s. New escalators and lifts have also been installed on platforms, with the Station's refurbishment, as part of the larger Grand Central shopping centre development.

The opening of Grand Central Birmingham followed on 24th September, which saw the introduction of the largest John Lewis store, outside London, at circa 250,000 sq/ft. This is complemented with an additional 66 shops, to include a

mixture of established high-end retailers, food courts, all linked with the modern, refurbished train station. Securing John Lewis, as the anchor tenant, for the shopping centre is estimated to bring £100 million worth of investment to Birmingham, creating up to 1,000 new jobs, including 650 at the department store, and attracting visitors to the City Centre.

Officers from the Council have worked alongside Network Rail, to delivering the construction programme, securing retail lettings, improving the surrounding public realm and delivering commercialisation opportunities to help deliver a world class transport and retail location.

The development of Grand Central has also been a catalyst for job creation, providing over 1,000 jobs in a variety of vocations. A significant number of the jobs have been taken up by local people. This is as a result of the hard work and combined effort of the Birmingham Growth Alliance Partnership, which involved the Council coordinating a partnership approach with local colleges, universities, training providers and retailers.

As planned, the Councils intention to dispose of the head leasehold interest on the open market, in order to reduce the capital impact on the project. This was marketed for sale, well in advance of centre opening and there was a high level of interest received and the transaction is expected to be completed imminently.

Eastside

Birmingham City University (BCU) has opened Phase 2 of their campus at Eastside Locks and is planning to start work on Phase 3 soon. Work has also started on site to deliver the new Conservatoire for BCU, to open in September 2017.

Goodman are well on their way to delivering new office buildings and are working on providing the appropriate infrastructure to create new public squares and serviced plots to accelerate development at Eastside. Plans are advanced to bring the derelict former Co-Op Building back into use and it is anticipated that work will commence on the building by the middle of 2016.

Arena Central

Work has commenced at Arena Central with the demolition of the former ITV studios and the House of Sport, to prepare the site for development. Work has commenced on the delivery of the new building to house the new regional Headquarters for the HSBC bank front Broad Street, and a new sister hotel to the Crown Plaza has also commenced and will be completed within the next 18 months. Both these schemes will bring new jobs into the City.

Birmingham Science Park - Aston

Unite the Union will commence construction of its new regional headquarters, national conference centre, hotel and UNITY bank in February at the Science Park, Aston.

The site for the New College for High Speed Rail at the Science Park has been delivered to contractors to commence the demolition of the existing building on the site and construction of the new facility that is due to get planning approval in February 2016.

The Council, working with the Consulate of Pakistan, have successfully relocated the facility into modern offices at the Wharf from which a much more efficient service is provided to the wider midland's region, including Wales that has greatly enhanced the reputation of the City.

3.3.9 Regeneration

Implementation of key proposals within the **Aston, Lozells and Newtown Area Action Plan** are being progressed. These include: the Advanced Manufacturing Hub, (see Economic Zones above); the BMHT programme at both Newtown and Birchfield Gateway; the conclusion of transportation options within Perry Barr District Centre, to inform the master plan being prepared for the Centre in conjunction with the key land owners of major sites, (such as BCU's Teaching Campus, the Gyratory); as well as, marketing of a number of development opportunities within the Area Action Plan boundary.

Newtown Housing, Phases 3 and 4 of Area 1, (totalling 168 properties), is underway, with 32 properties of phases 3 and 4 built to date. Birchfield Gateway Housing Development, Phase 1, (totalling 111 properties), is on site and is due for completion in September 2016. Proposals for Phase 2 are being developed, with planning application expected in 2016/17.

The **Longbridge Area Action Plan** continues to drive the delivery of a sustainable and accessible new community, providing a new town centre, green space, housing, local facilities, employment and a Regional Investment Site. Some 2,750 jobs have been created to date, in addition to 750 construction jobs. In 2015, the second phase of the new district centre opened, including the 150,000 sq ft Marks and Spencer flagship store and a range of medium-sized retail units. The centre has become an attractive and lively destination for residents, workers and students, bringing a significant boost to the community, creating jobs and restoring confidence in the local economy.

Over 130 homes have been completed on Lickey Road, (including Affordable Housing to rent and buy), and the new Construction College for Bournville College, (built to BREEAM Excellent standard), opened in 2015. A new ExtraCare Retirement Village is under construction. The project is the result of a partnership to improve housing choice for older people. Longbridge Village is one of five retirement villages in Birmingham; opening in 2017 and

accommodating up to 350 older people. Construction will also start in spring on new accommodation for medical staff working with injured military personnel at the Royal Centre for Defence Medicine Birmingham.

A range of complementary initiatives has been undertaken, including: a new Children's Playground in Cofton Park; the new Austin Park in the district centre; and the £770,000 Public Realm Scheme, on Longbridge Lane. All of these are making significant visual and functional improvements to the area. A two year Public Art and Community Engagement Project is currently underway. Funding has been allocated for a new sports changing facility at Cofton Park, to compliment the recent improvements to the sport pitches.

As part of the Growth Deal, the GBSLEP and government agreed to invest in the Longbridge Connectivity Scheme, as one of the joint priorities. The Local Growth Fund will provide £6 million match-funding, towards the £10 million transport scheme, which will enhance the local rail and bus infrastructure and make improvements to highways in and around Longbridge.

The **Greater Icknield Masterplan** provides development guidance for the creation of a new sustainable Urban Neighbourhood to the immediate west of the City Centre. It has the potential to deliver 3,000 new homes, as well as, 1,000 new jobs.

The draft Masterplan has now been the subject of public consultation and has been updated to take account of comments received. It will be formally adopted during the final quarter of this year. The draft framework has already guided proposals at Icknield Port Loop and Soho Loop. The latter involves delivery of over 500 homes

At Icknield Port Loop, the intention is to deliver the scheme comprising up to 1,150 homes through a Limited Liability Partnership between the Council and the Canal River Trust, who have now also acquired the Homes and Communities Agency's interest in the area. A preferred delivery partner has been selected and it is now intended that the Council and the Canal River Trust will expand the work with the selected private sector partner. This will enable the introduction of equity, working capital and expertise from the private sector, to fund site preparation works and infrastructure for the implementation of the scheme.

The **Bordesley Park Area Action Plan** will provide a land-use development framework for the area to the east of the city centre, including Alum Rock, Saltley, Bordesley Green, Bordesley and Small Heath. It particularly focuses on opportunities for transformational change and regeneration benefit for local communities. The Area Action Plan (AAP) will be submitted to the Secretary Of State and Examination in Public, before its adoption by the City Council.

The Wheels site contained within the Bordesley Park AAP, has the potential to be a major employment site, with capacity to accommodate 1.1m square foot of industrial and employment space and a potential to create some 3,000 new jobs. The Wheels site is also part of a programme of projects, both

employment and housing-led that is being progressed through the City Deal 'Public Assets Accelerator', which was established last year. This reinvests the Homes & Communities Agency receipts from the former Advantage West Midlands assets. Submission of the AAP will now be dependent on the outcome of the Birmingham Development Plan Inquiry and receipt of the Inspector's Report. Atkins and Savills have been commissioned to carry-out a viability study for the remediation of the Wheels site. The study will conclude in early 2016, following which, the AAP can be updated and submitted for approval.

The **Snowhill Masterplan** offers the potential to extend the Central Business District and create a new urban quarter, using the examples of fine Victorian architecture the area contains. The draft Masterplan provides a vision and proposals that will lead to 25,000 jobs within the area.

The draft Snow Hill Masterplan has now been subject to public consultation and all comments received have been carefully considered and the Masterplan updated. The Masterplan was formally adopted by Cabinet on 20th October. We are already seeing positive activity with respect to many developments within the Snow Hill area, including: the Grand Hotel, 55 Colmore Row, 2 Cornwall Street and the demolition of the NatWest Tower. With regards to infrastructure and public realm, design work for Snow Hill Square is proceeding well, in parallel with gaining the necessary agreements from stakeholders, and start on site is expected during 2017. A package of wider improvements to public realm within the Masterplan area will be developed and designed during 2016, with phased implementation to follow over the period 2017-2019. In the interim, some improvements will also be delivered through S106/S278 agreements, as is the case in the vicinity of Lloyd House.

3.4 TRANSPORT AND HIGHWAYS

3.4.1 Birmingham Connected

Birmingham Connected continues to deliver with further work being developed on the **City Centre Transport Masterplan**. Further feasibility has been undertaken in collaboration with Centro, to look at specific requirements to manage congestion, improve public transport and walking and cycle routes, which is consistent with public realm and further developments occurring. It is also picking up on city centre parking both on and off-street and looking at specific issues around commuter parking, parking levels in new developments and future demands, as the city is transformed. This is due for consultation in 2016, with a programme for delivery being designed around this.

The draft **Road Safety Strategy** was also published for consultation in 2015. Responses are currently being considered in order to update the strategy for final approval and a further delivery programme of road safety measures in terms of infrastructure and education is being developed. This includes approval for a trial of new technology speed cameras in key accident spots in the City currently being implemented.

A number of **key infrastructure projects** are being delivered which is supporting the growth of the city. The Capital programme has enabled continuous delivery of projects and the city is busy delivering projects which are at various stages development. This includes works on the ring road at Bordesley Circus and Curzon Circle, with further designs being brought forward to improve Ashted Circus.

Alongside these works, the **scheme to signalise Five Ways** was completed in the summer of 2015. This is a complimentary scheme for the metro extension to Centenary Square however was completed early in order to assist with traffic management for major development at Paradise Circus and major events which took place in September 2015.

Progress has also been made on bringing forward the **Local Growth Funded schemes** at Longbridge, Selly Oak, Stechford, Tyseley, with a number of full business cases being agreed and works due to start in 2016.

Works at **Chester Road** are nearing completion with some minor final finishing off works due to be completed early February. This has supported the expansion of Jaguar Land Rover with access to the M6 and their logistics and supply chains whilst improving the local access to Castle Vale and retail areas. The scheme has faced some challenges and delays due to unknown factors at the time of starting construction. The City Council together with the contractor has worked hard to resolve these and complete this scheme, as quickly as possible.

Work in **Acocks Green Centre** was completed in 2015, which has transformed the pavements, parking, public transport access and cycling facilities within this local centre together with improvements to the overall public realm.

The Council continues to co-ordinate the traffic changes around **Paradise Circus** which is a £500 million development, creating up to 40,000 jobs, when completed. Traffic changes have been managed carefully, in order to minimise the impact to the travelling public, but also to enable the complicated development, which will transform this location, to proceed.

A **Green Travel District** has been set up in Selly Oak with partners including the Queen Elizabeth hospital, the Women's hospital, the University of Birmingham. This is a partnership specifically looking at how the number of trips to this area can be reduced or switched to more sustainable modes. There are planned improvements to University Station as well as development of proposals to mitigate for traffic and parking in surrounding residential streets. This will be used for the template for setting up further green travel districts in other locations across the city.

To support the wider aims and aspirations of Birmingham Connected, a high level **Communications Strategy** has been developed to cover engagement with citizens, stakeholders, businesses, the travelling public and support

behavioural change. This has been put into action to assist with the management of delivery of projects including Paradise and other major road infrastructure changes, as well as, advice during the major events, including the Rugby World cup, in September. The Communication Plan assisted with a successful events weekend with over 500,000 visiting the city during that period, but with fewer than usual car trips.

4.4.2 HS2 Connectivity Project

The City Council continues to strongly support the **High Speed 2 Connectivity Project**, with HS2 Ltd, regional and City Region partners. Work has continued in developing the City Council's position on various matters relating to transport including the construction impact, mitigations, and the development of a HS2 connectivity package. The draft devolution deal published just ahead of the Chancellors autumn statement provides significant funding for this package. This includes improvements to rail lines, including camp hill chords, the introduction of further sprint corridors and an east west extension to the tram which will connect to the new HS2 station at Solihull interchange site. Work is continuing to bring these projects forward to ensure that the city as a whole is connected to the HS2 stations; and that employment opportunities that will be created at these sites will be accessible to residents of Birmingham with an improved public transport offer.

The **Curzon Street HS2 Station Master-plan** has been completed with the draft **development framework for Washwood Heath** progressed to an advanced stage. As part of development of the GBSLEP HS2 Growth Strategy, we are working with HS2 Ltd to develop the design of both West Midlands HS2 stations and other aspects of the HS2 route proposals, including integrating these with the surrounding land-use and transport strategies.

4.4.3 Road Safety

In Birmingham there has been a 35 % fall in road casualties over the past ten years. To ensure progress on this positive trend continues and to support the wider objectives of Birmingham Connected, a new **Road Safety Strategy** is being developed. The Strategy sets-out how the Council will tackle road safety, under the themes of: Safer Roads (making the physical environment safer); Safer People (promoting and educating people about how to use the roads safely); and Safer Vehicles (ensuring that the vehicles using the roads are as safe as possible e.g. through design etc.). It also forecasts a 40% reduction by 2020, in the number of people being killed or seriously injured in road accidents in the City.

The draft strategy was developed in partnership with the Royal Society for the Prevention of Accidents. **Consultation** on the draft took place between July and November, and 224 responses were received from a range of organisations and individuals. Further work is now ongoing to take on board the feedback received.

A new Birmingham **Road Safety Partnership**, chaired by my colleague, the Cabinet Member for Inclusion and Community Safety, has been set-up. Work with the partners, including WM Police, WM Fire Service, Centro and private and third sector organisations, is underway to better align the Council's Road Safety Strategy Action Plan with the work they do.

4.4.4 20 MPH Speed Limits

Further to city-wide public consultation on the principle of 20mph speed limits in 2013, the Council has adopted a policy position in their favour. Before embarking on city-wide implementation, it was decided that an initial scheme should be implemented to develop the Birmingham approach further and seek to learn lessons. The area for the initial scheme was identified through a number of factors, including levels of support from the public consultation and an objective assessment of road safety data, with a particular focus on pedestrian, cycling and child casualties.

The initial scheme will cover the entire city centre within the ring road, plus areas to the immediate east and south of the city centre – including all or part of the wards of Aston, Bordesley Green, Brandwood, Hodge Hill, Ladywood, Moseley and Kings Heath, Nechells, Sparkbrook, Springfield, South Yardley, and Washwood Heath. Detailed local consultation on which roads to include, plus statutory consultation on the traffic regulation order is now complete and implementation is commencing, with signs and lines being installed from January. The speed limits will come into effect once the works in a particular area is complete, and we anticipate this to be in March for the first areas. Further funding has now been released to extend the initial area to the west, including the wards of Bournville, Edgbaston, Harborne and Selly Oak. A detailed local consultation, on which roads to include, will be undertaken during 2016.

Speed limits are should not be seen in isolation, as a road safety solution. They are just one component of a package of measures to change the attitude of drivers towards residential roads. To this end, a supporting programme is in development, working with local schools, businesses and communities to enable and support them in delivering their own activities and campaigns. The local behaviour change campaigns are supported by strategic communications including web, social media and press coverage to raise awareness.

We are working with West Midlands Police to develop a data-led approach to enforcement in locations where compliance is poor. Whilst there could be formal speed enforcement, this would be a targeted approach and would need to align with local policing and community priorities.

4.4.5 Birmingham Cycle Revolution

The Birmingham Cycle Revolution (BCR) programme sets out a clear, target-driven strategy for improving cycling, in particular the provision of new infrastructure, both in the short-term, and over longer term horizons to 2023

and 2033. Following receipt of initial Cycle City Ambition Grant funding in 2013 to deliver Phase 1 of the BCR programme, we have since secured further monies from a second round of Cycle City Ambition Grant together with Local Growth fund monies from the GBSLEP bringing the total available investment for cycling to around £62 million.

Significant elements of the Phase 1 programme have now been substantially completed, particularly off-road schemes where cycling improvements have been made to over 40km of canal towpaths, as well as, new and upgraded Green Routes in parks and public open space areas, totalling some 30km.

Works are also well advanced on delivering the package of highway cycle improvements contained within the BCR1 programme. The first two pilot 20mph areas in the east and south-east of the city, (A2 and A3 respectively), have commenced on site and are due to be completed by the end of March. A further pilot area (A1) within the Inner Ring Road is due to commence shortly with completion anticipated by mid-2016. Phase 1 Main Corridor routes are also due to be delivered in the timescales identified in the table below:

Corridor	Start Construction	End Construction
Bristol Street	Jan-16	Mar-16
Lichfield Road: Phase 1	Jan-16	Mar-16
Lichfield Road: Phase 2	Apr-16	Sept-16
A47 Nechells Parkway: Phase 1	Jan-16	Mar-16
A47 Nechells Parkway: Phase 2	Apr-16	Sept-16
Alcester Road	Apr-16	Sept-16
Soho Road	Apr-16	Sept-16

In addition to the provision of new and refurbished cycle routes, BCR1 has also delivered a number of Supporting Measures including the provision of nearly 4,000 bikes to people in the most disadvantaged communities in the city, either through bike giveaways, long term loans or via community groups. Further Supporting Measures have included the introduction of a 'Brompton Dock' cycle hire scheme at key locations within the City Centre, as well as, Private Cycle Parking Grants (Top Cycle Locations) to over 50 schools and businesses.

Work is also continuing apace on delivering the next phases of the BCR programme using Cycle City Ambition Grant 2 and Local Growth Fund monies. This includes further expansion of the Highway, Canal and Green Route Corridor network, as well as, additional Supporting Measures, including Big Birmingham Bikes. Delivery of these further phases (BCR2 & 3) will take place between now and 2020, producing a comprehensive network of cycle routes across the entire Birmingham conurbation in line with the aspirations of Birmingham Connected.

4.4.6 West Midlands Rail Franchise

West Midlands Rail Partner Authorities, including Birmingham City Council, have been developing a proposal for increasing local involvement and influence over local rail services, in line with policy on devolution and evidenced by the benefits experienced elsewhere from local control of rail services. This will cover, as a minimum, the services currently operated by London Midland.

In November Cabinet approved the governance arrangements for development and oversight of West Midlands Rail (WMR) Ltd, and for the City Council to join WMR Ltd as a Member. Following agreement of all Partner Authorities WMR Ltd was formally established in December 2015. The Board of WMR Ltd are responsible for determining the strategic direction for the specification of the West Midlands rail franchise.

In December a public consultation undertaken jointly by the Department for Transport and WMR commenced, regarding the specification of the franchise, (including fares and ticketing, disabled access and the staffing of stations). This consultation is open until 22nd March 2016 and a Council response is being prepared, following consultation with Members.

Work is being undertaken to prepare for a formal Partnership Agreement with the DfT that will set-out the rights and obligations of WMR Ltd in relation to the award of the new rail franchise. This will be the subject of a report to Cabinet in Summer 2016. The new rail franchise is due to commence operation in October 2017.

4.4.7 Birmingham Airport

In China, Birmingham Airport is being presented as 'Shakespeare's Airport' to promote business and tourist links between the two countries. The Airport is supporting this with the introduction of two flights every week to Beijing, operated by Hainan Airlines during the Summer months, (July - August).

Icelandair have launched a new route between Birmingham and Reykjavik, and they have painted a Boeing 757, as the Aurora, in honour of this.

A change which took place in September is the two new flight route links between Birmingham, Budapest, and Warsaw. Due to the rapidly growing economic environment, investors from Eastern Europe are targeting the city.

4.4.8 Transport Projects

Transportation and Highways Capital Funding Strategy

The Transportation and Highways Capital Funding Strategy has previously been updated to cover a **rolling three-year period**, to accord with producing the Capital Expenditure Programme. In the context of longer-term funding programmes, such as the Local Growth Fund, and the need arising from the

Kerslake report for the Council to produce a long-term financial strategy this has now been **increased to a six-year rolling period**. The Capital Funding Strategy has also been aligned with the Council's proposed Capital Expenditure Programme for 2016/17 to 2018/19 to ensure consistency with the Business Plan and Budget 2016+.

The Transportation and Highways Capital Funding Strategy for the period 2015/16 to 2020/21 has a total estimated capital cost of **£253.916 million** and allocates **£30.954 million** of new Integrated Transport Block capital funding. The firm allocations for 2015/16 and 2016/17, and provisional allocations for 2017/18 to 2020/21, support a range of projects and programmes that contribute towards achieving the Council's key policies and priorities.

Contractors Frameworks

We now have in place two Framework Contracts to assist with delivery of the Capital Programme. The Highways and Infrastructure Works Framework began in October 2014 and runs until September 2018. The West Midlands Transportation Professional Services Framework began in October 2015 and runs until September 2019. Both frameworks are accessible to all the West Midlands authorities.

Selly Oak New Road

In the Final phase of the Selly Oak New Road, at Selly Oak Triangle, the Council has now agreed in principle with the developer for the Birmingham Battery Site (Harvest 2 Selly Oak Ltd) to a delivery strategy for completion. The extant Section 106 Agreement is to be changed to reflect the new delivery strategy. Construction is scheduled to commence in spring 2018 after the opening of the new Sainsbury's store.

On completion of the Selly Oak New Road, (estimated to be during 2018/19), a scheme to downgrade the Bristol Road through Selly Oak Shopping Centre is to be implemented. This scheme aims to regenerate the local centre and provide sustainable transport measures. These works are to be implemented in two phases; the first phase was completed in 2014/15, as part of the Local Sustainable Transport Fund works programme. The second phase of works, which includes carriageway narrowing and a 20mph zone, will follow the completion of the Selly Oak New Road.

Local Sustainable Transport Fund

The Local Sustainable Transport Fund (LSTF) infrastructure works on the Warwick Road, Pershore Road and Bristol Road corridors are now complete apart from tree planting on the Acocks Green Local Centre project. The tree planting works are programmed for February and March 2016.

Pinch Points Programme

The £14 million Pinch Points Programme is delivering improvements on the Ring Road. The City's Ring Road plays a vital role in providing access to the city centre, with improvements required to reduce congestion and accommodate key developments, as part of the Enterprise Zone. A package of improvements are being taken forward at Holloway Circus, Ashted Circus, Curzon Circle, Bordesley Circus and Haden Circus, to enable growth in the Westside area, Digbeth, Eastside and support the developments in Southside, and at Grand Central.

- **Bordesley Circus** and **Curzon Circle** – are currently under construction and are due to be complete by the end of February.
- **Haden Circus** – is currently under construction and due to be completed by the end of April.
- **Ashted Circus** – is currently out to tender, with tenders due back by the end of February. A Design & Build Contractor is expected to be appointed during Spring 2016, allowing approximately 6 months to complete the detailed design. The 12 month construction programme should start by the end of the year.
- **Holloway Circus** – advanced utility diversion works are currently ongoing. The commencement of the main Holloway Circus scheme is dependent on other ongoing works, including Paradise Circus. Construction of the remaining civils works should commence this Autumn.

4.4.9 Midland Metro Extension

Metro Birmingham City Centre Extension is now operating to the Bull Street tram stop (December 2015) following an opening ceremony with HM The Queen. Works continue to complete the operation of trams to Stephenson Street, and we are working with Centro and their contractor to rectify any issues and confirm a programme for completion. The estimated finish is Spring 2016.

Centro's consultant is still finalising the detailed design for the **Centenary Square Metro Extension** route. The delay is due to the coordination with Arena Central developments and the Centenary Square public realm proposals. Furthermore, obtaining provisional funding approval for the further extension, to Five Ways, is affecting the programming considerations for the tie-in section at Bridge Street. Infrastructure Projects are now expecting to complete Technical Approval by end of March 2016. Centro are still awaiting Transport & Works Act Public Inquiry outcome from the Secretary of State. However, Centro are within a new Framework tender process and are interviewing tenderers (both consultants and contractors) currently. Works are estimated to start by Autumn 2016 and to finish at end of 2018.

Centro have been reviewing the original TWA alignment for the final stretch of the **Metro Edgbaston Extension** up to Five Ways. Council Officers have been reviewing the changes to the area, over the last 10 years, and are working with Centro to update the strategy for this street running section. The next stage is to agree the revisions and seek informal feedback from local stakeholders (e.g. the BID). Centro are working with the DfT to obtain an early Full Business Case approval that would confirm their budgets and allow works to follow on from the Centenary Square construction programme. The estimated start is at the end of 2018, with completion in 2021.

Centro have consulted on options for the **Metro HS2 link** from Bull Street to Digbeth, via the proposed HS2 Station, on Moor Street Queensway. Proposals are being developed, by Centro, in consultation with the City Council.

Sprint

Sprint will essentially be 'Metro's little sister'. This innovative mode of transport seeks to offer a 'turn-up-and-go' timetable with journey times and comfort levels that are based on those of light rail systems (trams) while maximising the flexibility and lower costs associated with bus technology. At Stop waiting facilities will be of a high-quality design with step-free, easy access, similar to Metro.

Included in the 'Towards a World Class Integrated Transport Network' Prospectus and 'Birmingham Connected', Sprint is part of the vision for the future of a network of world class public transport in the West Midlands. The Quinton route will form the region's first Sprint route and will cost £12 Million.

4.4.10 Travel Planning

Progress has been made on the development of the **City Centre Transport Strategy**. A workshop with key stakeholders was undertaken in August. Collaboration with Centro and the BIDs has begun to define the transport priorities in the city centre and the implementation plan for the next 15 years. As part of the development of the City Centre Transport Plan, a review of public and private car parking supply, both on and off-street in the city centre (bounded by the Middle Ring Road) is currently being undertaken. The review will enable updates to the Car Parking Guidelines Supplementary Planning Document to be identified.

Staff have continued to deal with **Travel Plans** that are submitted, as part of a planning application, as well as, working on sustainable transport with the occupier. Fifteen new travel plans have been approved and businesses continue to affiliate to Company Travelwise. Company Travelwise is in the process of being rebranded as the Birmingham Connected Business Network. New Planning Guidance for Travel Plans is currently being developed, which will ensure that monitoring arrangements are in place to provide evidence of the impact of sustainable travel activities.

For schools we have adopted 'ModeShift Stars' which is an online tool, which allows schools to develop and monitor **School Travel Action Plans**. This essentially replaces the old school travel plans process, which whilst worthwhile, in terms of impact, was extremely resource intensive. The online system allows schools to collect travel to school data, create an action plan and gain a level of national accreditation, (bronze, silver and gold levels according to level of commitment to safer and sustainable travel). So far thirty schools have signed up to Modeshift, and a targeted programme to engage and train schools to use the toolkit is in development and due to commence in April 2016 with the ultimate aim of all schools signed up by March 2018. Further local targets will be developed to support schools in reaching the different levels of accreditation.

A range of **activities and campaigns** have been delivered in schools, including: Bikeability Training, 'Walk Once Per Week', Road Safety Training and School Keep Clear Education and Enforcement. Going forward we are developing toolkits to enable schools to deliver many of these activities and campaigns themselves, with support from us, but moving from direct delivery.

As part of Birmingham Cycle Revolution programme, the **Top Cycle Location (TCL)** initiative has been developed to help organisations citywide to meet the growing interest in cycling and demand for related facilities. Under the TCL scheme, the Council works with employers to identify cycle training requirements, including basic maintenance; as well as, identifying the need for on-site cycle infrastructure, such as, parking, signage, showers and lockers for which grants are provided as part of the BCR programme. Working in partnership with Centro and Sustrans, we have so far awarded grants to 22 educational establishments, and 24 businesses.

After the successful **installation of facilities at businesses and schools**, to the value of £300,000, as part of the first phase of BCR, a further £76,000 has been allocated to TCL through Phase 2, with up to £500,000 to follow in a third phase. The new cash injection will build on progress made on the project since 2013, by extending the focus beyond the initial BCR area, of a 20 minute cycling time from the City Centre. The subsequent phases of the project will be launched in the coming months. All educational establishments and large businesses within Birmingham will be invited to apply.

4.4.11 Green Travel

Low Emission Vehicles Projects

Following the Council's success in securing £500,000 via Office for Low Emission Vehicles (OLEV) 'Low Carbon Vehicle Technology Fund' for the **Retrofitting of Diesel Hackney Carriage Taxis** to Liquefied Propane Gas, we are collaborated with industry experts and the taxi trade, to develop a Euro 6 solution, which meets the latest UK and EU emissions requirements for heavy diesel vehicles. This will be a first for the UK, and will provide a major contribution towards meeting our targets to reduce the city's carbon emissions

and improve air quality. The project is about to commence the roll-out of retrofitting the city's Licensed Hackney Cabs.

Work is underway with the Energy Savings Trust, as part of a national OLEV scheme, to develop the business case for an **'Electric Taxi-Only' charging infrastructure**. Following consultation with stakeholders, two specific sites in Birmingham have been identified as key locations to provide rapid charging (enabling taxis to fully charge within 20 minutes, or top up within 5 minutes). These will be New Street Station Ellis St Car Park and Tyseley Energy Park, off the A45, (as a key route to Birmingham Airport and the NEC). Other fast charging electric taxi charge points will also be installed at key points near busy taxi ranks in the city and on key arterial routes. A funding submission will be made to OLEV by the end of March, when a number of further funding opportunities will become available to support the take up of Ultra-Low Emission Vehicles.

The Council has successfully bid for OLEV funding under the **Ultra Low Emission Vehicles Readiness Scheme**. The scheme provides up to 6 leased vehicles for two years, for 25% of the cost. A major benefit of this scheme is that the charging infrastructure, (where cost has previously been a barrier), has been installed, also at 25% of the cost. The vehicles, due to be delivered in the next few weeks, are small vans and cars. Service areas benefitting from the scheme are Adult Care, Housing Estates Services, Parks and Nurseries and Environmental Services.

Green Travel District

The first Green Travel District Association has now been established in Selly Oak, with partners including the Queen Elizabeth Hospital, the Women's Hospital and the University of Birmingham. This is a partnership specifically looking at how the number of trips to this area can be reduced, or switched to more sustainable transport modes.

Car Clubs

Birmingham currently has 8 active designated car club locations in the city. These are currently operated by City Car Club. Co-wheels, who operate as a social enterprise, also have a number of vehicles available, particularly in the south of the city, but without designated car club parking bays. Work is underway to set-up a new procurement framework, to enable the Council to identify and delivery future car club sites across Birmingham.

'Walk To' Programme

Birmingham is one of five UK cities awarded the status of 'Walking city' by the Department of Health and Department for Transport. The 'Walk To' Programme is a one year project, which gives communities, schools and workplaces in Birmingham the opportunity to take part activities that will encourage more people to walk. The project is being delivered by Living Streets, the national charity that works to create safe, attractive and enjoyable

streets, in partnership with the City Council and it is funded from the Department for Transport.

To achieve the maximum impact, the project aims to work within areas with the lowest levels of walking, including schools that have an average walking rate of less than 50%. The project commenced on 1st April and will be delivered by two Project Coordinators, covering two areas in the North and South of the city. Each coordinator will work with 15 Primary Schools, 3 secondary schools, 5 businesses and 5 community groups, to encourage more walking. A total of 10 community street audits will be carried-out to identify barriers to walking within local areas. The project uses various engagement tools and activities, such as: enabling schools to be part of Living Streets' national Walk to School project; online walking challenges; and 'Walk Doctor' events within workplaces; as well as direct face-to-face activities like led walks and walking pledges with communities.

In parallel, the Walkable Birmingham Group works with partners to champion the walking agenda in the city and ensure Birmingham becomes a 'Walkable City'. The group is developing programmes of activities to increase levels of walking and take forward a programme of works, to improve the facilities and infrastructure for pedestrians.

Street Scene

Sites which could offer a better street scene at local level and also an improved strategic highway network through de-cluttering proposals have been selected as part of the **De-cluttering Project**. Highest priority has been assigned to select those sites which offered long-term savings, through either reduced or nil maintenance cost. Therefore, this project contained complete removal of over 400m of trip railing and guard railing, giving reduced maintenance costs of approx. £2,700 per annum.

4.4.12 Highways

We continue to ensure the effective management of traffic on the City's highway network and have coped with the pressures of development. Through a variety of measures, practices and process we have ensured that the extent and incidences of traffic congestion are minimised, thereby reducing traffic delay and the associated vehicle emissions. Major aspects are described below:

- To assist our statutory duty to provide **Street works co-ordination** we have commenced the process of implementing a Street-works Permit Scheme. This facility will give us greater control over the duration of road works and assist in improving the quality of the works undertaken by service utilities when digging up our streets. The business case required by legislation is currently being developed and it is hoped we will have an operational Permit Scheme in place by the end of 2016.

- Through the provision of **Traffic Management advice and statutory approvals**, we have supported the implementation and continuing construction of major developments and highway works, including the Metro Extension, Birmingham Gateway and Paradise Circus.
- We continue to provide a key service for **Road Safety** through work with the Police and Coroners Service, regarding the investigation and assessment of fatal accidents. Through this work we seek to reduce the number of people who are killed on Birmingham's roads each year.
- We are currently developing a new **Road Safety Strategy**, which looks at how we can make Birmingham's roads safer and feel safer for walking and cycling.
- Improvements to highway safety are made to safeguard our children, through the ongoing programme of **Safer Routes to School Initiatives**.
- A service review has been carried-out to improve the delivery and customer satisfaction with **Dropped footway crossings**. The service has moved to a web-based application system and all correspondence is undertaken electronically, which has significantly reduced the amount of paper correspondence. This has also speeded up quotation times from several weeks to an average of 6 days from application to site inspection and quotation.

The delivery of the **Highway Maintenance & Management Service (HMMS)** is measured against over 700 performance indicators contained within the output specification, which encompass all aspects of the service. The output specification defines what is required, and how this is achieved and delivered by the HMMS Service Provider, Amey, through robust processes, innovation and resource planning, management and utilisation.

Payments are related to Amey achieving specified performance targets, in addition to making prescribed **improvements to the highways network**, which are measured at six-monthly intervals. Amey has met nine core investment milestones, (out of a total of 10 by 2015), subject to audit. The following has also been achieved in 2015:

- 4,488 potholes identified and repaired since January 2015;
- 49,05 million m² of footway sprayed for weeds and vegetation growth;
- 16,718 pieces of correspondence from members of the public handled in 2015;
- 3,148 Councillor enquiries answered in 2015;
- During the winter 2014/15 season, 59 gritting runs were undertaken, treating 67,260 km (41,793 miles) of highway, using 6,635 tonnes of salt
- Almost 2,600 grit bins were filled and replenished around the city;
- Some 12,661 highway emergency incidents were attended and addressed.

The investment in the highway infrastructure includes modern **Energy Efficient Street Lighting** that is considerably more energy efficient, forming a key part of contributing to the Council's commitments to reduce our Carbon Footprint. About half of the Council's Street Lighting stock has now been replaced, currently totalling some 44,000 streetlight upgrades. Through the Street Lighting Replacement Programme, energy consumption will reduce by 18.5MWh (31%) at the end of 2015, with a reduction of between 24.3MWh (41%) and 35MWh (60%) across the full term of the Highways contract.

By the end of 2015, an annual **CO2 saving** of 5,171 tonnes will have been achieved. Lighting replacement in residential streets is with state-of-the-art Light Emitting Diode (LED) technology. This contributes to up to 60% energy saving, compared to traditional light sources. This combined with the introduction of LED technology for traffic signals, signs and bollards, now provides an approximate reduction of carbon emissions by 1,700t per year. Including the energy savings and reduced maintenance costs, the expected lifetime savings of this technology is in excess of £100 million over 25 years.

Highways and Amey continue to work together to improve the **local highway services**. The Highways Stewards and District Engineers that deliver the local highways services meet regularly and add value to the Street Scene co-ordination process. Collaborative working with officers from other services, leads to a more 'joined up' service. The core Highways Service continue to liaise with the District and Amey highway teams to ensure that the local service and the city-wide service are supporting the broader street scene delivery objectives.

Amey carried-out 8,762 **tree maintenance** (pruning) operations in the 2014/15 contract year, with an additional 6,000 reactive pruning operations and 18,000 basal growth removals. Over 1,200 replacement trees have been planted to replace dead, diseased or dying trees in accordance with the BCC Tree Management Policy.

The structures team has delivered challenging work on **Bridge Repairs**, including the Thimble Mill Lane Bridge reconstruction and sensitive repairs to the 16th century Water Orton Bridge, a monument of Historical Interest, following a road traffic collision. The team continues to work towards the reopening of Aston Road Bridge following a second vehicle strike and planning for substantial works to Small Heath Bridge due to start in early 2016.

Amey continues to deliver against **43 Birmingham Charter for Social Responsibility commitments**. Six new apprentices have been recruited this year, bringing the total to 44 employed. 160 new jobs have been created in partnership with the Council's Employment Action Team. Currently, 74.2% of employees live within 30 miles of the city centre. Over 60 people have completed work experience placements through Amey's links with the Princes Trust TEAM initiative and through other local community and education

groups. The company has also spent over £200,000 with social enterprises, since February 2014.

We continue to work closely with partners on flood risk management to identify opportunities to obtain investment into schemes to benefit communities at risk. We currently have 10 schemes in the government's medium-term programme, which range from completed this year to in the programme for years 2021+. The **Surface Water Management Plan** for Birmingham provides an evidence base for bidding for funds and for the prioritisation of works at a local level however national grant funding is dependent upon prioritisation of schemes at a national level.

A major Flood Risk Management initiative in 2015 was the **Public Information and Consultation Event** held in the Council House. People were able to see information and question partners from the Environment Agency, Severn Trent and the Birmingham and Black Country Wildlife Trust. Information available at partners' stands covered everything from: maintenance to strategic planning; and from what partner organisations can do, to what people can do to make themselves more flood resilient. I took the opportunity of this event to launch the **Local Flood Risk Management Strategy** consultation, which runs to February. The event was judged a great success by both delegates and visitors.

A significant change in 2015 relates to **Sustainable Drainage**. In December 2014, the government issued guidance making 'Lead Local Flood Authorities', (which includes Birmingham City Council), statutory consultees for the drainage proposals on major developments. The new duty commenced in April 2015. We have produced detailed guidance for developers in order to encourage the best possible roll-out of sustainable drainage principles in Birmingham. To date, we have dealt with nearly 200 applications together with pre-application advice and general communications in rolling out this new duty. This will be covered in more detail in a separate report to your Committee.

4.5 REGIONAL ECONOMIC CAPITAL

4.5.1 Growth Deal

Significant progress has been made in implementing the **Growth Deal** and the GBSLEP is on track to spend its full allocation of £47.3 million in 2015/16. The LEP submitted its Strategic Economic Plan to the government in March 2014. The Plan formed the basis of a negotiation, which secured a £379 million Growth Deal for the area.

The business cases for a number of **Birmingham projects** have been approved, including: Wholesale Markets Relocation, Battery Way Extension, Advanced Manufacturing Hub, Longbridge Connectivity, Birmingham Cycle Revolution Phase 2, Iron Lane, Sustainable Urban Extension Minworth, Unblocking Small Housing Sites and the A34 Corridor. In addition, there are other projects that will benefit the city, including: Midland Metro to Centenary

Square and Midland Metro Eastside Extension, (Development Fees). There are also projects to support the FE sector, which include: Food Technology Hub at University College Birmingham; and Motor Vehicle Training Centre, Meeting the Skills Needs of Local Businesses and Engineering Centre for Manufacturing Support at South and City College.

The Growth Deal also resulted in £2.5 million of revenue to support the development of the **HS2 Growth Strategy**, which was completed in April 2015 and has been endorsed by government, through the West Midlands Combined Authority's Devolution Deal; and also £625,000 for the **Growth Hub**. An indicative Growth Deal allocation of £49.18 million for the Local Growth Fund will be confirmed by the end of February 2016.

4.5.2 Sub-Regional Strategic Economic Plan

The GBSLEP has started a refresh of its **Strategic Economic Plan (SEP)**. This is required to reflect: the progress that has been made in delivering the original SEP; changes in the local economy and macro-economic developments, over the past two years; and further strategic work undertaken by the LEP, such as the HS2 Growth Strategy. The Refresh will enable the LEP to feed into the emerging West Midlands Combined Authority 'Super' SEP and also be prepared for any future calls for Local Growth Funding that the government may announce this year. It will also extend the current life of the SEP from 2020 to 2030. This will allow it to align with the Super SEP in terms of timescale and structure, as well as, providing a sufficiently long-term plan for the LEP's activities.

4.5.3 Growth Hub

The **GBSLEP Growth Hub**, launched in late summer 2015, now provides a single front door through which businesses can access a world class business support system. The Growth Hub contains:

- A large Knowledge Bank of business-related information, through an online interactive web-based portal;
- An extensive Customer Relationship Management System, enabling an array of business support partners to share basic company information and interactions;
- A business support function, which provides a dedicated help desk and a range of business advisors that can meet with local businesses; and
- A range of business support programmes relating to Advanced Manufacturing, (working with the Black Country and Coventry & Warwickshire LEPs), and to help mid-sized businesses and to support entrepreneurs.

The Growth Hub has already proved to be a success, having achieved a significant level of usage by local businesses, with over 1,000 businesses

having already used the help deck, or taken advantage of meeting with the business advisors. There have also been over 5,000 unique individuals accessing various parts of the online knowledge bank.

4.5.4 Growth Sectors

The City Council has played a key part in supporting the sectoral approach of the GBSLEP; focusing on sectors with key growth potential, such as Advanced Manufacturing, Creative and Digital Industries and Life Sciences.

The independent **Greater Birmingham Life Sciences Commission** initiated by LEP and chaired by Graham Silk reported its findings in July (the 'Silk report'). The report identifies Greater Birmingham's potential to become a magnet for global Life Sciences investment, on the back of: the accelerated clinical trials models, which have been developed in Birmingham; and the region's large, diverse, stable patient population. The report recommends action by local partners, with government and industry, to unlock the potential, including to: release public sector Intellectual Property; develop new financing models for translational activity; to develop integrated patient data systems; and develop an aligned educational offer.

4.5.5 Employment and Skills

Addressing the employment and skills challenges for the sub-region is a key focus for the GBSLEP and one in which the City Council is an important player. An example of the partnership approach to this challenging agenda has been through the **Work Coaches** initiative with the Department for Work and Pensions. The Treasury has agreed to fund 100 new work coaches for Birmingham and Solihull, to enable local people to access local jobs.

The LEP wants to encourage businesses to give advance warning of recruitment opportunities to the Department of Work and Pensions, to enable them to give **support to job seekers**, to help them fare better through the recruitment process. It has also been promoting the benefits of offering work experience opportunities; something which the City Council is making a significant contribution to. This initiative has had a tangible impact in supporting people into work.

4.5.6 Spatial Plan for Growth

The City Council has been leading work on the **Spatial Plan for Recovery and Growth** on behalf of the GBSLEP. The Spatial Plan for Growth will consider the long-term scale and distribution of growth across the area. The Framework is being prepared collaboratively between the Councils within the LEP area and other partners.

The final stages of the **Strategic Housing Needs Study** were published in September. The commissioning bodies for this work were the GBSLEP and the Association of Black Country Authorities. The estimated number of dwellings required between 2011 and 2031 for the combined Housing Market

Area is 207,040. Through the Strategic Housing Needs Study, local authorities estimate a likely capacity of 169,560, leaving a shortfall of 37,480. The local authorities in the Housing Market Area are working together to identifying spatial options for the distribution of growth, based on the Strategic Housing Needs Study findings. The outcome of this work will help inform the LEP Spatial Plan for Growth. An Environmental Study, a Strategic Employment Sites Study and a Sustainability Appraisal have been commissioned to support the development of the Spatial Plan.

5. CONCLUDING REMARKS

- 5.1 This is a summary of the wide range of work undertaken within my portfolio, relating to your Committee, during the last year. There is much more that could have been included, but I hope to be able to give more detail on specific projects when I address the Committee.
- 5.2 As previously, there are a number of shared responsibilities with other Cabinet colleagues, whose work has contributed to the outputs and outcomes achieved. I would particularly like to acknowledge the contributions made by: the Deputy Leader in relation to development issues; the Cabinet Members for Sustainability and Inclusion & Community Safety, in relation to transport matters; and the Cabinet Members for Skills, Learning & Culture and Commissioning, Contracts & Improvement, for their work on the wider economic agenda.
- 5.3 My thanks go to the Chair of Planning, for the work of his Committee and the Chair of the Economy, Skills & Sustainability Overview & Scrutiny Committee and her colleagues for their critical advice.
- 5.4 I would like to take this opportunity to acknowledge the debt of gratitude owed to the former Leader of the Council, Councillor Sir Albert Bore. I thank him for his personal guidance and support over many years, as well as, his significant contribution to the economic development of Birmingham, over three decades.
- 5.5 I also welcome the commitment of the new Leader of the Council, Councillor John Clancy, to the economic agenda for Birmingham. I thank him for the opportunity to continue to play a leading part in the ongoing development of this great city.
- 5.6 Finally and most importantly, I would like to acknowledge the continuing commitment made by staff of the City Council, particularly in the Economy and Place Directorates. In these exceptionally difficult times, and in the face of uncertainty and dwindling resources, they have ensured the delivery of the achievements of this portfolio, together with the positive economic and social outcomes for the benefit of the people of Birmingham.

Councillor Tahir Ali
Cabinet Member for Development, Transport & the Economy

February 2016