

# West Midlands' Joint Strategy and Investment Board

## **Statement**

March 2010



[www.advantagewm.co.uk](http://www.advantagewm.co.uk)

# The West Midlands' Joint Strategy and Investment Board

We have been created to provide the strategic leadership of the West Midlands response to the very significant economic, social and environmental challenges facing the region; and to ensure the development, delivery and performance management of the new Strategy for the West Midlands.

We comprise representatives of the West Midlands Leaders Board, the Board of Advantage West Midlands and of Business.

We are advised by a group of senior executives from Local Government, Advantage West Midlands, Homes and Communities Agency, Highways Agency, Job Centre Plus, and Government Office. Collectively, and working with partners, we offer a powerful and authoritative voice for the West Midlands.

We are unequivocally committed to creating a more prosperous West Midlands region with Birmingham as its heart as the regional capital. We want the new 'Strategy for the West Midlands' to provide the integrated, overarching strategic framework for the region – a routemap to grow the economy. It will be the template for an Investment Plan for delivery programmes and investment activities at regional, sub-regional and local levels, and which can hold delivery agents to account.

## **Members of the Joint Strategy and Investment Board, February 2010:**

*Members nominated by the West Midlands Leaders Board to provide sub regional and functional representation –* Councillors **Roger Phillips** (Co-Chair and Leader - Herefordshire Council), **Ken Taylor** (Leader – Coventry City Council), **Philip Atkins** (Leader – Staffordshire County Council), **Mike Whitby** (Leader - Birmingham City Council), **Neville Patten** (Leader – Wolverhampton City Council), **Paul Middlebrough** (Leader – Wychavon District Council);

*Members from Advantage West Midlands' Board -* **Sir Roy McNulty** (Co-Chair and Chairman of Advantage West Midlands) and **David Brown** (Deputy Chairman of Advantage West Midlands);

*and by Advantage West Midlands' invitation, Business Voice West Midlands, **Barrie Williams**.*

Visit our website [www.partnershipwestmidlands.co.uk](http://www.partnershipwestmidlands.co.uk) to keep up to speed with new developments.

Signatures of JS&IB Co-Chairs



### **Sir Roy McNulty**

Co-Chair, West Midlands' Joint Strategy and Investment Board  
Chair, Advantage West Midlands

### **Councillor Roger Phillips**

Co-Chair, West Midlands' Joint Strategy and Investment Board  
Leader, Herefordshire Council

## Statement by the West Midlands' Joint Strategy and Investment Board

We want to create a more prosperous West Midlands region, with Birmingham at its heart as our regional capital. This Statement declares our intent to lead the region through a growth agenda, by building confidence among partners in all sectors and thereby encouraging their cooperation and involvement.

To succeed in putting the West Midlands economy on track we need an even stronger mutual involvement and collaboration. There has never been a more critical time for partners in the West Midlands to recognise the scale of the challenge facing us, seize the available opportunities and demonstrate a collective resolve to secure real change in how we deliver sustainable economic growth for our citizens, communities and businesses.

We are building a Powerful Guiding Coalition to draw in the support of all organisations committed to enhancing the region's prosperity. Our intent is that this way of working will involve the West Midlands Leaders Board (the region's 33 local authorities), Advantage West Midlands, Government Departments and Agencies, sub-regional partnerships and organisations, Education institutions, Health Authorities, Business Voice West Midlands and key regional wealth-creating firms, Trades Unions, Rural interests, Third Sector bodies, Professional Associations, Non-Governmental organisations, MPs and MEPs.

# Responding to our regional challenges and opportunities

The West Midlands region has been by far the most severely impacted by recession of the nine English regions. We have low to negative growth in private sector employment and we have not been successful enough in attracting and growing knowledge-intensive sectors. We experience high levels of unemployment with pockets of severe disadvantage and inequalities of opportunity across social groups and between geographical areas. And our urban areas have suffered from years of under-investment and the impact of industrial decline.

Nonetheless, the West Midlands has many assets to build on, and we have a track record of successfully working together in the face of adversity to meet individual economic shocks such as through the Rover Task Force. We need to capture the intensity, energy and leadership we have demonstrated on such occasions and apply them to our approach and thinking to meet the challenges and seize the opportunities before us.

In response to our challenges we know that regional partners need to continue to promote actions for:

## **Business & Skills to:**

- raise the level of entrepreneurial activity
- help new and existing businesses to prosper and grow
- encourage much greater levels of innovation in companies
- attract high value added/knowledge economy businesses
- raise the skills base of our workforce to the benefit of individuals and businesses
- reduce the level of worklessness in the working age population

## **Places & Infrastructure to:**

- improve transport and connectivity to improve economic and environmental sustainability
- create prosperous communities with a real sense of place
- build more houses to higher energy standards to meet our needs, and upgrade the quality of our existing stock
- ensure that wealth generation is more evenly distributed across the region.

## **Climate Change & the Environment to:**

- secure long-term investment that delivers sustainable economic growth and tackles climate change
- preserve and enhance our natural and built environment
- move towards a low carbon economy and mitigate the impacts of climate change

## Our Strategic Response

The pace and scale of activity to expand and diversify the regional economy and regenerate run down areas needs to intensify, above and beyond current efforts. Only then will we raise the rate of sustainable economic growth so as to begin to close the gap with the performance of the best regions elsewhere in the UK and Europe. The public sector must position itself to give real support and confidence to the private sector by creating the right conditions for growth.

The challenges we face require that the region acts together more coherently than ever before, while seeking to be more inventive to overcome the problems and to devise regionally-relevant solutions. This can be characterised by the need for *Integration and Innovation*.

### Integration

- **We, the Joint Strategy and Investment Board**, have been created by the West Midlands Leaders Board and Advantage West Midlands to provide strategic leadership of the West Midlands response to the significant problems we face and to help ensure the development, delivery and performance management of the Strategy for the West Midlands. We must influence others in this endeavour, and advocate on behalf of the region. We must be clear about what we want to see and who will lead the way.
- **Regional leadership is essential.** The Joint Strategy & Investment Board is predicated on the commitment of the Leaders' Board and Advantage West Midlands to work together, whatever the pressures on their budgets. Local Government has a key economic development role at the local level which will be complemented by Advantage West Midlands delivering key and clearly defined activities at the regional level. The combination of local accountability and streamlined regional and local delivery is a vital ingredient of the regional leadership critical to deliver our ambitions.
- **A Powerful Guiding Coalition** representing a wide range of partners is also needed to ensure that all elements of the West Midlands' economy and society work together in relation to the Strategy and the needs of the region. Such a coalition will be a campaign as much as a structure and would be charged with leading regional change, and developing new team relationships and ways of working. In particular, we want to develop new ways of working among partners which put the West Midlands first and sectoral or organisational agendas second.
- **We want to pursue an integrated agenda around the economy, skills, housing, and transport and infrastructure.** Such an agenda began with the development of regional transport priorities, and was expanded in the Regional Funding Advice 2009-2019, and is now being deepened in the commitment by local government, Advantage West Midlands, Homes and Communities Agency, Highways Agency, and the new bodies for skills (Skills Funding Agency, Young Persons Learning Agency, National Apprenticeship Service) to work together to prioritise and integrate investment in the region's 20 Impact Investment Locations (ILLs). It is essential that we continue to ensure that Government Departments and public sector agencies prioritise their engagement with the ILLs.

- **We want to coordinate and get the most from the available public funding from a variety of agencies** so as to ensure impact in the face of reducing public resources, and to win private investment. We must build on the approach to the Impact Investment Locations, extending it from capital investment in land and buildings to revenue based sustainable economic development activity drawing on the commitment of a number of other organisations, to the benefit of the region: utilising the philosophy behind the 'Total Capital' concept. The region's agencies must pay unremitting attention to securing synergies in resource investments, and successful and timely delivery of projects in Impact Investment Locations and other priority areas.

### **Innovation**

- **We must be prepared to do things very differently in the future.** Given our economic difficulties and the scarcity of public resources to apply to them, now is the time to challenge accepted ways of doing things and seek out new, creative approaches to addressing deep-seated problems.
- **We need to engage with the private sector in new ways.** The public sector must challenge itself to find new means to work with and build confidence with the key wealth creators in the private sector to demonstrate it means business and wants to secure the type of investments, in key places, which will make a difference to the future of the West Midlands. The Powerful Guiding Coalition should be the forum in which innovative processes are devised and debated, partnerships created, and from which can spring a truly regional commitment to the management of investment planning.
- **We must develop innovative and effective approaches to resourcing,** recognising that mainstream public sector funding will be scarce and that agreed regional priorities must be deliverable; maximising European funding; finding ways to facilitate additional private sector investment; and recycling public investment to meet ongoing priorities.

## What we will do

The process of preparing the Strategy for the West Midlands - to replace the existing regional economic and spatial strategies – has begun, but will clearly take time. It will involve formal and informal engagement and consultation with a wide range of local, regional and national stakeholders. In the interim, we need to meet the challenges and seize the opportunities that the region faces and begin to build capacity, confidence and credibility.

We have identified a range of projects that can provide a foundation for building a coalition going forward. These provide initial elements of a growth agenda for the region.

**Big Wins** – engaging the emergent Coalition in some key longer-term tasks of a scale and intensity that will ultimately deliver significant opportunities and change within the region. These include:

- maximising the economic potential of **High Speed Rail** to the West Midlands
- developing the role and capacity for **Birmingham International Airport** to provide improved international connectivity with the consequent benefits for the economic growth and global profile of the West Midlands
- advancing a **manufacturing renaissance for the 21<sup>st</sup> century**, supporting aspirational medium-sized businesses to move purposefully up the value chain
- **promoting Birmingham** as our regional capital to encourage investment and development and improve its competitive standing as a global city and asset for the region as a whole, focusing particularly on the role of the city centre within financial and business services
- positioning the region as **a global hub in terms of low carbon technologies, solutions and applications**, building on our designation as a Low Carbon Economic Area for automotive engineering, Climate Knowledge Innovation Community (KIC) and Science City by engaging with the region's higher education institutions and generating value and supply chains in the process
- improving the **skills attainment levels** across the West Midlands to maximise the economic opportunities afforded by a more highly skilled and trained workforce.

**Investment Wins** – progressing the soonest possible development in the 20 Impact Investment Locations (identified in the map overleaf) to establish the conditions for growth. Economic, housing, and transport public expenditure commitments in the 20 Impact Investment Locations is at least £2.2 billion in the period 2009/10 to 2012/13, leveraging £7bn of private investment, leading to 106,700 jobs being created, a further 19,200 safeguarded, 45,350 new homes built and 618ha of land reclaimed.

- We are seeking to accelerate delivery in the 'ILLs' through full utilisation of the £40m Regional Infrastructure Fund to unlock key development sites, securing additional and re-aligning available resources, future proofing decentralised energy and next generation broadband requirements, and identifying new market opportunities,
- We will promote exemplar project management, procurement and governance frameworks to enhance local benefit; provide skills coordinators for each ILL to ensure local construction job opportunities are maximised.
- Crucially, there is a need to identify, align and influence further public and, in particular, private sector funding partner engagement in the ILLs so as to maximise job creation, and housing business and infrastructure investment.

## The West Midlands' Impact Investment Locations



### Key

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| <ul style="list-style-type: none"> <li><b>1</b> Ansty</li> <li><b>2</b> BIA Runway extension/A45 relocation</li> <li><b>3</b> Bilston Urban Village</li> <li><b>4</b> Growth Point Development Programme: Burton; Shrewsbury; Stafford &amp; Worcester</li> <li><b>5</b> Camp Hill Regeneration</li> <li><b>6</b> Coventry City Centre/North</li> <li><b>7</b> Dudley Town Centre/Brierley Hill</li> <li><b>8</b> Eastside</li> <li><b>9</b> Edgar Street Grid</li> </ul> | <ul style="list-style-type: none"> <li><b>10</b> i54</li> <li><b>11</b> Icknield Port Loop/Birmingham and Sandwell Western Corridor</li> <li><b>12</b> Longbridge/South West Birmingham Corridor</li> <li><b>13</b> New Street Station</li> <li><b>14</b> North Solihull Regeneration</li> <li><b>15</b> Rural Affordable Housing Programme* (not mapped)</li> <li><b>16</b> Stoke on Trent City Centre (including Business District and University Quarter)</li> <li><b>17</b> Telford Town Centre Regeneration</li> <li><b>18</b> Walsall Waterfront/Housing Regeneration</li> <li><b>19</b> West Bromwich Town Centre</li> <li><b>20</b> Wolverhampton City Centre</li> </ul> |
|---|--|

**Quick Wins** – we have identified an initial list of projects where results can be secured within the next 12-24 months which would improve the competitive position of the region, assist in delivery of the Investment and Big Wins and will start to demonstrate the benefit our new approach.

- Coordinate the campaign for **High Speed Rail** to the West Midlands. We will work with our partners in business and the public sector to consolidate our response to the Government White Paper of March 2010 and make our case through to the General Election and beyond;
- Finding a funding solution for the **BIA runway extension** with Birmingham International Airport, Birmingham City Council, Solihull MBC, Advantage West Midlands and Highways Agency by May 2010;
- Driving the delivery of the **Regional Transport Priorities Action Plan**, specifically seeking greater delegation of the £50m rail scheme programme to the region from Department for Transport by December 2010;
- Commence construction of the **Manufacturing Technology Centre** at Ansty by June 2010 and to deliver the completed building in May 2011 for fit out;
- Establish a coherent marketing campaign maximising regional benefit from **Birmingham Science City** and the recent announcements of the **Low Carbon Economic Area for Advanced Automotive Engineering** and European funding for a **Climate KIC**, by July 2010;
- Work with Birmingham City Council on **Birmingham's Big City Culture** bid in developing and supporting the final submission by the end of May 2010 and in presenting the bid to the Independent Advisory Panel in June 2010;
- Maximise the marketing and regeneration potential of the completion of the **Royal Shakespeare Theatre** in July 2010 and re-opening in Spring 2011;
- Securing additional resources for the region by establishing an £80m fund from the **Joint European Support for Sustainable Infrastructure in City Areas (JESSICA)** for land and property projects. We will seek required approvals by May 2010 and establish funding by October 2010;
- Produce a **Regional Statement of Skills Priorities** by spring 2010 to gain immediate effect on the Skills Funding Agency's funding of skills provision in West Midlands 2010-11;
- Develop a regional offer and priorities to accommodate **Government relocation opportunities** in the Budget by May 2010 therefore coinciding with the Smith Review;
- Develop a **Rural Broadband** solution to secure improved access to quicker broadband speeds for business. To pilot a scheme from July in the rural west including Ludlow, Leominster and Tenbury Wells to learn lessons, then seek regional roll out from January 2011.

## Principles for our operation

Our purpose is to create a more prosperous West Midlands region with Birmingham at its heart as the regional capital.

To do this

- We see the need for the private sector, local authorities, AWM, and other public agencies to work in **six sub-regional partnerships**:
  - Birmingham; Black Country; Coventry, Solihull and Warwickshire; Staffordshire and Stoke; Worcestershire; and Shropshire, Telford and Herefordshire
  - in combinations of these sub-regional partnerships, normally including Birmingham; and
  - on region-wide challenges.
- We know that for the West Midlands to prosper, **Birmingham must prosper** .... and for Birmingham to prosper, so must the West Midlands.
- We see our **six sub-regions as the core building blocks for economic and investment planning**. Local Authorities have key roles to play in exercising leadership as “place-shapers” and “convenors” of partnerships. We invite the local authorities in each sub-region to prepare a joint Local Economic Assessment for the sub-region as whole. These Assessments should consider the relationship between the sub-region and other sub-regions, particularly Birmingham.
- **Encouraging a ‘Total Capital’ approach**. This approach maps out the total public sector spend in a locality on a particular issue with a view to rationalising spend and reducing duplication and inefficiency. Building on our successful experience with Regional Funding Advice we intend that the West Midlands will be the first region to offer a ‘Total Capital’ approach to investment planning. Current pilots will be followed by a regional rollout.

These approaches will be key elements of the **Strategy for the West Midlands** which we intend to develop with the support of the Powerful Guiding Coalition. In parallel with the development of the Strategy, and to ensure its delivery, we will develop an **Investment Plan** setting out detailed policies and actions and a sequence of funding priorities.

The Plan must cover a wide range of partners’ investment programmes and it must set out the delivery programmes and investment activities at the most appropriate levels - regional, sub-regional and local - to support the priorities of the Strategy. It will be relevant to a challenging economic environment, and must make the best use of the resources available to the region.

# What is required of Regional Partners and Government

In order to fulfil our ambition of creating a more prosperous West Midlands we all need agreement and collaboration from partners to:

- **secure the participation of partners in the Powerful Guiding Coalition.**
- **develop flexible and effective structures**, engaging the key influencers and decision-makers, to co-ordinate investment and action around agreed strategic priorities.
- **commit to innovative working and resource alignment**, and integration from partners –public and private – at the regional and sub-regional scales.
- **take decisions about investment priorities at the most appropriate level** –regional, sub-regional or combinations of sub-regions, and local.
- **develop effective working relationships within the sub-regions** to ensure successful delivery of key regeneration programmes.
- **implement a 'Total Capital' approach** by achieving flexibilities in the way that national and regional programmes are operated.
- **secure greater regional delegation and alignment of Government's resources**, building on the basis of the ILLs.
- **utilise an economic development function and expertise at the regional level** in the form of a refocused Advantage West Midlands delivering key and clearly defined activities. Most notably working with the West Midlands Leaders' Board to create and deliver the region's single integrated regional strategy.
- **develop the regional evidence base** so that policy development for the Strategy for the West Midlands is well-informed, up to date, relevant, and developed and agreed by partners.

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