

WEST MIDLANDS REGIONAL ASSEMBLY

Wednesday, 18 July 2007

Draft WMRA response to the draft West Midlands Economic Strategy

Report of WMRA Director of Policy

1. Purpose of the Report

- 1.1 The purpose of this report is to outline the Assembly's response to the draft West Midlands Economic Strategy (WMES).

2. Recommendation

- 2.1 That the contents of the consultation response be discussed and endorsed by the Assembly with appropriate amendments following the discussion.

3. Background

- 3.1 The consultation on the full draft strategy commenced on 8th May 2007 and will run until 31st July 2007. The draft full strategy has been developed building upon responses received during the previous phase of consultation - on the WMES policy choices.
- 3.2 All Regional Assembly officers and Member groupings and partnerships have been asked to consider the WMES consultation document and to provide feedback to the Secretariat to inform the Regional Assembly's response to the consultation.

4. Detail

- 4.1 The draft strategy is structured around the three main components of the economy – Business, Place and People – and seeks to consider and address areas of weakness and market failure, along with particular regional strengths and emerging opportunities. These three components are complemented by a 'Powerful Voice' objective, focusing on raising the profile of the region and influencing a range of decision makers.

- 4.2 The draft WMES has much to commend it, it is well structured, it has taken on board many of the Assembly's previous comments and it seeks to represent a 'whole region' approach. The Assembly's response is intended to build on the positives to ensure we achieve a strategy which is ambitious, incisive, focussed and unique to our region.
- 4.3 The draft response of the Assembly focuses around a series of ten 'headline comments' and the three themes detailed within the Strategy these include a number of issues which need further consideration within the WMES. Considerable work has already been done at the stage of consultation on policy choices. This final response seeks to further emphasise the key issues which the Assembly wishes to see addressed in the final WMES (The full draft consultation response is attached in Appendix 1).

4.4 Headline Comments from the Assembly's Response

- The ***alignment of the Regional Economic Strategy and the Regional Spatial Strategy*** is crucial to the success of both Strategies. As part of the process of alignment, the WMES must use the same spatial language, terminology and hierarchy set out in the WMRSS.
- The principles of ***urban and rural renaissance*** are now contained within the WMES with an acknowledgement of the importance of the role of Birmingham. The WMES must encourage strong linkages between employment and housing development to secure more sustainable patterns of development.
- The ***lack of prioritisation*** in the WMES is confusing, making it difficult for readers to grasp which of the many themes will take precedence, when directing public funding. The current draft attempts too many priorities and does not identify the regional economic priorities. ***A clear lead on economic priorities and direction of travel is required which should be clearly highlighted at the front of the document.***
- The WMES does not currently recognise the ***business opportunities*** inherent in other ***regional strategies***. The WMES should cross reference these to strengthen the opportunities for a stronger alignment.
- The WMES also needs to ***more strongly reflect the Transport Priorities*** set out in the Regional Transport Strategy and the Regional Funding Allocations which were submitted jointly by West Midlands Regional Assembly and Advantage West Midlands. The substantial impact of New Street Station should be highlighted.
- The region has an opportunity to tackle ***climate change*** in the Strategy and this requires further work to incorporate sustainability within the

region and show how a low carbon region is consistent with economic growth.

- The skills agenda is seen as the most critical issue within the WMES. The Assembly strongly recommends **a Skills Strategy** for the region.
- Equality and diversity cuts across the WMES and there needs to be a **stronger emphasis on people and their diversity** within the strategy. Within the strategy with an acknowledgment that cohesion is an important opportunity as well as a risk to the economic growth.
- The role of the West Midlands within **Europe** and other **international** relationships need to be strengthened within the strategy.
- Monitoring has a key role to play in ensuring the ownership and implementation of the WMES. The Assembly's response makes a number of recommendations on how the WMES would benefit from a **formal monitoring framework**.
- The Assembly continues to argue for a single vision for the Region, and offers as a starting point the strapline that regional partners adopted at the recent LGA conference '**West Midlands – the Heart and Soul of Britain**'.

4.5 Each of the above bullet points relates directly to the ten 'headline comments' in the attached appendix. Each contains further elaboration and examples of the points being made above.

5. Next steps

5.1 The Assembly's response will be submitted to Advantage West Midlands at the end of July. The final version of the revised West Midlands Economic Strategy will be brought to the Assembly for approval in October 2007.

5.2 The Assembly now requires AWM to work closely with its members through the Secretariat to develop the draft Action Plan.

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West Midlands Regional Assembly-
Consultation Response to the draft West Midlands Economic Strategy
Review 2006/7
WEST MIDLANDS REGIONAL ASSEMBLY

Response to Draft West Midlands Economic Strategy
18 July 2007

Introduction

The West Midlands Regional Assembly (WMRA) welcomes this opportunity to respond to the draft West Midlands Economic Strategy (WMES) Review 2006-7.

In order to develop this response all WMRA Policy Partnerships and Officer Groups have been asked to consider the draft WMES consultation. WMRA Policy Partnerships have also been consulted on alignment of the WMES with the West Midlands Regional Spatial Strategy (WMRSS), and fit with regional strategies for Transport, Housing, Health/Well-Being, Culture and Europe.

The nature of the West Midlands Regional Assembly is such that it represents a wide cross section of stakeholders and interests. Therefore the response submitted is balanced and supportive to the economy of the Region as a whole.

The West Midlands Regional Assembly welcomes the strong and positive engagement it has had with Advantage West Midlands in the production of the draft WMES and look forward to real and proper engagement with the Agency to develop the Action Plan.

The response outlines a series of headline comments and further detail regarding the headline comments can be found in the responses to the consultation questions and the appendices.

These comments are made in the spirit of ensuring the West Midlands has an Economic Strategy that is incisive, focussed and unique to our region. In so doing we have adopted the strap line 'West Midlands – the Heart and Soul of Britain'.

Headline Comments

1. *Alignment of the Regional Economic Strategy and the Regional Spatial Strategy*

The alignment of the Regional Economic Strategy and the Regional Spatial Strategy is crucial to the success of both Strategies. As part of the process of alignment, the WMES must use the same spatial language, terminology and hierarchy set out in the WMRSS.

A working group of officers from WMRA and AWM was established to ensure alignment as the WMES is reviewed and the RSS revised. Considerable progress has been made towards this goal.

The WMES currently uses a spatial prioritisation hierarchy which is only broadly based on the WMRSS. For example, it is confusing to read in the draft WMES about areas of 'Primary Spatial Focus' when such a term is not used in the WMRSS. A separate briefing has been forwarded to AWM to assist the alignment of the WMES with the WMRSS in respect to spatial language, terminology and hierarchy.

It is important that the WMES does not make the presumption that the Preferred Option will result in substantial growth outside the Major Urban Areas (Birmingham, Black Country, Solihull, Coventry and North Staffordshire) and outside the sub-regional foci (Shrewsbury, Telford, Hereford, Rugby and Worcester). The primary focus is on growth within the Major Urban Areas and, where substantive growth is required beyond the Major Urban Areas, the intention is to focus this on the sub-regional foci. The latter have been identified for housing growth and these areas will require adequate investment and employment growth in the local economy and related infrastructure to ensure sustainable growth. The WMES will need to include policies which support sustainable growth in the MUAs and sub-regional foci, together with the hierarchy of cities and towns identified in the WMRSS. (Please note the Preferred Option is being developed over the Summer for sign off in October by the Assembly's Planning Partnership prior to submission to DCLG in December).

2. *Urban and Rural Renaissance*

The principles of urban and rural renaissance are now contained within the WMES. The WMES will need to encourage strong linkages between employment and housing development to secure more sustainable patterns of development.

The twin goals of urban and rural renaissance must remain central to the WMES as they are to the WMRSS. The Assembly welcomes the fact that the draft WMES does now contains this emphasis.

It is important that economic and housing growth is seen within the context of urban renaissance. The WMES must continue to uphold these principles and should acknowledge the development and expansion of sustainable communities within the Major Urban Areas whilst ensuring that the principles of rural renaissance are also upheld. The WMES will need to encourage strong linkages between employment and housing development to secure more sustainable patterns of development.

There also needs to be more explicit reference to rural renaissance and in particular a greater recognition of hidden disadvantage and poverty in rural areas. See also section 3 below.

There are interdependencies between the urban and rural areas which need to be made more explicit within the WMES.

3 *Prioritisation of Strategic Objectives*

The lack of prioritisation in the WMES makes it difficult for readers to grasp which of the many themes will take precedence, when directing public funding. The WMES does not currently present the regional economic priorities. A clear lead on economic priorities and direction of travel is required.

As the WMES currently stands there is insufficient clarity about sectoral, spatial and social priorities. There is concern that this may result in resources being spread too widely with minimal impact, rather than focusing on a more limited number of key priorities. There is also concern that the WMES is insufficiently decisive with too many strategic decisions being left for the Action Plan.

Care must also be taken to ensure that issues set out in the 'Strengths and Opportunities for the region' and 'Weaknesses and Threats for the region' are followed through into Strategic Objectives. Eg p38 'one in five rural residents lives in poverty' but this particular challenge is not followed through on p40 in the 'Objective Regenerating our most deprived communities' or subsequent 'Indicative Actions'.

There is no specific mention of the Regeneration Zones, High Technology Corridors and Clusters in the draft WMRES. These have previously been seen as important, are they now promoted as delivery vehicles and therefore in the Action Plan? Other delivery mechanisms are promoted in the draft WMES eg Science City and Knowledge Transfer Partnership. A consistent approach is essential.

It is not clear how the 'Indicative Actions' in the WMRES will be followed through/tie into the Action Planning process and the emerging Action Plan. There is a lack of transparency and there is no obvious commitment to structured engagement with partners and stakeholders in the Action Planning

process; bilaterals are important but so too is the need to secure a 'whole region' approach to delivering the WMES.

There also remains a challenge to secure a real inter-relationship between different sets of 'Strategic Objectives' such as 'Raising demand for Skills' p46 and 'Stimulating Employer Investment in Skills and training' p34 and the set of emerging actions.

4 *Strong and Growing Businesses*

The WMES does not currently recognise the business opportunities inherent in other regional strategies eg the WMRSS, which will require a strong construction industry and allied professional services, if the house building programme is to be achieved. The WMRSS revision will also set out policies to encourage sustainable construction techniques, the WMES needs to acknowledge this and include policies to promote and support business opportunities. The emerging Regional Health and Well-Being Strategy is another example which highlights the increasing demand for care and social care services.

'Growing Businesses' has an objective to exploit markets with most wealth and employment potential and the need to support markets and sectors are identified in the indicative action. However, it is unclear what these are and how they will be identified. These are strategic priorities and should be identified and consulted on in an open and transparent way. Similarly where will public intervention not be a priority?

5 *Commitment to Infrastructure*

The West Midlands is the Heart and Soul of Britain, the transport system is the backbone. The WMES needs to strongly reflect the Transport Priorities set out in the Regional Transport Strategy and the Regional Funding Allocation Advice. The relationship between the economy and transport has been demonstrated in the Eddington Transport Study – the WMES needs to reflect these recommendations, particularly emphasizing the importance of gateways in the West Midlands i.e. Birmingham International Airport and Birmingham New Street Station, and making more explicit the negative economic impact of congestion and exploring the potential solutions offered in the Transport Innovation Fund. Congestion has adverse effects on the Region's economy - our economy is in competition with others - so we need a transport system that matches the potential of our growth sectors' requirements – this should be emphasised in the WMES.

The emphasis on the need to improve the region's infrastructure is welcomed. In order to deliver growth, the region's transport system will require a step change to deliver an aligned WMRSS/WMES. The emphasis on the West Midlands' geographical location is welcomed, as is the regions' key role in the

“national network”. But we must also be mindful that transport problems within the region create negative perceptions of the region, therefore there is a need for a read across to Powerful Voice and how negative image issues of our region are challenged p49.

Transport is also central to connecting and regenerating communities. There is a need to consider lower carbon approaches to reduce congestion and the need to travel. In particular, there needs to be more explicit mention of the provision of an integrated and attractive public transport system.

However, the WMES also needs to consider the impact of housing growth on other aspects of infrastructure, including waste and water supplies.

6 *The Climate Change Challenge.*

The region has the opportunity to tackle climate change in the Strategy and this requires further work to incorporate sustainability within the region.

The emphasis on the role of climate change is welcomed. However, the Strategy does not show how it will tackle climate change despite claiming that “the focus on low carbon economy is a cornerstone of this strategy”. Reference to the emerging Regional Action Plan on Climate Change should be made.

The Energy White Paper highlights the need for Regional Development Agencies to develop programmes to support the development of key energy skills. If the WMES successfully delivers on the £10 billion output gap but with increased emissions driven by economic growth this will be unsuccessful over the longer term. There is an opportunity for the region, due to the timing of the WMES, to integrate a common approach to a lower carbon economy and place making within the WMRSS and WMES.

In addition, the WMES should encourage the development of the environmental economy opportunities of low carbon technology businesses, for example the production of alternative energy generation including bio-fuels. Attention should also be given to “managing risks” in relation to climate change and the impact climate change could have on businesses. Consideration should be given to local sourcing and local trading as a means of reducing the region’s “carbon footprint”.

The WMES's emphasis on Climate Change needs to be reflected and delivered through transport objectives, policy and delivery.

7 *The Skills Challenge*

The skills agenda is seen as the most critical issue within the region and therefore within the WMES. The Assembly is recommending a Skills Strategy for the region. Using almost all indicators to determine regional skill levels the West Midlands performs very poorly. Policy and action to address skill levels in the West Midlands is crucial. Therefore whilst it is right skills are key and

integral to the WMES, with 'Strategic Objectives relating to skills in the Business, Place and People sections of the document, a bespoke/stand alone Skills Strategy is required. A Skills Strategy would make clear the skills objectives, policies, priorities, actions and indicators which would be too detailed for the WMES but too strategic for an action plan. It is important that effort and limited public funds are directed where they have the greatest impact.

There must be explicit tie in with the Regional Skills Partnership's long term priorities; they must feature explicitly in the WMES as the headline skills priorities. They should then relate back to a Regional Skills Strategy that could: -

- Take a broader economic perspective, whilst recognising the community cohesion and personal well-being dimensions.
- Identify how the Skills Strategy can support the delivery of other key regional strategies eg WMRSS
- Provide greater clarity about specific skills prioritisation.
- Set the national skills policy context and implications for the region.
- Identify the implications for the region of the Leitch report.
- Set regional priorities, and identify criteria for determining priorities which would have the biggest impact on economic and social well-being.
- Provide more detail on the individual priorities eg graduate retention.
- Set targets and monitoring arrangements.
- Specify actions to meet the above.

Fundamentally the WMES needs to aim to change attitudes to training of individuals and of employers. Emphasis needs to be given to the role of businesses in genuinely leading demand and, in particular, the importance of linking eligibility to public sector skills funding to business improvement.

8 Community Cohesion

Equality and diversity cuts across the WMES and there needs to be a stronger emphasis on people and their diversity within the strategy.

The WMES recognises that the economic success of the region relies on people. It must therefore also acknowledge the importance of community cohesion and social well-being to the regional economic well-being. Both play an important role in the retention and attraction of individuals and businesses. Equality and diversity is welcomed as an underlying principle as it cuts across all aspects of the WMES.

How the strategy will tackle economic exclusion needs to be much clearer. There should be a stronger emphasis on the impact on communities of the strategy. The WMES needs to clearly demonstrate that it has considered the equality and diversity agendas in depth and apply equality standards as best as possible.

9 West Midlands – A European Region with International Links

The role of West Midlands in Europe and other international relationships need to be strengthened within the strategy.

Europe provides opportunities to the regional economy, bearing in mind that the EU27 has a consumer base of 480 million and that the EU countries remain the UK's top export/import markets. The role of European relationships and the West Midlands within Europe needs to be strengthened in the WMES. There needs to be a stronger focus within the WMES of the opportunities that Europe provides. In particular, the Lisbon Strategy should be explicitly emphasised in the WMES. Indeed the European and International Affairs Partnership could play a role in supporting and monitoring the WMES. The WMES action plan needs to investigate sources of EU funding other than the Structural Funds at the start of the new EU funding period 2007-2013. A link also needs to be made to EU programmes (ESF) to ensure that investment in skills links to investment in business.

European and international relationships are central to the future well-being and prosperity of the region and the WMES should seek to assess which are the forecast growth regions across the world and how the West Midlands is performing internationally. We welcome the recognition of the need to compete more effectively in international markets, in particular to consider the roles of China and India. Promotion of the West Midlands as a place to invest in is one aspect of this.

Birmingham International Airport has a key role to play in making sure that the West Midlands is connected to current and future markets.

10 Monitoring the Impact of the WMES

Monitoring has a key role to play in ensuring ownership and implementation of the WMES. The Assembly's response makes a number of recommendations on how the WMES would benefit from a formal monitoring framework. This formal monitoring framework would describe how the indicators relate to specific policies and through to the action plan. The Assembly offers its expertise on this matter to AWM; the Annual Monitoring Report on the WMRSS is recognised as 'best in class' by DCLG.

There is a role that the Assembly's Scrutiny and Strategic Review process can play in monitoring arrangements. Indeed, the Arup final report "Evaluation and Role of the Regional Assemblies" identifies the Assembly as using its scrutiny role in considering the delivery of the RES. Chapter 10 of the WMES on monitoring performance does not outline frequency of monitoring, how it will be reported and how its outputs will feed into policy review and the approach to the implementation of the WMES.

Currently there is no sense of how the 'Strategic Objectives and 'Indicative Actions' proposed will relate specifically to a) funding streams; b) responsible bodies; c) other strategies.

In the West Midlands a seamless approach to monitoring has been developed, led by the Regional Monitoring Officers' Group in partnership with the Regional Assembly, Local Authorities, Regional Observatory, AWM, Environment Agency and others. It has also been vital in encouraging WMRO to assume a regional lead for the overarching contextual monitoring for the Region's strategies. The Assembly is keen that such an approach is used for the monitoring of the WMES and that Advantage West Midlands convene a meeting with regional partners to address issues around the proposed methodology for monitoring.

Response to the consultation questions

Question 1: Do you agree with the proposed vision? If not, what alternatives would you propose?

The Assembly continues to argue that there is a place for **a single vision for the region**. This work should commence now in preparation for the revision to the Regional Concordat in 2008 and the final WMES. It should be based around the strap line '**West Midlands – the Heart and Soul of Britain**'.

The vision needs to give a clear indication of what the region's strengths and opportunities and provide a vision of the region's unique selling points. This should incorporate strengths in terms of locations (rural and urban areas as well as Birmingham as a world city) and in terms of people (with particular emphasis on the diversity of the region and young cities). The vision should set out what the region wants to achieve over the long-term.

The WMRSS sets out its vision for the West Midlands as "one of an economically successful, outward looking and adaptable region, which is rich in culture and environment, where all people, working together, are able to meet their aspirations and needs without prejudicing the quality of life of future generations". This vision encompasses the "people" aspect of region and acknowledges the strengths of the region in terms of culture and environment.

It is important that improving quality of life, well-being and equality of opportunity are central to the proposed vision so that economic growth is seen as creating a sustainable and high quality of life for all citizens.

Furthermore, there is no timeframe provided to the life of the Strategy, which has been confirmed as 2020. Although the timescale for the WMRSS is 2026, there is a need for milestones to be identified that should identify the clear links with the WMRSS and other strategies/timescales that impact on the economy.

Question 2: Do you agree with the proposed headline measures of performance? If not, what alternatives would you propose?

The Assembly welcomes the development of new indicators to better reflect the region's economic well-being and the new climate change agenda alongside traditional measurements of economic performance.

There is a need for a Headline Indicator relating to an increase in skill attainment rather than reducing the number of people without skills or no qualifications. The methodology for measuring skills must be one that measures qualifications other than NVQs. Skills and learning is also much more than simply qualifications.

It is also important that indicators include a measure around worklessness. To date some Local Area Agreements (LAAs) have tackled worklessness and health in the workplace. Both are important to the economic well-being of the West Midlands.

The indicator of perceptions of the region needs to be supplemented with quantitative measures such as educational attainment, life expectancy, infant mortality, for example, and linked to the contextual monitoring undertaken by WMRO for the region.

Question 3: For the Business sector of the strategy, have we identified the right set of objectives and indicative actions? What actions are you or your organisation likely to lead, or be a significant partner in helping to deliver?

It is critical that the WMES recognises that there are some areas in which our businesses will find it increasingly difficult to compete with emerging economies and that our economy will depend more and more on developing and trading intellectual capital. At the same time, the strategy needs to acknowledge that for certain areas and communities in the region some key sectors will provide valuable employment growth but limited GVA growth.

High wage economic growth is required, not just a low wage economy. An over emphasis on closing the productivity gap between the West Midlands region and other regions could also have unintended consequences for rural areas. Rural areas are unlikely to contribute significantly to closing the gap and therefore interventions to close the gap are likely to exclude the rural areas.

The WMES must provide greater detail in specifying the sectors that will be the focus of interventions. The strategy should also look at supply-chain links (horizontal and vertical). This is a key regional strength and potentially a key driver for the region's future sustainability.

Business crime is a clear drain on competitiveness within the region. It impacts on existing businesses and creates negative perceptions of local areas which influence decisions about the location of new businesses.

“Growing businesses” should include the role of climate change and should focus on growing sustainable businesses. This section also needs to refer to the Climate Change Action Plan led by the Assembly’s Environment and Climate Change Partnership.

‘Capitalising on Low Carbon Opportunities’ – this section needs to recognise the expertise in our academic institutions and seek to secure technology transfer and know how into business.

We welcome the strategy’s recognition of the need to drive up competitiveness. This objective could be strengthened to demonstrate how enterprise tackles economic inclusion. The delivery of enterprise activities in disadvantaged areas should recognise the importance of employment opportunities from new starts rather than just focusing on GVA growth. Social enterprise can also play a role as a route into self-employment particularly for certain communities. In particular, there is a major enterprise gap because the NHS and Local Authority Social Care are moving to a model of commissioning care rather than being the sole provider. Currently there is not the market in the region to commission these services. There is a role for AWM and others to explore how this market could be created across the region.

Inner city business, many of which are owned by members of the Black and Minority Ethnic communities, alongside businesses in more sparsely populated rural areas, play a key role in their local communities. The WMES needs to recognise and support their valuable contribution.

The WMES should recognise the critical role of schools and of further and higher education sectors as well as youth-focused organisations can play in increasing enterprise aspirations and skills among young people. The inclusion of an indicative action to develop an improved university-business gateway is particularly welcomed. Indicative actions should include support for initiatives such as the STEP programme that helped to introduce businesses to undergraduates and universities, encouraging technology and knowledge transfer.

Business appears to have a limited definition and reach in the WMES. The role of the public and voluntary sectors as purchasers of services, employers and developers should not be overlooked.

This section currently lacks West Midlands’ specificity. The issues and actions could apply to most English regions: a sense of what makes the West Midlands unique is required.

Question 4: For the Place section of the strategy, have we identified the right set of objectives and indicative actions? What actions are you or your organisation likely to lead, or be a significant partner in helping to deliver?

Please note the paper previously sent to AWM regarding the critical need to adopt the spatial language, terminology and hierarchy set out in the WMRSS.

The Assembly welcomes the clear priority given to the importance of "Place" in the WMES and recognition of the inherent links between housing and employment growth aligning with the WMRSS. It would be strengthened by reference to each of the region's High Technology Corridors, the Rural and Urban Regeneration Zones and Regional Investment Sites. The chapter does not appear to reflect the earlier emphasis on the low carbon region nor does it include affordable housing as key components in achieving sustainable communities.

"Developing sustainable communities" needs to consider an action to strengthen social capital in both urban and rural communities to encourage community cohesion, self-sufficiency and well-being. The strategy could influence the development of sustainable communities by seeking to introduce a clause into contracts for major infrastructure and regeneration projects to require contractors and leaseholders to employ local labour and to have training and development practices that provide employees with the skills they need to deliver high quality products and services.

"Regenerating communities" is a theme which cuts across the whole WMES. The WMES has a wider impact on social and economic well-being and is also crucial in creating community cohesion. There needs to be clarity about how economic exclusion will be tackled and whether "regenerating our most deprived communities" is a priority for skills interventions.

The WMES also needs to acknowledge hidden poverty and disadvantage in rural areas and needs to make a clear commitment to rural areas of the region thus supporting rural renaissance. It should consider mechanisms for rural regeneration and also opportunities for rural-based industries. In particular, affordable housing in rural areas is vital to achieve sustainable rural communities and to prevent them becoming merely the domain of richer, car owning, older, commuting people. It would be more helpful to speak of "disadvantaged" rather than "deprived" areas as some rural communities are not included if using the Index of Deprivation.

"Maximising our cultural offer and natural assets" needs to consider further the significant cultural and historical resources that exist within the region, which are a valuable contributor to the regional economy. In particular, consideration should include the fact that Birmingham may be the first city to achieve majority ethnic status. The strategy needs to consider how these substantial cultural assets can be supported and used more effectively to promote and develop the region. In view of the recent investment in the Severn Valley Railway, it may be appropriate to mention it as a significant visitor attraction.

Transport infrastructure is crucial to the region as previously outlined in 'headline comment' 5. This section would benefit from a set of stronger

messages about the region's transport priorities. The WMES should stress the importance of aligning transport with the economy and planning, so the WMES should consider the implications of the Eddington Transport Study and the potential quantum and location of housing growth in the Major Urban Areas and the sub-regional foci.

We welcome the WMES's inclusion of the need to drive up the exploitation of broadband infrastructure. However, the role of ICT to the business community is still underplayed in the strategy and encouraging and supporting the take up and business use of broadband is an important action. There particularly needs to be further advances in broadband provision to increase the bandwidth. This is mainly an issue for rural areas. There should be a clear statement of the opportunities through technological change and the indicative action should consider not only supporting manufacturing but other sectors which need to become knowledge intensive

Infrastructure should also include mention of "green" infrastructure such as parks, playing fields, wildlife corridors, which contribute to healthy, sustainable communities. This also links to 2012 where such facilities provide opportunities for the region.

We welcome the WMES's aim to maximise the use of brownfield land and especially the recognition of the need for gap funding to enable particularly difficult sites to be brought to market. The challenge to bring derelict and contaminated land in to use must not be underestimated in the WMES. This would benefit from being strengthened as it is one of the issues that will severely challenge our ambitions for urban renaissance. The actions attributed to "a sustainable portfolio of land and property" do not provide a holistic view of economic, transport, environmental and social implications of developments. This section should include Regional Investment Sites and Major Investment Sites.

The indicative actions for "Birmingham competing as an international city" need to be stronger than "encourage" and should indicate explicit "support". Birmingham should be presented as a 'world' city as in the WMRSS. There is a need to ensure that the benefits of development of Birmingham flow out to the rest of the region. The WMES needs to support and enhance links between Birmingham businesses and residents and the rest of the region, in particular including ensuring fast and efficient connecting transport services to other parts of the region.

This section needs to acknowledge the impact of other regions on the West Midlands and that some areas of the region look more naturally to other regions as economic drivers. It should also indicate mechanisms for joint working.

Question 5: For the People section of the strategy, have we identified the right set of objectives and indicative actions? What actions are

you or your organisation likely to lead, or be a significant partner in helping to deliver?

The objective “stimulating demand for tomorrow’s products” needs to be re-phrased to indicate the main objective is about taking a more sustainable approach to consumption. This should also consider reducing the generation of waste and improving the management of waste. There is a clear role for the public sector in supporting this objective. The indicative actions should also encompass a drive to encourage a greater ‘local spirit’ in terms of patterns of consumption, particularly around the development of local and regional supply-chains.

The skills section of the People chapter should reflect more the priorities of tackling basic skills deficiencies, the need for a strategy to stimulate business led demand for better qualified employees and also a strategy for the retention and employment of a higher percentage than currently prevails of graduates from the region’s Higher Education Institutes. There is a need for the business sector to take ownership of the skills agenda and the focus of meeting the skills agenda should turn to demand. However, the public sector also has an important role to play and this must be acknowledged.

The WMES should also consider the under-utilisation of high skill levels from new migrants and refugees at present. There is a need to establish schemes which enable these skills and qualifications to be recognised and matched with existing vacancies to address regional skills shortages. At the same time, the strategy should acknowledge the need for funded, streamed ESOL training targeted towards key vocations to enable migrants to utilise their skills effectively and access their trained professions.

Demographic change within the region should also be included within the WMES, in particular the role older people play as an integral part of the economy and also the opportunities for them to retrain and engage in learning and skills development. The role of community and social enterprise should be included particularly in reference to disadvantaged communities. Again refugee and migrant communities often settle in these areas and their contribution to the invigoration and economy of these areas should be considered.

The focus on encouraging organisations to adopt new and creative practice in promoting healthy lifestyles is particularly welcome. There is a need to acknowledge the role of health and well-being in reducing “worklessness” and the WMES should make the appropriate connections to the Regional Health Strategy. The Regional Health Strategy should also be mentioned in Appendix III.

Question 6: For the Powerful Voice section of the strategy, have we identified the right set of objectives and indicative actions? What actions are you or your organisation likely to lead, or be a significant partner in helping to deliver?

The Powerful Voice section is dependant on the strength of the Vision. A strong Vision will enable the Powerful Voice to be bolder and more forceful. The identity of the region here is critical in delivering the Powerful voice. We suggest that the use of the 'West Midlands – the Heart and Soul of Britain' is explored further as a strap line.

There has been a discussion around the "brand" of the West Midlands as the population of the region do not necessarily identify with it. Emphasis should be placed on the individual brands within the region such as Birmingham, Stratford-upon-Avon and Ironbridge, for example, rather than on the region as a whole. It is felt that there needs to be more focus on Birmingham as a World City and that the WMES needs to more strongly support it than merely "encourage it". There also needs to be acknowledgement of the rural dimension in view of the fact that 80% of the land mass within the region is rural and the role that rural communities play in attracting people to the region.

Of the three objectives set out in this section of the strategy, 'Improving our image and marketing the region' should come first and foremost. This is an area where it is felt that previous WMESs have failed to have a great impact, in particular in developing and projecting a true sense of regional identity. Again this element of the strategy must show how the region plans to build on its existing strengths and must be bold in highlighting the need to build up the region's international presence. The issues raised in the IPA in respect to image and communications should be heeded.

There needs to be acknowledgement that the individual "brands" within the Region, such as Birmingham, Stratford-upon-Avon, Ironbridge or Coventry contributes more to image making and awareness raising than the West Midlands brand itself. The diversity of the region is strong and positive and should be reflected within the WMES and within the Powerful Voice framework.

The image of the region also needs to include a strong rural dimension and there needs to be recognition that rural areas are significant in terms of size, population and economic terms.

The WMES should refer to the role of destination management partnerships in promoting tourism to the region.

The objective to "improve the evidence base for policy" should include an action that seeks to co-ordinate evidence bases being developed by the variety of players including WMRO, PHO, sub-regional observatories and Local Authorities. Such monitoring data should also be available at sub-regional and local level. This also impacts on the ability of players to monitor and would be extremely useful for local authorities. In addition, there is a need for reliable, relevant and rapid knowledge and information exchange within the region regarding European opportunities to support the delivery of the WMES.

The WMES should explore more effective ways of engaging with EU and international decision makers to ensure that the West Midlands voice is heard and should endeavour to “influence” and not just “engage” decision makers.

Question 7: Across the four main sections of the strategy (Business, Place, People and Powerful Voice) have we identified the right balance of objectives? Should some areas receive greater or lesser emphasis? Have we struck the right balance in seeking to respond to the global challenge of climate change?

The interconnections between the four main sections could be made more explicit by representing them in figure 3.0.1 as a Venn diagram with a powerful voice around the edge and the three other sections depicted as interconnected circles within this. Currently the borders round the three pillars reinforce the notion of silos. This would prevent the three sections of Business, Place and People being perceived as silos which do not reflect the approach of the strategy or the text.

In relation to climate change, we welcome the draft’s inclusion of two objectives that clearly seek to address both the challenges and opportunities of this issue. It is however also critical that sustainability issues cut across all of the strategy’s objectives during the strategy’s action planning and delivery.

Question 8: Have we identified the right focus for the strategy? If not, how should it be different and why?

The spatial focus should give the WMES a framework to identify where in the region we can capitalise on strengths and also where areas of need can be identified. It is crucial that this focus is aligned with the spatial focus of the WMRSS. The focus section should ensure that there is a clear emphasis on growth within the Major Urban Areas and that any further growth is concentrated on sub-regional foci and other large settlements where specific growth aspirations have been identified.

This section should also identify sectoral focus, such as cluster-specific activity, and not just concentrate purely on the spatial focus of the WMES.

Whilst the strategy is understandably focused on the private sector it does acknowledge the importance of public sector resources. It should also reflect the importance of the public sector as employers, customers and developers. There is a need to acknowledge the importance of the voluntary and community sector as employees and service providers and the role of social enterprise in developing entrepreneurship and providing routes into employment. For example, it is estimated that the NHS counts for 10% of regional GDP.

Question 9: What role should regional, sub-regional and local partnerships play in helping deliver this strategy? How could Local or Multi-Area Agreements potentially be used to help improve co-

ordination of-and engagement in- economic development and regeneration activity between regional, sub-regional and local levels?

There needs to be an explicit reference to the regional ownership of the strategy and the role of partners and Advantage West Midlands in delivering it. This needs to be addressed within the main strategy and reflected in the Summary.

The West Midlands region is already characterised by strong regional and sub-regional partnerships and delivery vehicles. For example at the Regional level the Assembly's Regional Partnerships play an active role in developing regional policy, securing regional coherence and speaking out for the region. At the sub-regional level examples of active partnerships include the four Sub-Regional Housing Market Partnerships, Black Country Consortium; these must be recognised in the WMES and Action Plan.

The WMES provides a valuable opportunity for the alignment of local, national and regional strategies. This is a two-way relationship, with local and sub-regional strategies seeking to support the delivery of regionally-identified objectives, but also the WMES being a tool for local authorities to deliver their duty for economic, social and environmental well-being.

The WMES review presents an opportunity to take account of e.g. the draft Local Transport Bill and consider the partnership arrangements to deliver transport infrastructure and services that support Regional strategies, policies and objectives.

The WMES should also consider the role of Local Area Agreements (LAAs) as appropriate vehicles for delivery at sub-regional (county) and local level. LAAs would provide the framework for delivery and the Local Strategic Partnerships via Advantage West Midlands could act as commissioners for individual projects. The strategy should also enable linkages to be made with block 4 of Local Area Agreements. Reference also needs to be made to the Birmingham, Coventry and Black Country city-region and the North Staffordshire Partnership as key sub-regional partnerships.

The current arrangements in place to develop, deliver and monitor the WMRSS involve all 38 local authorities in the region and as such are an excellent example of a MAA in action. Other examples include City Region - City Strategy Pathfinder.

Appendices

Appendices are available on request.

Birmingham, Black Country and Coventry City-Region
Equality and Diversity Partnership
Regional Economic Development Officers' Group

Regional Environmental Partnership
Regional Health Partnership
Regional Strategic Review Group
Regional Monitoring Officers' Group
Regional Transport Partnership
Rural Affairs Forum
West Midlands in Europe
West Midlands Strategic Migration Partnership