



**Black Country Local Enterprise Partnership Board  
Information Report to Sandwell MBC Economy Skills Transport and  
Environment Scrutiny Board**

**7<sup>th</sup> November 2019**

**West Midlands Local Industrial Strategy – Implementation**

**1. Purpose of Report**

- 1.1 The report summarises the approach to the implementation of the West Midlands Industrial Strategy and the integral role of the Black Country LEP in providing and co-ordinating the evidence base that underpins the strategy.
- 1.2 The report will be accompanied by a Presentation from the Black Country Consortium.

**2. Recommendations**

- 2.1 That the Sandwell MBC Economy Skills Transport and Environment Scrutiny Board receive and note the report.

**3. Report Detail**

- 3.1 The [West Midlands Industrial Strategy](#) was published on 16 May 2019, jointly with Government. It builds on 2016 Strategic Economic Plan, setting out our shared intent to continue recent growth and success, whilst tackling the issues of economic inclusion that remain too embedded in our economy and communities.
- 3.2 The Black Country Consortium's Economic Intelligence Unit provided the economic evidence base that underpins the WM LIS and continues to work under contract with the Combined Authority to keep this evidence base current.
- 3.3 Over the last year the Combined Authority and 3 LEPs have worked together, overseen by the SED Board, to put together a best in class evidence base, engage with a wide range of businesses and representative organisations, work with all the region's Universities and develop a set of specific actions and opportunities.
- 3.4 The Government stipulated that local industrial strategies should be co-designed and published as Government documents. The strategy development process was a further opportunity to ensure that Government acknowledges and buys in to the distinctive and major contribution we, as a region and specifically the Black Country's Supply Chain, make to the future of the UK.
- 3.5 The CA Board agreed to taking a "trailblazer" role, as the first place to develop and publish a local industrial strategy, showing that the WM is both open for business and addressing the need to ensure all our communities benefited from a resilient economy. Major changes in technology, data and services have accelerated since 2016 and will continue

to do so; our strategy sets out how we can help individuals and companies succeed. Clarity on the region's distinctive characteristics, opportunities and actions will help ensure we fulfil our potential and navigate funding and economic uncertainty successfully.

### **Summary of the Industrial Strategy**

- 3.6 The industrial strategy integrates previously agreed priorities, for example the £350m Housing Deal, Regional Skills Plan, Skills Deal and the 2026 Delivery Plan for Transport, to ensure that our overall effort to drive a more inclusive, successful, economy continues to be successful. The strategy reinforces our previously agreed targets on earnings, health outcomes, jobs, productivity and skills, and looks ahead to 2030, but focusses on the actions that are required now. The plan is, therefore, to use existing delivery mechanisms and portfolios wherever possible, whilst boosting delivery to meet the challenges and opportunities ahead.
- 3.7 Our strategy sets out four major new economic opportunities, where the West Midlands has existing business and research strengths which will provide future opportunities for all our communities and firms:
- The UK's centre for innovation in all forms of transport and mobility, as we lead the transition to electric and autonomous vehicles of all kinds and build an integrated transport system
  - A leader in data driven healthcare, working with patients to develop and implement new therapies and devices, improving health outcomes and commercial opportunities and skilled jobs.
  - A global centre for modern services, with total GVA forecast to double to £50bn between 2015-2030.
  - A centre for creative content, techniques and technologies, bringing our design and industrial know how to the factories and products of the future.
- 3.8 It also identifies current and future sector strengths that will be important in taking these four opportunities forward alongside others. Sector action plans have been developed by businesses themselves showing what firms need to do to take advantage of the opportunities and to tackle the barriers that exist to growth and productivity.
- 3.9 The strategy then sets out the actions that will be needed to help businesses deliver the opportunities we have identified and overcome the barriers that remain, organised by each of the 5 foundations of productivity defined by Government: Place, Ideas, Infrastructure, Business Environment and People. Businesses sectors will play a central role in delivery.
- 3.10 The diagram below shows the relationship between the new opportunities, sectors and foundations of productivity.



## Implementation

- 3.11 With the CA and other WM LEPs we are determined to push ahead with implementation, particularly given current political and funding uncertainty nationally. The aim is to align both existing funding streams and delivery to the strategy, and to position the West Midlands well for future Government investment. A wide range of existing funding streams come to an end between now and 2021. These include ERDF, ESIF and local growth funds. So to ensure the region's future success we need to secure long term replacement funding, both through any future spending review (including the future local Government settlement), Innovate UK and UKRI research funding, and through securing the right deal for the West Midlands from any future replacement for existing EU funding.

## An integrated approach

- 3.12 The approach adopted is based on 4 principles, to ensure that the West Midlands:

1. Creates a single pipeline of significant, strategic projects and programmes.
2. Is proactive – biased towards action
3. Is collaborative and complements existing activity
4. Insists and ensures that projects and programmes integrate our commitment to a balanced and a more inclusive economy, engaging with communities and employees.

3.13 The integrated delivery approach has four interconnected elements and builds on existing structures.

It is summarised below and then explained in more detail in the following paragraphs. Activities across each of the 4 elements are connected to ensure an integrated approach.

- Existing portfolios, LEPs and boards, including the Strategic Economic Delivery Board, will be responsible for delivering the majority of actions (those set out under each of the Foundations) in the strategy
- Senior task and finish groups supported by the CA and LEPs will drive forward the four new strategic opportunities. They will be led by businesses and clinicians / academics as relevant and will include representation from a broad cross section of industries across the region. The actions set out in the strategy and in the sector action plans will inform their approach.
- Individual business sectors, supported by individual LEPs working on behalf of the whole region will be represented on the task and finish groups, and will maintain sector action plans to inform the broader approach.
- The inclusion portfolio and SED Board take an overview to ensure inclusion impacts are maximised and to monitor progress against our economic and social goals.

3.14 Delivery and future funding bids will be supported by a detailed delivery plan that will capture both existing and agreed strategic projects and programmes (e.g. the Digital Skills Partnership, specific transport projects) and new programmes subject to future funding availability (e.g. Innovation Programme, High growth scale up support programme, further science park development). This is being developed in order to be ready for any potential funding opportunities.

### **Existing delivery mechanisms in the West Midlands**

3.15 The SED board has overall responsibility for monitoring progress across the economy and for reporting to the CA Board. It is proposed that monitoring and reporting on WMLIS is aligned with this approach. A major strength of the strategy is that it integrates and strengthens existing plans, which means that individual “foundations” in the strategy in large part will be delivered and overseen through existing delivery mechanisms, as below:

- Ideas – Innovation Board
- People – Skills Board
- Housing and Employment Land – Housing and Land Delivery Board
- Transport – TfWM
- Digital / 5G – WM5g and Digital Board
- Energy – Energy Capital
- Environment - Environment Board
- Business Support - Strategic Economic Development Board
- Growth Company – inward investment and relevant marketing

3.16 Coverage of both the foundations and opportunities across existing delivery mechanisms and portfolios will be reviewed as part of this phase of implementation. This process will identify potential gaps in current activity and will ensure they are addressed in future plans. All LEPs and CA Portfolios will inform this work.

- 3.17 The CA and LEP teams leading specific delivery work for portfolios and Boards will continue to ensure that they engage with the right groups and people in the West Midlands, including the young people and employees whose future opportunities are framed by the Local Industrial Strategy, and the business and sectors who will deliver the growth and economic activity needed.

### **Integrated Investment and a more inclusive economy**

- 3.18 Avoiding silo delivery is vital to the West Midlands, as is ensuring that all programmes and projects maximise the impact they have on making our economy as inclusive as possible. The strategy commits the West Midlands to further strengthening its impact on wage levels, access to opportunities for local firms and people and improving the design and sustainability of new communities and developments.
- 3.19 The Inclusion portfolio will therefore have a key role, working with the SED Board and across the different elements of the strategy, supported by the CA senior leadership team and Chief Executives, to ensure that project and programme design across all portfolios is achieving these goals. The strategy makes a clear commitment that the inclusive growth unit and framework will be central to this.

### **Strategic New Opportunities**

- 3.20 In addition to these thematic portfolios the CA has established short term, task and finish groups of senior business and academic leaders to make the most of the 4 strategic opportunities. They are industry led across a broad cross section of sectors, and will draw on existing sector action plans to inform their proposals. For example, on Data driven healthcare and life sciences a group of business and clinical leaders will drive forward the capital investment needed and the next steps in speeding up commercialisation of new products and techniques.

### **Sectors**

- 3.21 Businesses will deliver the growth and wealth needed for the West Midlands to succeed and its communities' benefit. Each LEP continues to lead across the region on working with specific sectors and sector groups, to avoid duplication and maximise linkages between supply chain firms and opportunities across the region. These groups and the action plans they have already developed will continue to play an integral role in delivery of the strategy.
- 3.22 The Black Country leads on Aerospace, Construction, Metals & Materials and Rail and, through the EIU, continues to provide data that supports the overall LIS across the region.

**Sarah Middleton**  
**Chief Executive**  
**Black Country Consortium Ltd**

Source Documents: West Midlands Local Industrial Strategy (link in report)