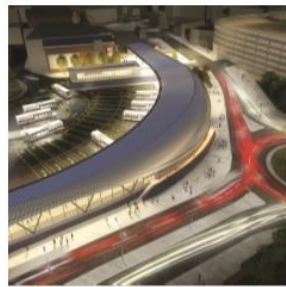


Stoke-on-Trent & Staffordshire

Enterprise Partnership



Strategic Economic Plan
Part 1 - Strategy
March 2014

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Our Strategic Economic Plan Structure

The Stoke-on-Trent and Staffordshire Strategic Economic Plan is an ambitious strategy through which we will help our economy unlock its growth potential and tackle some of our long-standing underlying economic challenges.

Our Strategic Economic Plan comprises a suite of three documents:

- 1) **Strategic Economic Plan Strategy:** the overall long term strategic framework which has shaped our plans, including our overarching vision and objectives, our priority areas of focus, and our plans for delivery and governance.
- 2) **Implementation Plan:** sets out our ambitious and far-reaching suite of investments which together will help us achieve our growth objectives. The Implementation Plan demonstrates the scope of our initiatives, including the rationale for intervening and the strong returns that they will generate.
- 3) **Appendices:** detailed evidence underpinning our Plan, including detailed project pro-formas for each of our strategic initiatives, full financial and impact information for all our projects and our plans for cross-LEP working.

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1. Our Vision & Priorities: 2014-2030

“An economic powerhouse driven by the transformation of Stoke-on-Trent into a truly competitive and inspiring Core City and by accelerated growth in our County Corridors and urban centres.”

- 1.1 Our aim is to dominate the space between a number of the UK’s largest urban areas, by connecting growth sectors, an offer of super-connectivity and compelling sites, supplying higher skilled labour and exploiting our indigenous energy potential. Our ambition is to sustainably drive:
- rapid growth in Stoke-on-Trent and its contribution to the county and national economy
 - development of the peri-urban areas along the County’s key transport corridors that provide a strong, agile and competitive offer locally and nationally
- 1.2 To do this we need a step change in the way we connect to neighbours, investors, customers and collaborators. The LEP will need to maximise the opportunities presented by strategic infrastructure investments, including High Speed 2 phase 2.

50:50:10 - Our stated aim is to grow the economy by 50% and generate 50,000 new jobs in the next 10 years.

What Success Looks Like

- 1.3 The diversity within our economy is one of our strengths. Although partners have agreed a set of clear priorities for investment we have set our sights on our number of landmark developments against which we can measure progress and success over the next 20 years:
- The City of Stoke On Trent rapidly grows into a **Core UK City**.
 - A **Connected County** the aim is “super connectivity”, maximising the benefit of existing road, rail and air connections and future strategic infrastructure investments, including HS2 and other strategic rail investment, to benefit the whole area and maximise opportunities across the County’s key transport corridors .
 - **Powerhouse Central**: Stoke on Trent & Staffordshire internationally recognised as an investment destination and centre of expertise for indigenous energy.
 - An internationally renowned **Applied Materials Technology Centre** for advanced research and innovation building on the expertise of Lucideon (formerly Ceram) and its ties to university and industry.

Our Focus

- 1.4 The future prosperity of the Stoke-on-Trent & Staffordshire economy depends on growth and competitiveness within our business base. We are committed to ensuring our businesses grow, generate global customers, collaborate with suppliers, nurture new enterprise, drive innovation and draw in investment. The hall-marks of our Strategic Economic Plan are:

- **A Core City** - rapid, planned growth of the conurbation centred on the city of Stoke-on-Trent which would be a critical economic driver of the area spanning parts of Cheshire as well as Staffordshire, including through the development of a strong, competitive city centre brand offering the full mix of city centre uses.
- **Connected County:** our vital corridors across the LEP area and out to wider national and international markets are vital to our patterns of trade, investment and work. Our plan puts great stake in creating “super connectivity” by securing strategic and local links which allow people, goods and ideas from within Stoke-On-Trent and Staffordshire to engage with new opportunities over our borders and across the globe, both physically and digitally. To do this we need a step change in the way we connect to neighbours, investors, customers and collaborators. The LEP will need to maximise the opportunities presented by strategic infrastructure investments, including High Speed 2 phase 2. In addition to securing improved strategic access to the City of Stoke-on-Trent we have a Growth Triangle made up from the M6/West Coast Main Line (WMCL) Spine, the A5/M6 Toll Enterprise Belt and A38/A50 Eastern Links. The routes carve out a set of development corridors which link our strategic employment sites, enable further rapid economic growth in these peri-urban areas and underpin our economic ties to the markets beyond our borders.
- **Urban Growth:** the future prosperity of the Stoke-on-Trent & Staffordshire economy will also be dependent on growth in Stoke-on-Trent and the chain of strategic centres at Stafford, Burton, Cannock, Lichfield, Tamworth and Newcastle-under-Lyme. Business and housing growth in and around these centres will underpin our economic progress. We also recognise that opportunities lie in the major conurbations across our border towards Manchester, Liverpool and Derby, and significantly to the South into Birmingham and the Black Country.

1.5 These priorities will be given greater traction if the area successfully maximises the benefits from all strategic transport infrastructure investment, including HS2 phase 2.

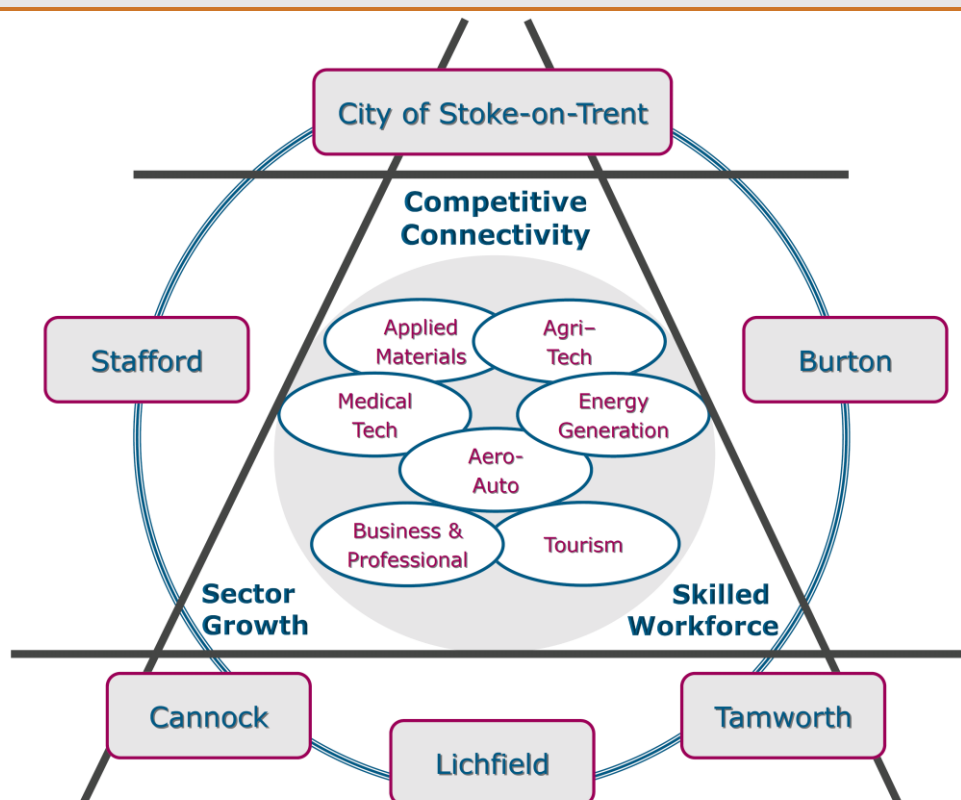
1.6 The Stoke on Trent and Staffordshire area has a strong set of businesses with growth potential in key sectors which sit centre-stage in our plans for the future. Our business growth agenda is based on recognised strengths in key aspects of advanced manufacturing:

- **Energy Generation:** building on the long standing presence of Alstom in Stafford, ABB, Siemens Wind Power, GE Power Conversion and the sustainable energy programme centred around Stoke-on-Trent and beyond, to meet growing local and international demand by diversifying into geothermal, anaerobic digestion, biomass and energy-from-waste.
- **Auto-Aero:** capitalising on the supply-chain opportunities emerging from global businesses such as JCB, Michelin, Jaguar Land Rover, Moog, and Zytex in our area.
- **Medical Technologies:** in which Keele University and its Science Park are internationally recognised leaders.
- **Agri-Tech:** drawing on our agricultural back-drop and Harper Adams University on our border to capitalise on an increased global focus on food security and the agri-plant capacity at JCB.
- **Applied Materials:** building upon our recognised heritage in metals and ceramics in both Stoke-on-Trent and Staffordshire to exploit opportunities in applied uses for polymers, ceramics, glasses and composites.

1.7 These sectors each have recognised growth potential and can draw upon knowledge assets to sustain their competitiveness. Alongside this focus, we are committed to a diverse economy and supporting business growth across all our sectors, including local hot spots. Our focus on advanced manufacturing is complemented with a longer-term interest in strengthening the important [barometer] sectors of:

- **Tourism:** national attractions such as Alton Towers and Drayton Manor book-end a series of offers which can draw in day visitors and help retain families living locally such as Cannock Chase, the National Forest, and the Peak District.
- **Business/Professional Services:** the growth ambitions for our urban centres, and in Stoke-on-Trent in particular (including by creating a new central business district with a strong professional services offer), will draw in a growing base of professionals looking to support our indigenous businesses and capitalise on our excellent connectivity North to Liverpool & Manchester and South to Birmingham & London.

Figure 1.1: Our Strategic Framework



1.8 Our goals require a concerted and coherent effort and investment across a range of agendas. We are committed to focusing our investment and energies on a distinct series of inter-linking drivers for growth and to avoid the temptation to spread our effort too widely. There are five central objectives at the heart of our plan:

- **A Core City** - rapid, planned growth of the conurbation centred on the city of Stoke-on-Trent which would be a critical economic driver of the area spanning parts of Cheshire as well as Staffordshire, including through the development of a strong, competitive city centre brand offering the full mix of city centre uses.
- **Connected County:** to build on our central location, excellent external connectivity and existing peri-urban sites to deliver the right blend of further employment sites

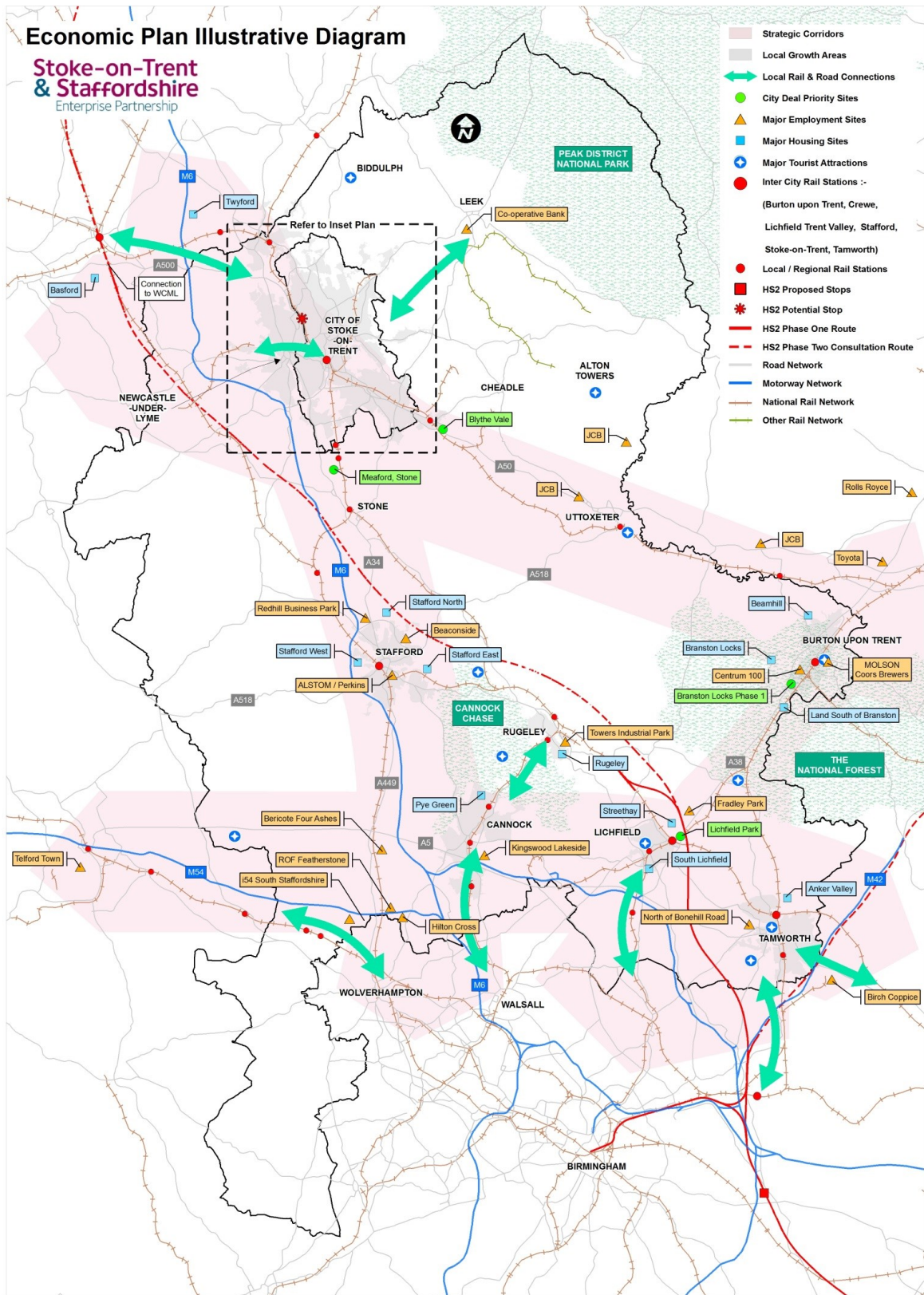
and supporting infrastructure to drive business growth, encourage inward investment and meet our labour market needs.

- **Competitive Urban Centres:** to significantly enhance growth opportunities from an attractive and thriving city of Stoke-on-Trent city and other towns across Staffordshire where people are eager to live, work and enjoy themselves.
- **Sector Growth:** ensure globally competitive innovation, investment and enterprise-led expansion in large & small businesses across our priority sectors.
- **Skilled Workforce:** to develop a modern and flexible skills system which enables all people to up-skill and re-skill to meet the needs of our growth sectors. We will target growth **and** opportunity. As we boost the competitiveness of our businesses, we are determined to ensure local people also benefit. While we reach for the heights of international competitiveness, we will tackle our pockets of poor educational performance, deprivation, decaying urban centres and unattractive housing.

Time Frame

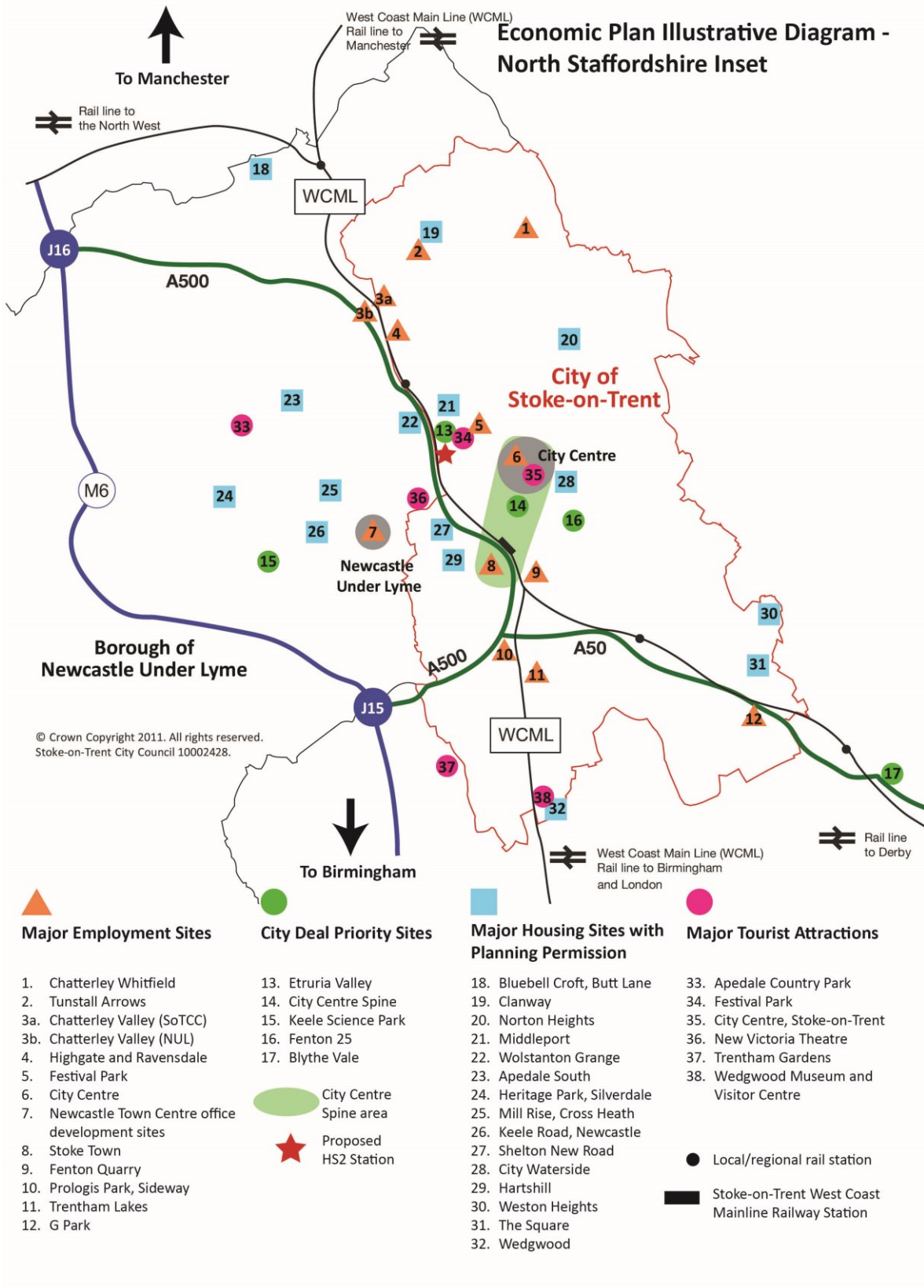
- 1.9 This Strategic Economic Plan provides a long-term framework through to 2030 against which the Stoke-on-Trent & Staffordshire LEP can undertake investment planning. Although it will require periodic refreshes as the context, drivers and opportunities evolve, our plan is based on a hard-headed long-term look at our strengths and weaknesses. It sets out a considered and shared view of the priorities we must address to help drive economic growth. Our plans have two strands of focus:
- In the near term we must maintain the competitiveness of our more prosperous locations and ensure the near to market opportunities are fully exploited and our ongoing programme of investment is fully realised.
 - Over the longer term of our plan, we are committed to the rapid, planned growth of Stoke-on-Trent and other urban centres and creating the right conditions to accommodate the, as yet, unknown industries of tomorrow.
- 1.10 The planning for the transformative investments needed to secure our long term goals must start in earnest now and will be pursued alongside our near term priorities of maintaining current competitiveness.

Figure 1.2: Our LEP Area in Overview



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Figure 1.3: Our LEP Area in Overview – Inset



2. Our Economy

- 2.1 The Stoke-on Trent and Staffordshire Strategic Economic Plan builds on a detailed understanding of the socio-economic context and characteristics of the LEP area, and the implications of this for economic growth. See also our Supporting Evidence Summary at www.stokestaffslep.org.uk.
- 2.2 A summary of key strengths, weaknesses, opportunities and threats is set out below.

Summary of Strengths, Weaknesses, Opportunities and Threats	
<p>Strengths</p> <ul style="list-style-type: none"> Stoke-on-Trent and Staffordshire is home to numerous international businesses including Alstom, Coors, JCB, Jaguar Land Rover, Michelin, Moog, Steelite, and Zytek Similarly the area is home to a buoyant SME sector making a significant contribution to economic growth Inward investment performance has been strong in recent years, with notable recent projects including Jaguar Land Rover and Amazon Local universities actively engaged in research and innovation support Area benefits from location at the heart of the UK, with strong connectivity via road (including the M6, A50, A500, A38, A5) and rail (including the West Coast Mainline) Stoke-on-Trent and Staffordshire’s physical environment – including historic urban centres and a high quality rural landscape – provides good places to live, work and visit The rural economy has performed strongly in recent years, with growing employment and strong enterprise performance. 	<p>Weaknesses</p> <ul style="list-style-type: none"> Low levels of economic growth over the past decade Below average productivity levels reflecting the dominance of lower value activities Relatively large decline in total employment over the past decade Below average levels of enterprise and declining business start-up levels Lower than average proportions of residents qualified to higher levels, with skills gaps identified by local employers both in terms of higher level skills and basic employability skills; Concentrations of unemployment; youth unemployment a particular challenge Concentrations of severe relative multiple deprivation in many of the urban areas Internal connectivity constraints, including peak hour congestion in main urban areas
<p>Opportunities</p> <ul style="list-style-type: none"> A chance to define and deliver a more coherent and comprehensive approach to economic development at LEP level via the Strategic Economic Plan A genuine opportunity to develop strengths in sectors such as Advanced Material, Advanced Manufacturing and Energy, driving higher levels of gross value added and productivity Opportunity to create a unique local energy offer based upon existing and new assets and investment in emerging technologies and energy supply chain development Opportunities to build a more innovative economy, based upon the numerous local knowledge assets which include two universities and a number of successful RGF projects 	<p>Threats</p> <ul style="list-style-type: none"> The 2008-10 economic downturn and wider (national and international levels) macro level economic pressures will continue to play a large role in shaping local economic performance Barriers to the delivery of new employment land has the potential to constrain inward investment and business expansion Accessibility and remediation challenges for strategic employment and housing sites, constraining business base growth and the ability of residents to access employment opportunities Internal connectivity constraints impacting upon the quality and vibrancy of our urban areas The potential loss of rail connectivity,

<ul style="list-style-type: none"> • Following the outcome of the consultation maximising the potential economic and connectivity opportunities of HS2 particularly in Stoke. • An opportunity to design a more coherent and effective support offer for local businesses which closely reflects the characteristics of the businesses base and aspirations for growth • Opportunity to build a more inclusive society with employment and skills programmes and projects designed to respond to local need. • Growth opportunities building on new road and rail investments and enhanced connectivity. 	<p>particularly on the WCML, as HS2 develops and the consequential risk that local investment does not keep pace with those areas better served by HS2 connectivity¹;</p> <ul style="list-style-type: none"> • Challenges relating to the vitality and quality of urban environments affecting perceived quality of life and constraining the ability of the area to attract and retain higher skilled residents • Skills challenges (both at higher and lower levels) have the potential to constrain growth in identified priority sectors and activities • Social inclusion challenges within certain communities and groups have the potential to limit the extent to which the benefits of economic growth are shared by all.
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2.3 The emerging LEP Strategic Economic Plan is built upon a twin-track approach comprising sector-led growth and place-led growth, upon which the five strategic objectives are built. The sections below provide further context on these two key economic drivers.

Sector-Led Growth

2.4 The strategy is built around a series of key sectors which are expected to drive growth in Stoke-on-Trent and Staffordshire. These include:

- Five Advanced Manufacturing sectors: Applied Materials, Agri-tech, Aero-Auto, Medical Technology and Energy Generation
- Two further Barometer sectors, which help to benchmark progress towards a more mature local economy: Business and Professional Services, and Tourism and Leisure.

Applied Materials

2.5 Part of the Stoke-on-Trent and Staffordshire LEP’s proposal for a City Deal includes creating a pioneering research and innovation centre led by the private sector and supported by major universities, to turn applied materials research into commercial activity.

2.6 Evidence suggests that the most appropriate location for addressing the issue of applied materials in Stoke-on-Trent and Staffordshire lies in our industrial heartland. The area is home to leading companies in this sector (e.g. polymers – Bostik, Fuchs Lubricants, Michelin; engineering companies such as JCB, Perkins, MG Sanders, and Goodwin use novel and new applied materials (metallic and non-metallic) in their products and to remain globally competitive need to invest heavily in the development of new materials; and ceramics – Steelite International, Wedgwood Waterford, Royal Doulton). Investment in the development and use of new materials will create both a demand from engineering companies and a market for investors in our area.

¹ A reduction in the value of the North Staffordshire economy (Stoke-on-Trent, Newcastle-under-Lyme, Staffordshire Moorlands) of up to £80m per annum (KPMG, on behalf of HS2 Ltd, 2013).

Agri-Tech

- 2.7 One of the Government's 11 industrial strategies focuses on 'agri-tech', an embryonic sector that will largely focus on the development of innovative technologies related to agriculture and food production.
- 2.8 Our LEP has access to a number of renowned R&D institutions, particularly Harper Adams University immediately to the west, and a number of closely associated industrial sectors with local strengths including applied materials and medical technologies. We also have excellent connectivity to national and international markets and major local employers in related industries such as JCB, Muller and Adams Foods.
- 2.9 Given the land-based nature of the agri-tech sector, the availability of agricultural land in and around Staffordshire can set us apart from other densely-urbanised areas in this sector. Livestock farming in the area around Staffordshire and Shropshire is one key opportunity area for the commercialisation of agri-tech research and development.

Aero-Auto

- 2.10 The Midlands and North West of England are home to large concentrations of transport technology firms. The high concentration of employment within the aeronautical and automotive technology sector in the Midlands is linked to the presence of major manufacturers in the area, particularly Jaguar Land Rover, Toyota and their extensive supply chains.
- 2.11 The development of a number of aerospace companies around the i54 area also presents considerable opportunities for the development of advanced-technology manufacturing industries.

Medical Technology

- 2.12 Despite the med-tech sector still being a relatively small sector in terms of employment numbers, it has seen substantial growth in recent years. The School of Medicine at Keele University, the University Hospital of North Staffordshire and the Keele University Science and Business Park represent a great opportunity for attracting additional growth in the med-tech sector locally.
- 2.13 Our area is home to a growing number of leading medical technology and healthcare companies, including TRB Chemedica, Biocomposites, Cobra Biologics and Intelligent Orthopaedics. In Newcastle-under-Lyme, the concentration of employment in the med-tech sector is more than twice that seen nationally, primarily comprising companies involved in the wholesale of pharmaceutical products.

Energy Generation

- 2.14 The Keele University Sustainability Hub acts as a focus for the research into, teaching of and management of sustainability, green-tech and energy generation. Building upon this the university aims to significantly expand its capacity in energy / renewables research, particularly around wind, solar and geothermal.
- 2.15 Stoke-on-Trent and Staffordshire is home to a strong cluster of companies operating within the environmental technologies sector, including several renowned and international brands such as Alstom, Siemens and General Electric Power Conversion.

- 2.16 Lichfield, South Staffordshire and Stafford have particularly high levels of employment in the manufacture of power and associated equipment products, as well as a power creation and distribution cluster. This cluster has experienced a slight increase in employment across Stoke-on-Trent and Staffordshire in recent years.

Business and Professional

- 2.17 The business and professional services sector accounted for almost 40,000 jobs in Staffordshire and Stoke-on-Trent in 2010. This sector grew by more than 1,500 employee jobs between 2006 and 2010. We also know that elements of other important sectors such as the Digital & Creative which are locally important in some parts of our LEP area have an important contribution to make to this sector.
- 2.18 This is a significant sector for the LEP area, and has seen growth over the last five years, particularly due to the activities of head office in the area, such as Holland and Barrett, Midland Co-operative Society and JCB. We are also home to Phones 4 U and Bet365.
- 2.19 In terms of employment levels in the business and professional sector however, the city of Stoke-on-Trent underperforms slightly when compared with similarly-sized cities. This should be a key focus sector for city centre economic growth in Stoke-on-Trent and other strategic centres across Staffordshire.

Tourism & Leisure

- 2.20 The area has significant natural assets and major tourism attractions (including Alton Towers, Drayton Manor Theme Park, the Staffordshire Hoard, Cannock Chase, the National Football Association Centre, the National Memorial Arboretum, the Mercian Trail and the Potteries Museum and Art Galleries, Ceramics industry visitor attractions) which can contribute to growth of the leisure and tourism sector.
- 2.21 This sector employs around ten percent of all employees within Stoke-on-Trent and Staffordshire. Staffordshire Moorlands District has the greatest concentration of employment in this sector (largely due to Alton Towers and the Peak District), followed by Stafford Town and Tamworth. Employment in this sector has increase slightly in recent years. In addition an active leisure offer helps to improve health and well-being. The sector's priority is to make more consumers aware of Staffordshire as a destination for a short break, so encouraging greater volume of overnight stays, increased revenue and more employment in the industry.

Place-Led Growth

- 2.22 Stoke-on-Trent and Staffordshire already offers a rich mix of high quality places to live, work, shop and relax in, with historic centres and attractive rural towns. These places need to continue to develop strategically to ensure that they provide the housing mix needed for growth, offer central locations for growth of business and professional service firms, and provide the quality of life that will help to attract and retain highly skilled workers. Our proposals build on our Local Plans and will act as a proactive approach to ensure they are developed and delivered in a timely fashion. Local Planning Authorities have been fully engaged in the development of the project pipeline.
- 2.23 The conurbation in the north of Staffordshire (including Stoke-on-Trent and Newcastle-under-Lyme) and a series of other strategic centres across Staffordshire represent critical hubs for sustainable economic growth and the associated infrastructure to support growth.

- 2.24 The principles of sustainable development have informed many of the choices made in this plan. For instance the choice of sites in corridors and areas well served by public transport, the strategy to address energy, and the utilisation of previously developed land in many areas. Our natural assets are of major importance locally and nationally and form a major part of our offer to investors.
- 2.25 The focus for the Strategic Economic Plan is on the following key centres:
- The conurbation in the north of Staffordshire including the City of Stoke—on-Trent and Newcastle-under-Lyme
 - Strategic Centres including Stafford, Burton-on-Trent, Cannock, Lichfield and Tamworth.
- 2.26 However we are also equally keen to see the continued success of the economy across smaller centres and rural communities. The EU investment strategy contains a range of proposals that will benefit businesses as a whole. – www.stokestaffslep.org.uk

Transport

- 2.26 Stoke-on-Trent and Staffordshire is well connected to the national and international road and rail network which enables easy access to large economic centres. This has contributed to many inward investment success over recent years such as a cluster of prestigious high value medical technologies and research industries centred on Keele University and Science Park and investment by Jaguar Landrover at I54.
- The West Coast Mainline runs north-south, providing frequent connections to London, Birmingham, Manchester and Liverpool.
 - The M6 Motorway runs through the area and is one of the major arterial roads running along the backbone of the UK.
 - Four international airports are within a 1-hour road journey.
 - Many of the country's major sea ports are within a 4-hour road journey and are increasingly becoming more connected by the rail network.
- 2.27 The road network is fundamental to Stoke-on-Trent and Staffordshire's transport system especially as the area has over 21% of the West Midlands' total traffic flow (in terms of million vehicle miles). However, the vast proportion of the local road network does not suffer from serious congestion. Traffic speeds across the area have remained fairly constant over the last five years and whilst some parts of the network suffer with congestion and unreliable journey times especially during peak travel periods, the problem is not considered serious enough to limit demand. Such areas where congestion is experienced include the M6 junction 15, our main towns of Burton upon Trent, Lichfield, Stafford and Tamworth and areas of North Staffordshire.
- 2.28 Away from the main routes, local roads form an essential network carrying the bulk of the area's traffic movements. These are principally used for shorter journeys to key services such as places of work, education establishments and healthcare facilities. In Stoke-on-Trent and Staffordshire the local road network is not generally seen as a constraint to growth as long as new developments are managed sustainably with mitigation measures introduced where necessary. However, there are areas of the local road network that are considered to be of poor standard.
- 2.29 Eighty percent of the bus network is provided on a commercial basis by the area's two main operators – First and Arriva. In 2012/13 there were over 32 million bus passenger journeys in

Stoke-on-Trent and Staffordshire. On the whole the area is well connected with 87.1% of urban address points being within 350m of a half hourly or better bus service to a major centre, however; speeds for travellers are slow. There is also a need to improve to build on existing investment to improve the overall quality of local bus services on some routes, especially if we are to achieve modal shift.

- 2.30 The freight and logistics industry is an important activity for the area in terms of economic prosperity, the impact on the transport network and the local environment. The M6 Motorway accommodates typical HGV flows of some 35,000-40,000 on a weekday through the area and is a key corridor from the south to the north of the country. Significant numbers of HGVs used the A38, A5, M54, A50 and A34. Our local network is generally less trafficked than the strategic road network and the proportion of HGV traffic is much lower (typically 5-10% compared to the M6 25-30%) although the area does host some important sub-regional routes and some major freight destinations. Given the volume of freight movement in the area, attempting to improve the efficiency of operations will have benefits for business in terms of efficiency savings and for residents in terms of quality of life. In terms of rail freight, the Stoke-on-Trent and Staffordshire area is located at the centre of some important regional and national routes with the most important route for the area being the West Coast Mainline. This is one of the country's principal routes and has over 50 freight trains operating along it per day in each direction.
- 2.31 Two of the area's main rail stations (Stoke-on-Trent and Stafford) are chiefly served by the West Coast Mainline. This line runs north-south with frequent and fast services to London Euston, Liverpool Lime Street and Manchester Piccadilly. Other main rail stations within the Stoke-on-Trent and Staffordshire area include Tamworth and Burton upon Trent which lie on the Cross Country Route between Birmingham and Derby, providing services every half an hour. It is important to note that Tamworth also lies on the West Coast Mainline.
- 2.32 There are 23 local rail stations in the area that offer reasonably good connectivity to both local destinations and those further afield. In 2012/13 over 9.5m rail passengers used our stations and since 2006/07 our rail patronage has increased by more than 62%.
- 2.33 Our regional airports (such as Manchester Airport, Liverpool John Lennon, East Midlands Airport and Birmingham Airport) play an essential role in providing national and international transport links from and to the area. In addition, there are two small airfields operating in the Stoke-on-Trent and Staffordshire area – Tatenhill in East Staffordshire and Wolverhampton Halfpenny Green Airport in South Staffordshire. These both offer flying for private business and recreational purposes.

Property

- 2.34 An important element of making Stoke-on-Trent and Staffordshire an aspirational place to live is ensuring that there is a diverse range of housing to cater for everyone in terms of supply, distribution, quality and affordability. The number of households within the area is predicted to rise over the coming years, and our ultimate success in generating new jobs will increase the attractiveness of Stoke-on-Trent and Staffordshire as a place to live and work.
- 2.35 Based on current Local Plans, around 3,370 homes are proposed to be built across all local authorities on an annual basis in Stoke-on-Trent & Staffordshire, compared to 3,170 that would be required to meet the need of the projected increase in population. This suggests an oversupply of around 200 houses. However, the deliverability of local housing schemes is paramount to this actually becoming a reality, with many schemes requiring some public sector intervention in order to make them viable. These housing projections also do not take into account our substantial growth plans. The recently released National Planning Policy

Guidance states that future employment trends need to be considered when determining housing requirements. Our plans for accelerated growth and the vast number of new jobs that this will create, as well as the substantial housing growth required to transform Stoke-on-Trent into a new Core City, will mean that there will be a need to ensure the delivery of appropriate housing in the area.

- 2.36 One of the critical success factors for inward investment is the product on offer, namely the availability of sites and premises. Without a suitable product businesses will not move to the area. Generally businesses prefer not to wait over 18 months for a site to be ready for use and, in general, the sooner sites can be used the better. Our 'Breeze Strategy' study on Inward Investment in Stoke-on-Trent and Staffordshire stated that while Stoke and Staffordshire had good key location factors such as access to a suitable workforce, cost effectiveness, colleges / universities / training, proven clusters of business activity and telecoms resilience, the area currently lacks available sites and premises in which businesses could move in. It is therefore fundamental that a range of suitable of employment sites and industrial / office facilities are created if we are to take full advantage of the forthcoming economic opportunities that exist in the area.
- 2.37 The perception of Stoke-on-Trent and Staffordshire as a place to invest is important as it may well influence the amount of inward investment that occurs in the area. The Breeze Strategy study suggests that rather than people seeing the area as being a bad place to invest, there is 'anonymity and lack of perception'. Businesses do not generally have an opinion on Stoke-on-Trent and Staffordshire, which may be just as alarming as a bad perception. It will therefore be important that alongside developing our offer to businesses, we build upon our recent inward investment successes to continue to promote Stoke-on-Trent and Staffordshire as the place to do business.
- 2.38 A notable proportion of residents in Stoke-on-Trent and Staffordshire live in 'non decent homes', and a significant opportunity exists not only in the refurbishment and retrofitting of the current housing stock, but also in bringing derelict and vacant properties back into use. The Centre of Refurbishment Excellence (CoRE) in Longton is an important local asset in terms of retrofitting and it will be important to maximise the benefits of this facility.

Tourism

- 2.39 Tourism & leisure accounts for over 23,000 jobs in Stoke-on-Trent & Staffordshire, more than any of the core cities. If the recent rate of growth of the sector continues, an additional 6,000 tourism & leisure jobs would be created over the next 10 years. This does not take into account our programme for accelerated growth which will mean this figure is likely to be far higher.
- 2.40 Over 20 million people visit Stoke-on-Trent & Staffordshire every year, although a large proportion of these visitors only stay for the day. In order to further develop this sector we intend to increase the county's 'staycation' offer, creating a wider range of accommodation in order to allow more visitors to stay within the area for multiple days.
- 2.41 Sporting activities account for around 7,000 jobs in Stoke-on-Trent & Staffordshire, again higher than any of the core cities. The area has around 1,300 sporting facilities, while our many natural assets including the Peak District, National Forest, Forest of Mercia and the Area of Outstanding Natural Beauty in Cannock Chase make us the perfect location for outdoor sporting activities.
- 2.42 Our natural assets, sporting facilities and central location make us the perfect location to participate in a wide variety of sporting activities, particularly:-

- Rowing & water sports – water sports at Chasewater, with potential to expand river rowing and the development of a flat rowing lake.
- Equine sports – numerous horse riding facilities, the internationally important racecourse at Uttoxeter and one of the best equine centres in the UK at Rodbaston College.
- Cycling - ‘The best trail in the UK’ for off-road cycling at Cannock Chase, routes perfect for on-road cycling and the host of internationally important events.
- Athletics– one of the best outdoor athletics facilities in the UK, which is able to host large scale athletics events.
- Outdoor pursuits – the most challenging and popular rock climbing routes in Europe.

2.43 In addition to the traditional tourism & leisure sector, over 12,500 people are directly employed within the business tourism sector in Stoke-on-Trent & Staffordshire. Our location at the heart of country makes us the ideal location for business events, and we intend to develop our business tourism offer by developing high quality conferencing and meeting facilities. This will build upon world class conferencing facilities that already exist within the area, such as St Georges Park in Burton upon Trent.

Further Education

- 2.44 A major reason why GVA per head is relatively low in the LEP area is due to the under-representation of people in the top 3 occupation groups, with the need for an additional 60,000 people employed in the top 3 occupation groups to bridge the gap to the national average.
- 2.45 The current situation for young people in the job market is particularly challenging, with youth unemployment a significant issue in Stoke-on-Trent and Staffordshire. At the end of 2012, 5.4% of people aged 16-18 in Staffordshire and 9.1% in Stoke-on-Trent were not in employment, education or training (NEET).
- 2.46 Over 70,000 residents currently claim an out-of-work benefit, and ensuring that these people have the functional skills required to access employment opportunities will be important in developing a more dynamic local workforce.
- 2.47 Nationally it is acknowledged that there is some mismatch between course provision and business needs. “Last year more than 94,000 people completed hair and beauty courses, despite there being just 18,000 new jobs in the sector, but fewer than 40,000 people trained to fill around 72,000 new jobs in the building and engineering trades.” (Source: LGA, Hidden Talents)
- 2.48 Our further education institutions will play a vital role in addressing all of these issues. If this is to be achieved it will be important to have high quality FE facilities. Currently 15% of our FE estate has been determined to need major repair or be replaced in the short to medium term

Higher Education

- 2.49 Increasing the proportion of the local population with high level skills will undoubtedly be important in increasing the productivity of the local economy through developing a greater number of high value added industries within the area. Local universities, and those within neighbouring areas, will clearly play a major role in this and it will be important that the courses available at these institutions match the needs of our existing business base as well as the sectors we aim to develop in the future. Locally the LEP Education Trust will play a

significant role in this, and work is currently ongoing to highlight potential skills mismatches, particularly engineering skills which will be vital for many of the growth sectors that will form a vital part of the local economy. Nationally the Witty Reviews conclusions have been supported by the Government and it has identified a series of planned actions namely to;

- work with key partners to make his 'Arrow Projects' vision a reality and secure the potential of the technologies of the future;
- commit in the long term to support universities in their mission to support economic growth;
- encourage universities to strengthen Local Enterprise Partnerships and support small and medium sized enterprises.
- Business Schools have a very important role to play in increasing the contact between SMEs and Universities, and in sharing their skills and expertise

2.27 However, there may be other factors that need to be considered in ensuring that there is an appropriate number of highly skilled workers within the local area. Attracting people to live and work within Stoke-on-Trent and Staffordshire may also play a major role in increasing the skills levels of the local workforce, and ensuring that there is appropriate housing, a good cultural offer, high quality environment, etc, will be important in making this happen.

2.28 Retaining and attracting graduates may also play a role in ensuring the workforce has an appropriate level of skills at degree level and above. Over 31,000 students currently attend our local universities; around 10,230 students at Keele University and 21,020 at Staffordshire University. Ensuring that we are building upon the strengths of these key assets will be vital to the future economy of Stoke-on-Trent & Staffordshire, with the strengths of the universities aligning to our growth sectors. Ensuring this remains the case moving forwards and aligning the universities offer to local business needs will ultimately result in a greater proportion of graduates choosing to remain in the area as they are able to access increased employment opportunities.

2.29 The retention of graduates will be particularly important in research and development activities which are likely to underpin a number of the embryonic high value added sectors that we wish to develop in the future. Of course, our ability to attract and retain graduates will largely be dependent on being able to offer high quality employment opportunities, along with all of the other factors that make an area a good place to live.

3. Our Objectives

- 3.1 Our Strategic Economic Plan is built around five interlocking objectives:
- 1) **Stoke On Trent as a Core City:** to rapidly grow the heart of the city centre economy
 - 2) **Connected County:** to meet market demand for high quality employment and housing sites which are connected to the transport and communications network
 - 3) **Competitive Urban Centres:** to support the sustained economic prosperity of other important urban centres across Staffordshire
 - 4) **Sector Growth:** to boost the competitiveness of business in vital sectors with growth potential where Stoke & Staffordshire has a distinctive advantage
 - 5) **Skilled Workforce:** to ensure a balanced supply of people with the right skills and know-how needed to drive economic growth
- 3.2 The following sections set out in more detail the case for each of our objectives and their contribution to our plan.

1. Stoke-on-Trent as a Core City

Vision

Stoke-on-Trent will rapidly grow into a Core City, with its city centre economy, a spirit of enterprise & innovation, unique indigenous energy and cultural offer to become a net contributor to UK plc. It will form the centrepiece of a powerful UK growth corridor along the M6 and strategic rail routes linking Birmingham and Manchester. We will bring forward a sustainable package of employment, housing and educational sites along a city centre spine which will enhance the scale and quality of our competitive offer to businesses, entrepreneurs, learners and residents.

Need & Opportunity

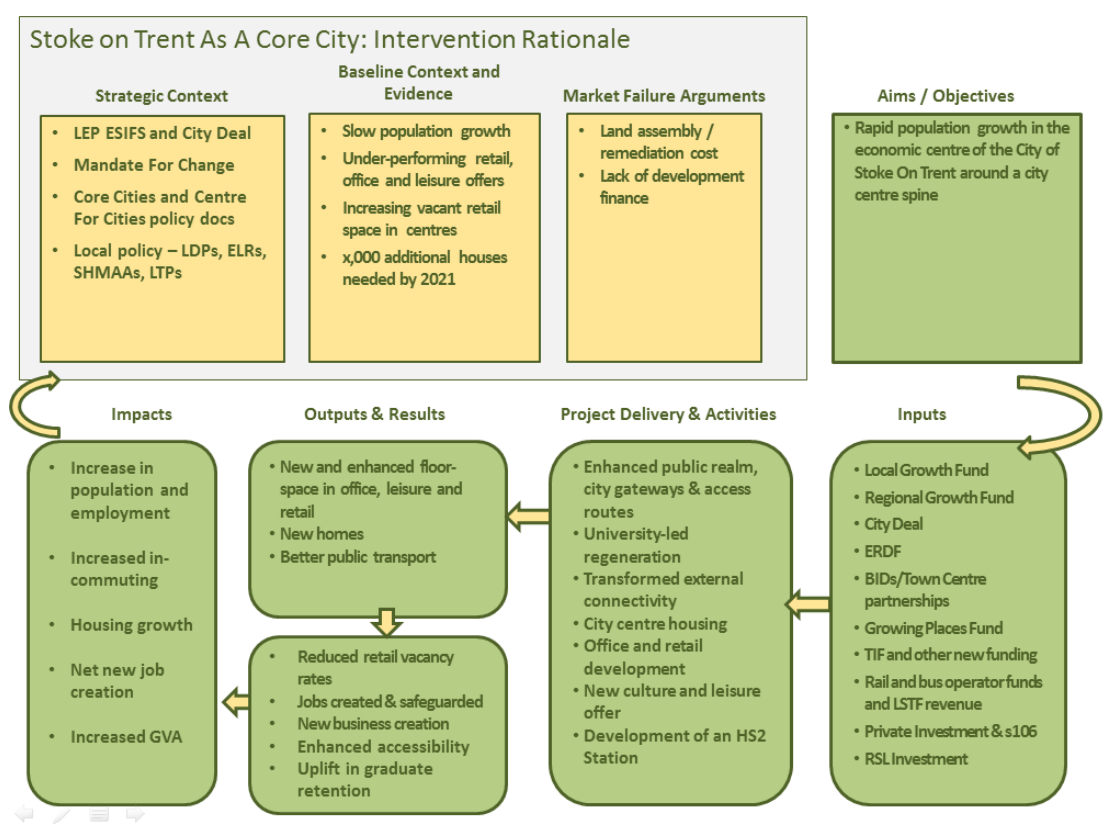
- 3.3 Stoke-on-Trent has made significant steps forwards in recent years and as a result saw population growth between 2001-2011 of almost 9,000 people (a 3.5% increase). This is significantly better than previous periods, however it compares with a 7.8% rise across England & Wales and a 5.2% increase across the rest of Staffordshire. Stoke-on-Trent is committed to becoming a major Core City, with population growth of in excess of 750,000.
- 3.4 Between 1997 and 2009, the average annual increase in economic output (GVA) per head for Stoke-on-Trent was 2.6 per cent. This can be compared with an average annual increase in the West Midlands region of 3.3 per cent and 4 per cent in England. So, both in terms of population and GVA growth our City has underperformed.
- 3.5 Stoke-on-Trent has been built around six towns and vibrant series of manufacturing businesses (led by the ceramics industry). This network structure traditionally provided the city with resilience and offered our residents a rich range of jobs opportunities. Today though we find ourselves needing to concentrate of development efforts on establishing a core city

centre so we can focus investors’ and visitors’ attention towards a central spine of key residential, retail, office and educational sites through the heart of the city

- 3.6 To achieve our vision for a Stoke-on-Trent as a Core City we need a step change in the way we connect to neighbours, investors, customers and collaborators. This means the LEP will need to maximise the opportunities presented by strategic infrastructure investments, including High Speed 2 phase 2.

Logic Model

Figure 3-1: Stoke-on-Trent as a Core City Logic Model



- 3.7 Stoke-on-Trent performs behind competitor large cities on a range of measures. Relative to its population level our retail and office space, and therefore employment are below those of an average big city. Currently Stoke-on-Trent City Centre has half the number of professional jobs that a city of its size would expect to have and therefore people who live in Stoke-on-Trent look too readily at other places to shop and to work. This causes significant economic leakages. However, there are also recent positives that need to be built on: Stoke-on-Trent was recently identified as having the 10th best rate of private sector job creation out of 64 UK cities²; and in 2013 had a record year for business start-ups³.

² Centre for Cities: “Cities Outlook 2014”

³ Duport Business Confidence Report March 2014

- 3.8 Housing growth in Stoke-on-Trent can help to regenerate those parts of the city with a poor residential offer and which have been in decline. Almost 20% of lower super output areas in Stoke-on-Trent are in the 10% most deprived in England for the living environment domain. This affects perceptions of the city and deters potential workers and investors. Not surprisingly, we have a shortage of aspirational housing, including larger family homes and executive housing needed to attract highly skilled people.
- 3.9 There are a number of barriers and market failures that help explain the conurbation's relatively poor performance:
- **Land remediation and land assembly issues:** Stoke-on-Trent, like many large cities has seen a decline in its traditional industries which has led to dereliction and under use. This has been tackled over the last 30 years through a variety of initiatives but we have not replaced the jobs with higher value employment. One of the limiting factors has been the challenge of remediating sites to a quality expected by investors. Many of these sites are in accessible locations where they would result in a more sustainable pattern of development. This is a particular challenge in the conurbation. In addition, the City Centre hasn't sufficiently grown to compensate for the loss of economic activity elsewhere and hasn't been had the focus of attention it now needs. We have local examples of where investment has resulted in sustainable development.
 - **Lack of Development Finance:** the recession has hit the property market badly in Stoke – on-Trent. Private sector confidence is weak and there is a dearth of interest in investing in property.
 - **Accessibility:** connectivity is a particular challenge for Stoke-on-Trent given its multi-centred form. Ease of movement between the centres is a real constraint particularly at peak hours. Accessibility to and within the city centre by public and private transport (particularly from the national network) needs to be boosted if we are to attract more workers and visitors from outside the city. Accessibility is also a limiting factor for many of its strategic employment and housing sites and will constrain development if not addressed. Developing a range of sustainable transport links will both ease congestion and improve local residents' health.
- 3.10 Together, Stoke-on-Trent and Newcastle under Lyme have the capacity to grow and become a critical economic driver both drawing on and helping drive growth in Cheshire and across Staffordshire. The conurbation in the north of Staffordshire is well connected to strategic markets to the North & South, we have two universities and an accessible local labour pool on our door-step and the city has a density of leisure and culture facilities which, with further concentrated attention, could provide the centre-piece of city-led economic growth.
- 3.11 The LEP will need to maximise the opportunities presented by strategic infrastructure investments, including High Speed 2 phase 2. Currently, the proposed HS2 route may actually suppress potential growth in the economy of parts of the LEP area if it is bypassed. The KPMG economic impact study (2013), undertaken on behalf of HS2 Ltd, suggested that on the basis of the consultation route, up to £80million per annum could be taken out of the value of potential growth in the economy of the northern part of the LEP.

Priorities & Action Areas

Table 3.1: Our Priorities & Action Areas for Stoke-on-Trent as a Core City

Priority	Key Action Areas
<p>Stoke-on-Trent City Centre - rapid growth in the economic centre of the City of Stoke On Trent around a city centre spine</p>	<ul style="list-style-type: none"> • Enhanced transport links, including sustainable transport investments linking strategic transport routes and residents to key centres • Public realm and network investment • Pump prime investment to bring forward office and retail schemes • Schemes to both promote and enhance the culture and leisure offer • City and town living/student housing • Education facilities
<p>Housing-led Population Growth – building on the city’s appetite and capacity for housing growth, as a route to driving the growth of the conurbation – creating a supply of sites and range of housing, in terms of quality, quantity and tenure.</p>	<ul style="list-style-type: none"> • City-wide volume housing growth, around existing town centres and communities • Implementing interventions to overcome cost/value challenges in some locations • City Centre living, as part of a mixed-use strategy for a modern centre • Aspirational housing • Specialist housing (e.g. student accommodation)

2. Connected County

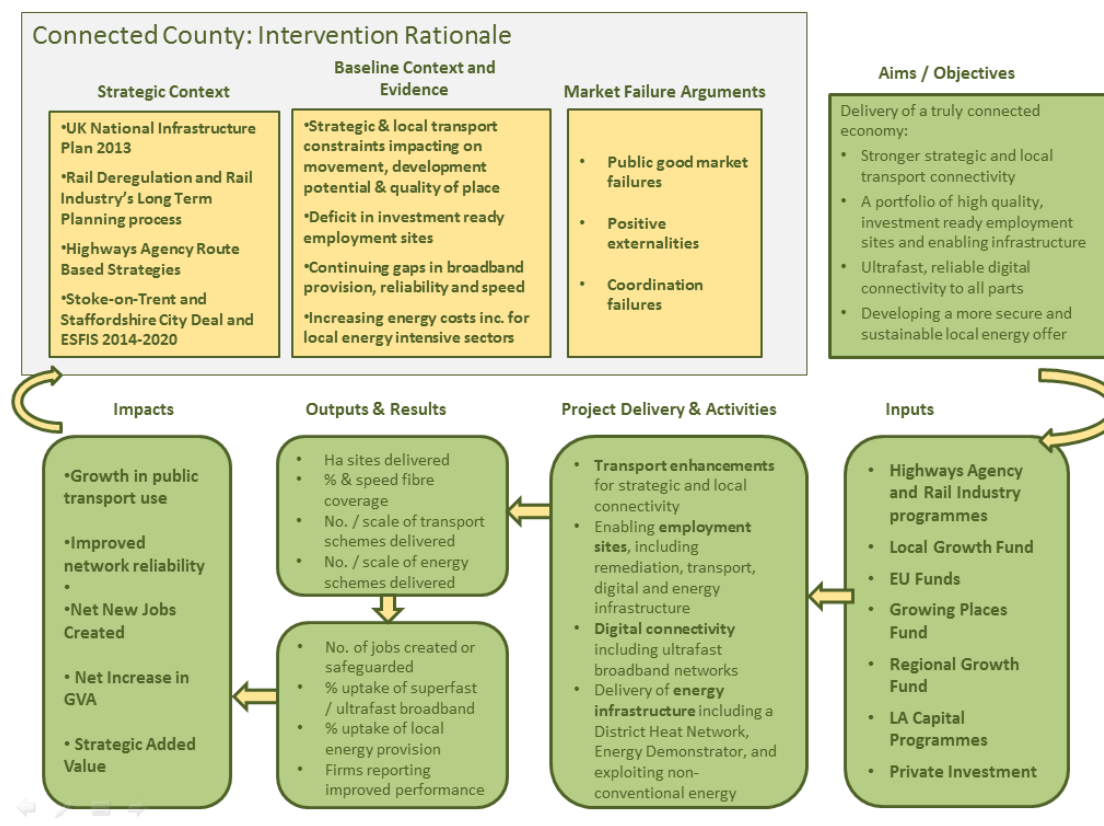
Vision

Stoke on Trent & Staffordshire is strategically located at the centre of many of the UK's supply chains. We will build on our central location and existing linkages to deliver the transport networks, employment sites and supporting infrastructure required to make our area an attractive place to do business, work, live and visit.

- 3.10 Our vision for Competitive Connectivity is underpinned by six priority objectives built around our goal of super-connectivity:
- Develop the growth triangle of M6/West Coast Main Line Spine, the A5/M6 Toll Enterprise Belt and A38/A50 Eastern Links connection, to match the M4 as a nationally significant corridor of prosperity connecting the South East and North West regions.
 - Enabling a step change in the way we connect to neighbours, investors, customers and collaborators, by maximising the opportunities presented by strategic infrastructure investments, including High Speed 2 phase 2
 - Deliver a portfolio of high quality and investment-ready employment sites to attract new investment and to support existing businesses to expand, backed by a coordinated approach to transport, digital and energy infrastructure.
 - Continue to develop our road, bus, rail, and air networks, ensuring that we remain at the heart of a connected economy. We will work with partners to facilitate and accelerate the delivery of key transport interventions within national road and rail programmes.
 - Develop our local transport networks to provide sustainable connections and unlock housing, town centre, and employment growth
 - Continue to develop our digital connectivity infrastructure, exploring opportunities to deliver faster and more reliable connections for all parts of the LEP area and particularly our priority growth SMEs who need ready access to ultra-fast broadband.
 - Exploit our unique opportunities to develop a more secure and sustainable local energy offer through investment in low carbon and non-conventional energy infrastructure.

Logic Model

Figure 3-2: Connected County Logic Model



Need & Opportunity

- 3.12 Strong infrastructure underpins the growth ambitions of our LEP area. Transport connectivity will play a critical role in supporting economic flows and in unlocking investment in the necessary employment, housing and leisure developments. Coordinated investment in associated digital and energy infrastructure also underpins our approach to developing a truly connected economy.

Transport Connectivity

- 3.13 Fast, reliable, frequent and connected transport networks are fundamentally important to the economic growth and competitiveness of the Stoke & Staffordshire LEP. Strategic linkages shape the economic opportunities facing our business and local linkages influence labour, residential and leisure flows particularly in our urban areas.
- 3.14 Our central location nationally and external rail, road and aviation connections are among our area's key strengths. We are located close to Manchester, Birmingham and Derby, and three of the UK's major airports. A triangle of corridors provide the connectivity spine between our urban centres and employment sites, and underpin our economic ties to the markets beyond our borders. The Connectivity Triangle of the M6/WCML Spine, the A5/M6 Toll Enterprise Belt and A38/A50 Eastern Links connection already play a vital role and have the potential to match the M4 as a nationally significant corridor of prosperity connecting the South East and North West regions. The LEP will also need to maximise the opportunities presented by strategic infrastructure investments, including High Speed 2 phase 2.

- 3.15 To support economic growth and attract new investment we need to maximise connectivity both to and within the area. There are a number of connectivity challenges which constrain our growth ambitions:
- **Constraints on movement:** efficient transport systems are critical in supporting the activities of our business base, promoting our area to investors, linking labour markets to employment centres, and delivering high quality places. Several of our urban areas experience significant congestion during peak travel times and the built-up nature of North Staffordshire makes sustainable and attractive transport alternatives difficult options. If unchecked, these constraints will get worse as our economy grows, inhibiting the flows of labour, commerce and leisure which underpin inclusive and sustainable economic growth.
 - **Constraints on development and growth potential:** connectivity is a constraining factor at many of our strategic investment opportunities. Addressing these limitations will help to support existing employment areas, open up priority employment and housing sites, and improve the quality of our urban centres. Our LTB priority schemes unlock housing and employment development. In addition our proposed investments in local sustainable transport networks and pinch points will unlock local plan allocations across the LEP area.
- 3.16 Both strategic connectivity (national rail and road corridors) and local connectivity interventions are needed to address these constraints. Building upon previous work undertaken as part of our City Deal negotiations and Local Transport Board (LTB) priorities, we are currently working with partners to develop a package of transport measures that:
- delivers outcomes aligned with the objectives of this strategy, the European Structural and Investment Fund Package, core strategies and the two Local Transport Plans
 - demonstrates strong value for money by optimising the economic, employment and GVA impacts of transport interventions, which will be specifically designed to unlock employment growth
 - leads to a programme prioritised on the basis of economic returns on investment, deliverability and delivery-readiness.
- 3.17 In the first instance it is our priority to address the connectivity constraints associated with our previously announced City Deal sites, however additional investment will be needed in our priority areas and corridors to support the wider economy.
- 3.18 Our Local Transport Body has already prioritised Etruria Valley Access, Stafford Western Access Road and Lichfield Southern Bypass. Each of these schemes is critical to unlocking employment and housing growth in three of our key centres. We have further developed a longer programme of upgrades to our transport network which will help unlock employment and
- 3.19 The table below provides an indication of the types of intervention and the role we expect them to have in addressing our key economic challenges.

Table 3-2: Outline of Transport Interventions

	Objective					
	Maintain and Enhance Strategic Connectivity	Efficient and Resilient transport Networks	Unlocking Strategic Employment Growth	Unlock strategic housing growth	Supporting urban growth potential	Supporting Regeneration and Social Exclusion
City and Town Centre Integrated Transport Packages		✓	✓	✓	✓	✓
City Centre access from strategic transport routes		✓	✓	✓	✓	✓
Behaviour Change Interventions			✓		✓	✓
Public Transport Interchange and Corridors		✓	✓	✓	✓	✓
Highway Pinch Point Schemes and Site Access Junctions	✓	✓	✓	✓		
Strategic Network Improvements (National Rail and Road Schemes)	✓	✓	✓		✓	
Major Highway Schemes (New Offline Capacity)	✓	✓	✓	✓		

3.20 The movement of people and goods does not stop at administrative boundaries. We understand the importance of facilitating an efficient, coherent and cohesive national network and have been actively engaged with our neighbouring LEPs driven by our location. Connections to ports and airports are critical for the success of our key sectors. In particular we have been working with the Marches, Black Country, Greater Birmingham, Worcestershire and Coventry and Warwickshire to develop a shared set of strategic transport objectives as follows;

- Enabling the movement between key employment sites, ports and airports;
- Opening-up and enhancing the locational advantage of key employments sites
- Providing good access to the area’s innovation ecosystem;
- Ensuring that the motorway, trunk road and rail networks support the area’s main freight and logistics locations and movements

The Cross LEP Statement on Transport is included in the Appendix.

3.21 In addition our LEP has been working with our neighbours in Cheshire and Warrington and D2N2 LEP. In both cases the efficient use our key road and rail corridors is of mutual importance. Examples include the M6, A50(T) and A38 (T).

Employment Sites

3.22 Our area currently faces a significant challenge to deliver the right volume and mix of **employment sites**. In 2011, around 840 hectares of employment land was available locally, with the vast majority (over 80%) already granted planning permission. However, a large proportion of this land is not genuinely available because the critical upfront investment needed to unlock sites has not been made. Evidence from Breeze Strategy and others suggests that constraining factors include:

- **remediation:** an issue across our area, but particularly so for many of the brownfield sites in Stoke-on-Trent and the north of Staffordshire
 - **transport constraints:** both in terms of opening up physical site access and ensuring connectivity to labour markets
 - **wider infrastructure:** connectivity to appropriate (and future facing) digital and energy infrastructure.
- 3.23 Consequently, a number of our priority sites have been on-hold for over ten years. This has important implications:
- Inward investment: potential investors are put off by the delays and costs required to bring sites forward, especially given strong competition from neighbouring areas. Our supply of immediately available sites is increasingly under pressure.
 - Existing businesses: despite considerable opportunities for growth, the shortage of suitable land is acting as a brake on the expansion of local businesses.
- 3.24 Investment in remediation and infrastructure (particularly transport, digital connectivity and energy infrastructure), will play a crucial role in supporting sustainable economic growth more generally. Without it the supply chain opportunities that exist will potentially be lost to the UK.

Digital Connectivity

- 3.25 Fast and reliable digital connectivity will play an important role in future economic growth. Superfast broadband connectivity in Stoke-on-Trent is already good and Staffordshire is currently benefitting from the Superfast Staffordshire project. This will see 97% of premises and homes having access to superfast broadband (25 Mbps+ by 2016).
- 3.26 Nevertheless, we must turn our sights to the next competitive milestone, ultrafast broadband. Bandwidth demand is expected to increase exponentially in the future and an increasing number of business products and processes require faster internet access than is generally affordable to SMEs. The EU has set a target of at least 50% of European households subscribing to internet connections above 100 Mbps by 2020⁴. Businesses across our area should be accessing that sort of service over the plan period to maintain and enhance the competitiveness of our economy.
- 3.27 It will also be important to address the remaining not-spots, mainly in rural areas across the LEP area. Making sure that all parts have access to fast broadband speeds will help animate our future economic growth. Our priority is not just about new infrastructure but also about driving up reliability, bringing down costs (via competition) and driving uptake.

Energy Infrastructure

- 3.28 Our area has a unique opportunity to develop a more secure and sustainable local energy offer which benefits residents, businesses and institutions alike. We have long been associated with generating power; this is reflected in some of the energy companies operating locally which includes Alstom, ABB, Siemens Wind Power, and GE Power Conversion. We also have many high-energy consumption industries (notably ceramics and applied materials). Energy price volatility and supply insecurity hamper local business development.

⁴ <http://ec.europa.eu/digital-agenda/en/fast-and-ultra-fast-internet-access-analysis-and-data>

- 3.29 Increased energy security is a key priority for our LEP and sits at the core of our draft City Deal proposal. Our *Powerhouse for Energy* proposals set out a strategic approach to help protect the area’s energy supply from short-term shocks and rising energy prices. We aim to achieve this through a fully integrated smart city network and by exploring local non-conventional sources such as geothermal. Localised energy generation will also be incorporated into new employment site infrastructure.

Priorities & Action Areas

Table 3.2: Our Priorities & Action Areas for Competitive Connectivity

Priority	Key Action Areas
Strategic Connections – <i>Develop our strategic rail, road and air transport connectivity to ensure that our area remains at the heart of a connected economy</i>	<p>External Connectivity – Maximise the opportunities presented by strategic infrastructure investments, including High Speed 2 phase 2</p> <p>Rail Industry’s Long Term Planning process</p> <p>Rail links to Manchester Airport, and connections to Birmingham Airport, and East Midlands Airport</p> <p>Maximising the benefits Chase Line Electrification by supporting higher speeds and other associated improvements</p> <p>Collaborating with the Highways Agency on its Route Based Strategies</p> <p>Supporting the introduction of “Smart Motorways” on all of the M6</p> <p>Working with the HA to secure a pilot for ‘Smart Trunk Roads’ on the A50/ A500, A38(T)</p> <p>M54/M6/M6 Toll Link Road</p> <p>Highway Pinchpoint Schemes, including A50(T) Growth Corridor, Uttoxeter</p> <p>Delivery of the LTB Priority Schemes – Stafford Western Access Improvements, Etruria Valley Link Road, Lichfield Southern Bypass</p> <p>City Centre access from strategic transport routes</p>
Strategic Employment Sites – <i>enabling a portfolio of high quality and investment ready sites across the area, underpinned by strong supporting transport, digital and energy infrastructure</i>	<p>Priority Strategic Employment Sites:</p> <p>In Train: i54 South Staffordshire, Redhill Business Park (Stafford),</p> <p>First Order Priorities: Bericote Four Ashes (South Staffordshire), Stoke Town, Etruria Valley, Kingswood Lakeside (Cannock Chase), Meaford (Stone), Branston Locks (Burton), Lichfield Park (Lichfield). Highgate and Ravensdale (Tunstall), Fenton (Stoke-on-Trent), Chatterley Whitfield (Stoke-on-Trent),</p> <p>Longer Term: Blythe Vale (Blythe Bridge), Fenton Manor Quarry Site (Stoke-on-Trent), ROF Featherstone (South Staffordshire), Chatterley Valley Phase 2 (Newcastle)</p> <p>Enabling transport enhancements across these sites to include – major highways schemes, highway pinchpoint schemes, town centre integrated transport packages / LSTF initiative and bus connectivity schemes.</p>
Digital Connectivity – <i>deliver a fast and reliable connection for all parts of the LEP area, with a focus on securing the roll out of ultrafast broadband</i>	<p>Securing ultra-fast broadband via vouchers and new infrastructure</p> <p>Driving forward uptake of digital services by SMEs</p>

Priority	Key Action Areas
<p>Sustainable Energy Infrastructure – <i>developing a more secure and sustainable local energy offer through investment in low carbon and non-conventional energy infrastructure</i></p>	<p>Centre of Excellence in Energy Security and Renewable Energy (CEESRE) Keele University Energy Demonstrator City wide District Heat Network Non-conventional energy including geothermal, anaerobic digestion, biomass, heat recovery, power storage, combined heat and power (CHP) and domestic-scale micro-renewables and smart grids.</p>

3. Competitive Urban Centres

Vision

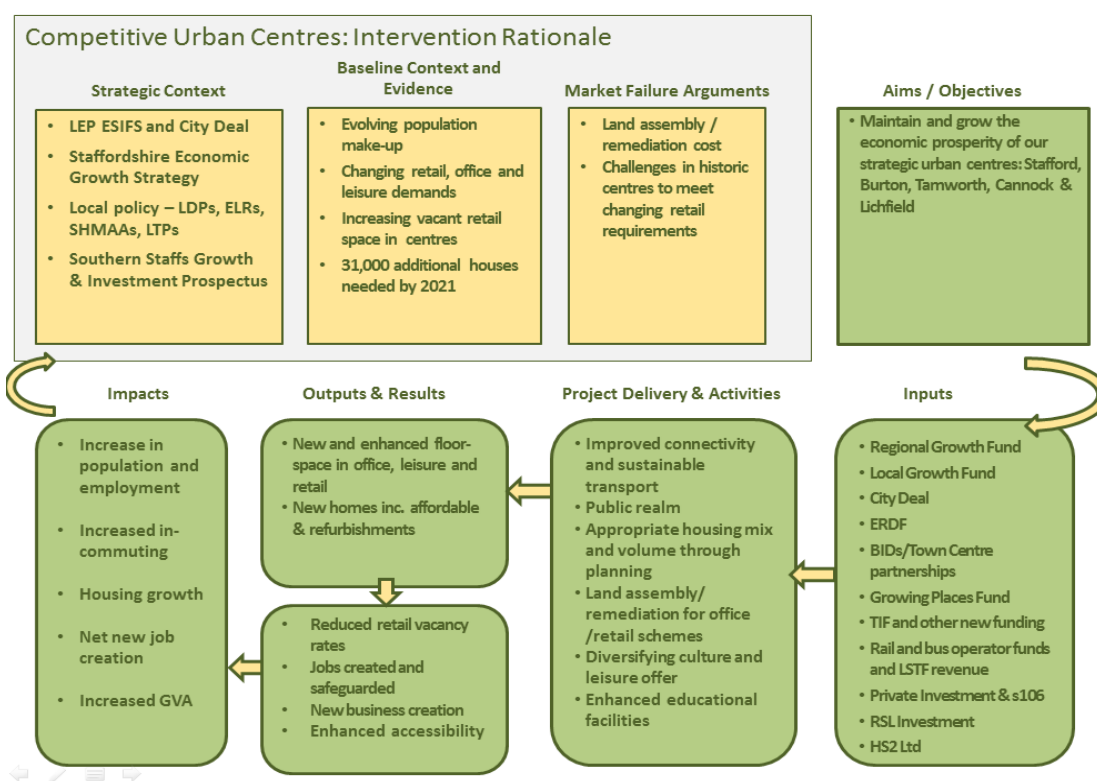
We will sustain economic growth in our town centres by encouraging sustainable economic development which meets local needs, achieves balanced communities and attracts new people to invest in, live in, work in and enjoy our urban centres.

Need & Opportunity

- 3.31 Our priority urban centres are Newcastle-under-Lyme, Stafford, Burton-on-Trent, Lichfield, Cannock and Tamworth. Future projections suggest there could be an additional 31,000 households in the Stoke-on-Trent & Staffordshire LEP area over the next ten years. We are eager that this growth is accommodated in attractive urban centres alongside Stoke-on Trent which are well-connected to employment opportunities. Our population is expected to increase by 5% over the next ten years, while among those aged 65 and over it will increase by 26%. Although these urban areas are thriving hubs of economic activity, we must sustain and evolve their offer to meet the changing needs of our growing population and to match our wider growth objectives for the LEP economy. They also act as service centres for a wider rural economy.

Logic Model

Figure 3-3: Competitive Urban Centres Logic Model



- 3.32 Beyond the Stoke on Trent and Newcastle-under-Lyme conurbation in the north of Staffordshire, we have a number of other Strategic Centres where growth can be focussed and where competitiveness needs to be maintained. These include Stafford, Burton-on-Trent,

Lichfield, Cannock and Tamworth. The issues facing these centres are varied however four core factors are key to their ongoing success:

- **Increasing amounts of vacant retail space:** partly due to internet-driven changes in shopping habits, but also because of the difficulty some of these historic centres have adjusting to modern retailing patterns, alongside stiff out of centre retail competition. Harnessing our heritage assets offers a niche opportunity in a number of locations attracting visitors and customers as well as safeguarding the built environment.
- **Challenges in re-orienting the retail offer:** introducing new uses for buildings without public intervention is often difficult due to land ownership issues and when it does happen can all too easily lead to lower value activities which detract from our desire for attractive and vibrant places with a mixed offer.
- **Stiff neighbouring competition:** many of these centres are within the economic sphere of influence of large conurbations such as Greater Birmingham and Greater Manchester. The connectivity benefits for work, shopping and leisure create a challenge for these centres and it is important that these centres define their own distinctive selling point to remain and improve their competitiveness.
- **Housing affordability:** particularly around South Staffordshire and Lichfield where house prices are considerably higher, affordability is the key issue. These districts need to encourage more affordable housing to retain young people and key workers. This helps to keep communities together, but can also address skill gaps by ensuring that a full spectrum of skills is available to local employers.
- **Connectivity** – Within each of these centres there are opportunities to build on sustainable transport initiatives which improve access as well as the health of residents. Recent projects across the LEP area have been successful in building multi modal networks and these represent an opportunity for the future in the delivery programme.

Priorities & Action Areas

Table 3.3: Our Priorities & Action Areas for Competitive Urban Centres

Priority	Key Action Areas
<p>Strategic Centres – growth of our other strategic centres including Newcastle-under-Lyme, Stafford, Burton-on-Trent, Lichfield, Cannock and Tamworth, to be key hubs for services, employment and leisure.</p>	<ul style="list-style-type: none"> • Enhanced transport links, including sustainable transport investments linking strategic transport routes and residents to key centres • Public realm and network investment • Pump prime investment to bring forward office and retail schemes • Schemes to both promote and enhance the culture and leisure offer • City and town living/student housing • Education facilities • Heritage led regeneration

4. Sector Growth

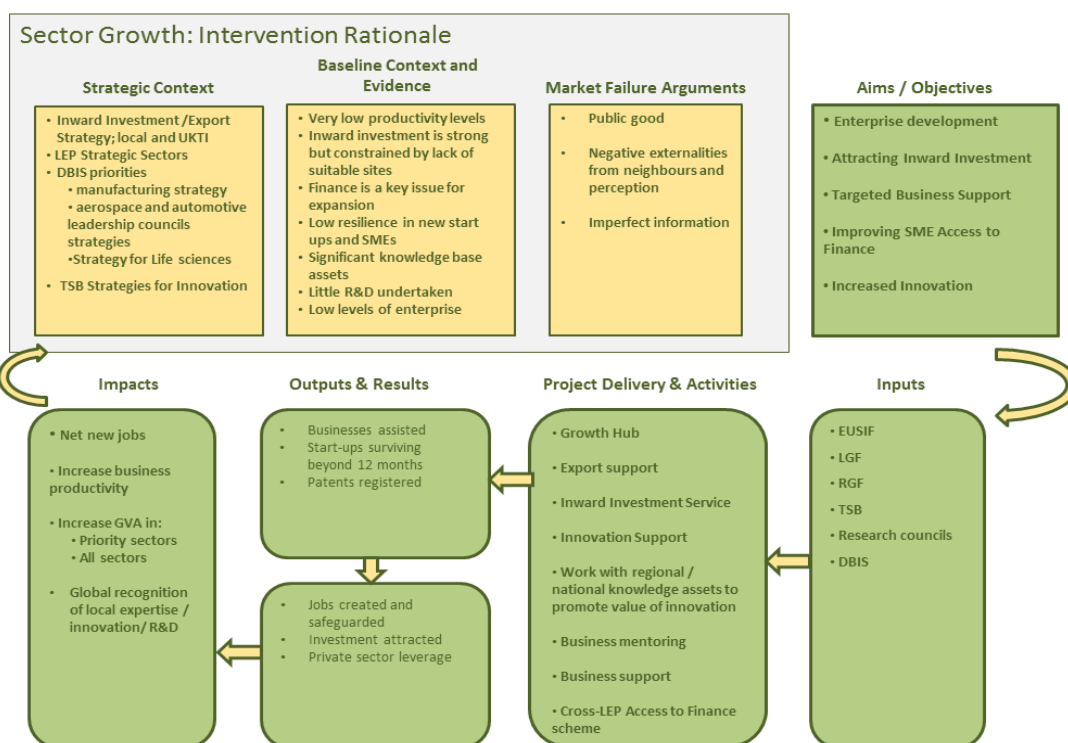
Vision

We will ensure globally competitive innovation, investment and enterprise-led expansion in large & small businesses across our priority sectors.

- 3.33 Our priority businesses have been identified by focussing on sectors where there are global growth prospects and where Stoke-on-Trent & Staffordshire has a distinctive competitive advantage. Our priority sectors site in two groups:
- Five Advanced Manufacturing sectors: Applied Materials, Agri-tech, Aero-Auto, Medical Technology and Energy Generation
 - Two further Barometer sectors, which help to benchmark progress towards a more mature local economy: Business and Professional Services, and Tourism and Leisure.
- 3.34 Our Sector ambitions will be driven forward by the commitments to sites and transport in other objectives, however there are five critical priorities which must be addressed for these businesses to grow and prosper:
- **Enterprise:** supporting entrepreneurs to start new businesses
 - **Inward Investment and Trade:** promoting our area as a location for inward investment and supporting businesses to increase their exports
 - **Innovation:** facilitating better use of knowledge by helping businesses commercialise R&D and innovation
 - **Business Support:** targeted assistance to develop and grow our most important businesses, particularly in priority sectors
 - **Access to Finance:** improve access to investment for businesses with growth ambitions
 - **Skills:** improving the skills levels of the local workforce at all levels so that businesses have access to skilled, qualified and experienced staff

Logic Model

Figure: 3-4: Sector Growth Logic Model



Need & Opportunity

Enterprise

- 3.35 Stoke-on-Trent and Staffordshire is underperforming in terms of enterprise. We lag far behind the national average in terms of business start-ups. In 2010, there were just 42 business start-ups per 10,000 resident population in Staffordshire and 33 in Stoke-on-Trent compared to 51 in Great Britain as a whole. Start-ups and support for their growth can be improved and these can play an important role in job creation and developing stronger supply chains in these core sectors.

Inward Investment & Trade

- 3.36 Continued Inward Investment is needed to generate further new employment opportunities, while also targeting companies within our priority sectors to build a higher value and more sustainable local economy. We must create the right conditions for inward investment in terms of employment sites, skilled workforce and infrastructure and ensure a capable, supporting supply chain is in place.
- 3.37 It is estimated that around 17% of all employment in the LEP area is in export-intensive businesses. We must see that figure move upwards if we are to drive the economy forward. Increasing overseas activities and supplying large companies abroad is vital if we are to in forming relationships with countries and companies which ultimately translates back into inward investment.

Innovation

- 3.38 Levels of innovation in Stoke-on-Trent & Staffordshire are comparatively low. Only 0.1% of the workforce engages in R&D activities against 0.4% nationally, and the area ranks 35th out of 39 LEP areas in terms of number of patents per 10,000 residents at 3.4 per 10,000 residents compared to the England average of 10.6. Our SMEs should make better use of local and national innovation services and assets to stimulate growth and develop higher value products, especially in our priority growth sectors. We need a fuller understanding of the needs of key larger companies and the potential role UK assets can have in driving up R&D-led innovation and how best this assistance can be accessed.
- 3.39 Despite some very strong and internationally renowned businesses and academic facilities, Stoke on Trent and Staffordshire currently lacks a recognised R&D centre of excellence which can support our local businesses, attract expertise and catalyse investment in our economy. We are committed to building on our base in Advanced Applied Material to explore scope and potential for a beacon innovation facility for this sector.

Business Support & Finance

- 3.40 Access to finance and investment readiness are key themes in our suite of priorities. During the on-going economic downturn, access to equity and debt finance has been a significant challenge for companies and proven to be a major constraint on growth. We are collaborating with the five other West Midlands LEPs to explore a cross-boundary finance initiative to support business enterprise and innovation.
- 3.41 The business support offer in Stoke-on-Trent and Staffordshire is characterised by a multiplicity of channels and programmes which represents both a challenge and an opportunity. We have introduced a helpline as a starting point which has proven popular and through our City Deal we now intend to develop this into a Growth Hub. This will provide leadership, mentorship and support, simplifying access and increasing take up of local and national services.
- 3.42 Although our core focus is on the priority sectors, our scope will embrace complementary sectors (eg digital and creative which sits as part of the wider business and professional services sector and plays a crucial supply chain role in Advanced Manufacturing sectors) and support diversification via exporting and inward investment. Contributors to this work include Universities, Chambers of Commerce, Social Enterprises, practitioners and Colleges both within our area, in adjacent areas, nationally, and internationally..

Priorities & Action Areas

Table 3.4: Our Priorities & Action Areas for Sector Growth

Priority	Key Action Areas
Enterprise – promoting and supporting enterprise and new business creation	<ul style="list-style-type: none"> Early stage support and mentoring Enterprise networks Social enterprise support programme Enterprise and incubation centres
Inward Investment and Trade – promoting our area as a location for inward investment and supporting existing businesses to increase their exports	<ul style="list-style-type: none"> International trade support for SMEs Inward investment support service Create a stronger perception of the LEP area amongst potential investors.

Priority	Key Action Areas
Innovation – <i>support businesses to undertake more R&D and innovation and to commercialise the outcomes of this</i>	<ul style="list-style-type: none"> Applied Materials Research and Innovation Centre Centre of Excellence in Energy Security and Renewable Energy Innovation infrastructure Investment readiness Innovation networks Collaborative research and knowledge transfer programmes Innovation vouchers and commercialisation support
Business Support – <i>support businesses to develop and grow, particularly in priority sectors</i>	<ul style="list-style-type: none"> Access to national programmes including MAS, Growth Accelerator, and UKTI Growth Hub Bespoke priority sector development interventions
Access to Finance – <i>improve access to finance for businesses with ambition to grow</i>	<ul style="list-style-type: none"> West Midlands fund of funds Build on existing loan fund mechanisms in LEP area Business Angel investment projects A strategy to help local companies access Regional Growth Fund and similar programmes

5. Skilled Workforce

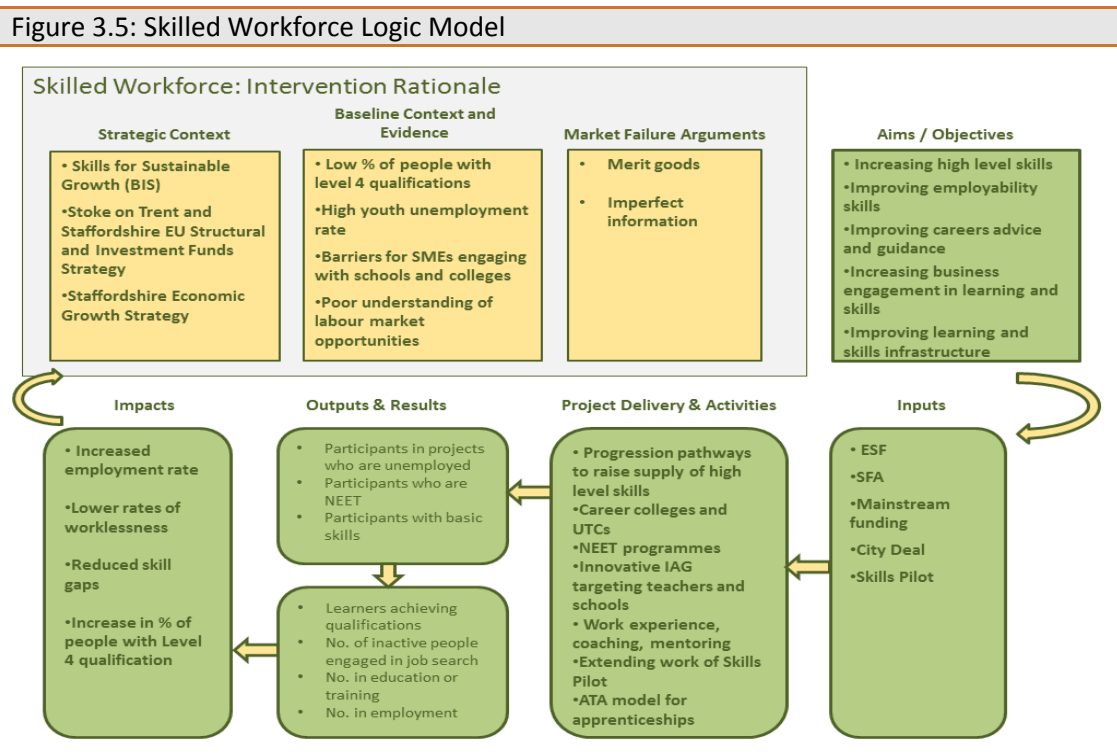
Vision

We will develop a modern and flexible skills offer which enables all people to accessibly up-skill and re-skill so we can match the growing needs of Stoke-on-Trent and Staffordshire’s priority sectors.

3.43 The skills agenda in Stoke-on-Trent & Staffordshire presents us with a significant challenge as set out below and in our supporting evidence which we will address across five priority areas of focus

- **Higher Level Skills:** develop high level skills to meet the needs of our priority and other high-value and growth sectors
- **Employability:** improve skills for employment to allow all people to participate in the workforce
- **Career Choice:** improving careers decision making and skills development to ensure strong match-up between local skills and employment opportunities
- **Business Engagement in Learning and Skills:** develop greater involvement of businesses with skills provision
- **Learning and Skills Infrastructure:** development of high quality education and training facilities in our area.

Logic Model



Need & Opportunity

High Level Skills

- 3.44 Only 25% of working age people in the LEP area hold a degree-level qualification, which is nine percentage points below the average for England. This partly reflects low demand for high level skills from local employers, but also means there is too narrow a range of employment opportunities to keep highly skilled people in the LEP area. There is evidence that those employers who are looking for high-level skills are experiencing skill shortages, especially in our priority sectors. Nationally, demand for high-level skills is also expected to grow, which could generate an estimated 9,500 positions in Level Three and Four positions in key sectors over the next ten years. We need to focus on raising demand locally for high-level skills and ensuring that supply is responsive to the needs of key sectors.

Employability

- 3.45 Youth unemployment is high in our area; 18% of 16-24 year olds in Stoke-on-Trent and Staffordshire are unemployed, compared to 4% of 25 to 64 year olds. There are a number of causes for this, however poor employability skills is often identified in local business surveys as a major factor. This includes softer skills such as communication and team working as well as basic skills such as numeracy and literacy. Thereafter there are a range of pathways into further and higher education which are being utilised and have the potential for further development.

Career Choice

- 3.46 A further explanation for high rates of youth unemployment (but also relevant to adults) is the poor understanding of labour market opportunities. This is crucial not only to increasing the chances of finding employment but also to the effective functioning of the skills system, which relies on well-informed people choosing courses which are relevant to the needs of employers. There are too many young people choosing courses in subjects with few corresponding local job opportunities. Older people are also experiencing challenges in adjusting following redundancy in some of Stoke-on-Trent and Staffordshire's traditional sectors. Many of these people may face particular difficulties finding work because of a lack of transferrable skills or a lack of knowledge about their options for re-training. We also need to ensure that the skills in the workforce meet the needs of the community as a whole for instance, it is clear the health and care sector is set to grow massively over the coming decades. Although this sector is unlikely to directly boost our underlying competitiveness, it will be an important source of employment for many of our local residents.

Business Engagement in Skills

- 3.47 Stoke-on-Trent and Staffordshire needs a demand-led skills system. There is a persistent mismatch between the skills that employers look for and those delivered by the education system. Getting this right would not only better prepare learners to access employment opportunities in Stoke-on-Trent and Staffordshire, but could also contribute to the productivity and growth of the whole economy. Recent changes to policy go further than any previous measures in terms of transferring power away from central control and putting employers at the heart of the decision making process. Accompanied by the greater freedom for colleges and other training providers, there is a genuine opportunity to try new and

innovative solutions for engaging employers and demonstrating the benefits of investing in their workforce.

- 3.48 However these opportunities also have to be weighed against the demands placed on employers, both in terms of engaging with training providers and investing in training and workforce development at a time when the prospects for growth are uncertain. This is a particular ask for smaller SMEs, which, the evidence base shows, have a much lower propensity to train their staff and engage with FE Colleges than larger businesses.

Learning and Skills Infrastructure

- 3.49 The Skills Funding Agency has published evidence that many learners at colleges in Stoke-on-Trent and Staffordshire have a substandard experience due to poor estate and facilities. In order to meet the needs of the LEP’s growth sectors, learners need environments which match their future workplace. For engineering sectors, this means having access to state of the art workshops and the latest technology and ensuring that training is better aligned to the needs of employers. This includes the potential offered by a new HS2 College, which would be ideally situated in the LEP area, building on the expertise of local employers, Universities and existing Further Education providers.
- 3.50 Strong connectivity and transport networks are critical to our skills and employment interventions. If we are to deliver socially inclusive and sustainable economic growth, residents across our area must be able to readily access learning and training opportunities. Learning facilities in our town centres contribute to their vitality and vibrancy and represent an opportunity to maximise the benefits of investment.

Priorities & Action Areas

Table 3.5: Our Priorities & Action Areas for Skilled Workforce	
Priority	Key Action Areas
Higher Level Skills – <i>develop high level skills to meet the needs of our priority and other high-value and growth sectors</i>	<ul style="list-style-type: none"> • Initiatives that promote and increase the wider use of Higher Apprenticeships. • Internships and placement schemes for graduates in local businesses to raise employability and raise demand for high level skills • Progression pathways: raising aspirations of residents to go to University • Developing career colleges/University Technical Colleges: sector focused FE colleges linked to Stoke-on-Trent and Staffordshire priority sectors • Leadership & Management Centre a Keele
Employability – <i>improve skills for employment to allow all people to participate in the workforce</i>	<ul style="list-style-type: none"> • Provision for unemployed people who are not eligible for the Work Programme • Tailored NEET programmes and prevention • Work experience, coaching and mentoring schemes • The development of vocational routes into employment particularly, traineeships, apprenticeships and internships. • Programmes that support local employers to recruit those young people that are disengaged (Apprenticeships, Traineeships and work experience). • Targeted programmes for vulnerable groups (people in care, offenders, disabled etc.)

Priority	Key Action Areas
Career Choice – <i>improving careers decision making and skills development to ensure strong match-up between local skills and employment opportunities</i>	<ul style="list-style-type: none"> • Innovative IAG projects which start earlier • Interventions targeting teachers in schools so they understand the skill needs of employers and relate these to learners • Interventions targeting parents who can influence aspirations of children • Local centres based on JET model which can link people to jobs or training opportunities in the local area.
Business Engagement in Learning and Skills – <i>develop greater involvement of businesses with skills provision</i>	<ul style="list-style-type: none"> • Extending the work of the Skills Pilot which identifies the key skills required in Stoke-on-Trent and Staffordshires’ growth sectors • Developing career Colleges/UTCs: sector focused FE Colleges where employers determine the curriculum • ATA model for apprenticeships
Learning and Skills Infrastructure – <i>development of high quality education and training facilities in our area</i>	<ul style="list-style-type: none"> • Improvements to the quality and infrastructure of the estate to ensure it can develop world class skills • Improvements to the technology available to students to ensure they are trained on cutting edge technologies • Rolling out the FABLAB model for Stoke-on-Trent and Staffordshire where colleges and SMEs can share access to latest technologies. • Involvement of employers in identifying key infrastructure and technology requirements to ensure skills are relevant to employers.

4. Our Approach

Our Partnership

- 4.1 The success of our Strategic Investment Plan will in large part depend upon the engagement and support of our partners together with the management and governance arrangements which we, the LEP, put in place. In developing the SEP we have engaged Businesses, Developers, Local Authorities, Government Agencies, Universities, Colleges, Housing Partners, Social Enterprises and others. We have held events across the LEP area, attended local meetings, and held thematic and geographically focussed events..
- 4.2 Our objective in developing a governance structure is to maximise policy coherence and performance impact of the programme of investments we oversee. Although the exact arrangements with central government are still to be advised, Stoke-on-Trent and Staffordshire LEP has developed its governance arrangements in preparation for EU, Structural and Investment Funds, City Deal and Local Growth Fund responsibilities. These include clear decision making and programme management to provide an audit trail and evidence for funding decisions. For instance we have a Local Transport Body with an agreed Assurance Framework and clear terms of reference and already administer a Growing Places Fund allocation of £10.6m which has been allocated to projects. Proposals are tested against a standard set of tests at the outline and full stage. The LEP is therefore well-placed to accommodate these responsibilities and ready to agree the exact division of roles with central government over the coming months. Currently the Stoke-on-Trent and Staffordshire LEP working with its accountable Local Authorities is planning to be responsible for:
- developing LEP Strategic Economic Plans and Priorities
 - generating intelligence on economic needs and programme performance in the Stoke-on-Trent and Staffordshire LEP area
 - helping improve the quality and potential impact of local investment proposals
 - commissioning projects
 - ensuring broad support for and commitment to projects/ programmes
 - generating management information processes to review understand progress and performance on delivery.
- 4.3 The Stoke-on-Trent and Staffordshire LEP is keen to confirm the precise division of responsibilities with central government for Local Growth Fund, and EU SIF including detailed appraisal and programme performance (including agreeing project variations).
- 4.4 In addition, we will identify ways of pooling resources. A notable example of how this has been achieved successfully is the joint Stoke-on-Trent and Staffordshire inward investment service (Make It Stoke-on-Trent & Staffordshire). Further developments include the creation of a joint LEP-wide Growth Hub, to provide business support (including overseas trade and innovation support) and the establishment of a joint Education Trust.

Existing Pooling and Joint Working Across Stoke-on-Trent and Staffordshire

- Inward Investment Services
- Growth Hub
- Education Business Trust
- Wheels to Work and Home To Work Programmes

Local Roles and Membership

- 4.5 We are committed to use (and where required develop) existing groups rather than create completely separate governance apparatus for each area of LEP responsibility. At this stage, we are simply presenting how our current structure matches the oversight needs we expect to acquire. In due course we will refine our plans to demonstrate how they integrate with our wider investment responsibilities and the detailed roles being taken on by central government.
- 4.6 Within the Stoke-on-Trent and Staffordshire LEP we propose three tiers of responsibility for overseeing our investment programmes: the LEP, the Executive Group, and a series of theme groups, as detailed below.

Table 4.1 Responsibilities	
Role	Membership
Local Enterprise Partnership	
Shapes the strategy, priorities and targets Holds the Board to account	Includes all LA and business members of the LEP Board
Executive Group	
To manage the delivery of the LEP's priorities. This will include: <ul style="list-style-type: none"> • Details of procurement, commissioning • Recommendations on priority projects to Managing Authority Analysing and disseminating intelligence on conditions and performance.	<ul style="list-style-type: none"> • Sub Group Chairs • LEP Vice Chair • Accountable Bodies • LEP Chair (ex officio) Accountable to the Enterprise Partnership Supported and attended by key members of the Secretariat including District, Borough, County, City, and Chamber staff NB. A LA Funding Management Group will deal with operational financial matters
Theme Group: Funding Management	
Monitoring and management of funding allocations: <ul style="list-style-type: none"> • Representative group of Accountable Bodies • Operational Management and accountability for funding programmes Sign off of funding allocations	<ul style="list-style-type: none"> • LEP Board representative (chair) • Local Authority representatives (Staffordshire County Council and Stoke-on-Trent City Council) and a S151 rep. • Business (1)
Theme Groups x6 (Strategic Funding, Sectors and Inward Investment, Business Growth and Innovation, Sites and Infrastructure, Housing and Place, Education Trust; DMP also supports the LEP)	
To drive delivery of the LEP's priorities	Membership will vary across groups but drawn from:

<ul style="list-style-type: none"> Stimulating feedstock of project proposals Generating insights into economic opportunities and threats Assessing strategic fit on long list of proposals Prioritising projects for more detailed development 	<ul style="list-style-type: none"> Local authority Keele University Staffordshire University Sector development agencies (eg CERAM) Business intermediaries Other strategic partners (eg Make it Stoke-on-Trent and Staffordshire) <p>Accountable to the Executive Group</p> <ul style="list-style-type: none"> May form task groups which include a broader range of stakeholders
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Delivery Processes

4.7 The Stoke-on-Trent and Staffordshire LEP is keen to exploit the most efficient and effective routes to delivery. The table below indicates our understanding of the likely avenues and how they will be used.

Route	Our Plans
National Opt-Ins	Stoke-on-Trent and Staffordshire LEP will use opt-ins and negotiate local adaptations with national agencies delivering these programmes with agreed outputs.
Regional & Wider Schemes	We work with neighbours collaboratively on transport, and a range of other areas including Universities. As an example we have begun to work with our neighbouring LEPs to agree areas for co-investment. We are working towards a regional approach to financial instruments and supporting the advanced manufacturing sector under a wider Smart Specialisation programme. A number of other elements may also lend themselves to a collaborative model.
Commissioning	The LEP does not see itself directing delivery. It will work with partners and others to commission the activities set out in this plan. This will continue to be done flexibly by exploiting opportunities for collaborative schemes where either economies of scale result or the impact and benefit to our businesses is enhanced.
Calls for Projects	Where the LEP has no relationships with a high quality credible operator (a pre-requisite for commissioning) we will go out more widely to secure bids in response to specific calls for proposals to bring forward essential gap-filling initiatives.

Working with Other LEPs

4.8 The Stoke-on-Trent and Staffordshire LEP has worked closely with a number of other LEPs in developing our programme (particularly through the ESIF Strategy work), most notably with the five other LEPs in the West Midlands area particularly GBSLEP where we are working to align our approach in the overlapping area to maximise economic benefit for the wider economy. In addition, we have also shared thinking with D2N2 LEP, and Cheshire and Warrington LEP and will be working collaboratively with them. There are several areas of our strategy where we anticipate close-working with other LEPs. These include the following:

Table 4.2 Summary of Cross-LEP Delivery Plans

Strategic Investment Area	Other LEPs Being Collaborated With
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Strategic Investment Area	Other LEPs Being Collaborated With
Competitive Connectivity Joint work on strategic needs and evidence for investment and the development of an agreed statement (See part 3) Development of common programme proposals in overlapping areas linked to the promoting authority.	Greater Birmingham and Solihull LEP Black Country LEP Marches LEP Coventry and Warwickshire LEP Worcestershire LEP
Environment Joint Statement developed for West Midlands LEPs on intent to collaborate on EU priorities on low carbon, climate change and the environment – August 2013	Greater Birmingham and Solihull LEP Black Country LEP Marches LEP Coventry and Warwickshire LEP Worcestershire LEP
Innovation Joint statements developed on Smart Specialisation and Research, Development, Technology and Innovation (RDTI)	Greater Birmingham and Solihull LEP Black Country LEP Marches LEP Worcestershire LEP
Joint statement developed with West Midlands LEPs on use of Financial Engineering Instruments	Greater Birmingham and Solihull LEP Black Country LEP Marches LEP Coventry and Warwickshire LEP Worcestershire LEP
SME Competitiveness Business support	D2N2 LEP Cheshire and Warrington LEP Greater Birmingham and Solihull LEP Black Country LEP Marches LEP Coventry and Warwickshire LEP Worcestershire LEP

- 4.9 The LEP has developed a draft cross-LEP memorandum of understanding with GBSLEP for the overlapping area. In addition we are working with other LEP to ensure that the impact of EU Funding is maximised to create growth and employment. We are also working with the West of England and North East LEPs on the Skills Pilot, which gives us the opportunity to identify best practice in the skills arena, which we can apply in our LEP area where appropriate.

Our Commitment

- 4.10 We recognise the responsibilities being considered for the Stoke-on-Trent and Staffordshire LEP represent a significant step-change and place a burden of responsibility and risk upon our partnerships and the investment plan we have developed. The recent signing of our City Deal is a valuable start in this. As the local growth deal negotiations progress we will progressively flesh out the detail over the coming months and years as we demonstrate our value and impact and accordingly acquire greater responsibility. Our progress will be assessed against a number of important tests:
- **Demonstrating wider commitment to growth:** the strategy we have developed sets out a sustainable plan across the whole Local Enterprise Partnership area and provides a framework against which other investments can be planned (beyond the Local Growth Fund). Central to our plans is a commitment to creating a compelling environment to attract private investment behind our growth objectives. More widely partners are

committed to aligning policies and plans under our statutory responsibilities behind the agreed vision for sites, housing and transport. In demonstrating accountability we already publish a regular dashboard of our performance and delivery to inform members and partners.

- **Aligning or pooling local authority capital and revenue spend on growth:** over the coming months, as partners flesh out the next tier of details in our investment plan we will assemble a cocktail of investment which includes our core capital and revenue streams. Partners are clear that these additional responsibilities should add to the investments already planned and not displace or supplant any mainstream spending to support growth. There should be evidence of a clear asset management strategy across the Local Enterprise Partnership area,
- **Effective collaboration on economic development activities:** we have made strong progress bringing together partners to guide the Strategic Economic Plan and investment priorities. The LEP has already established a single inward investment team, a single business helpline, and governance arrangements for making joint decisions and overseeing progress towards our goals. In due course we will explore opportunities to further consolidate our capacity behind a more joined up approach.
- **Maximising the synergies with wider local growth programmes:** the LEP has built upon the same evidence base as other local growth programmes, and our growing sense of shared priorities to develop this plan. During the course of the exercise, we have explored strategic and investment linkages between the Private Sector, Local Growth Fund, Growing Places Fund, EU SIF and City Deal plans to ensure they are reinforcing but not duplicating. Going forward we will endeavour to ensure we continue to exploit synergies, secure efficiencies and maximise leverage from our investments.
- **Maximising the potential of Local Authority Assets:** As demonstrated in our implementation plan many of our proposals utilise Local Authority and other public sector assets. Examples include land for housing in Stoke-on-Trent, land for employment development in Stafford and Cannock, land and assets for town centre development in Stoke-on-Trent, Newcastle-under-Lyme, Tamworth, and Lichfield. More detail can be provide if required.

Wider Asks?

- 4.11 We remain committed to the “Asks” we sought through the development of our City Deal and we see the Strategic Economic Plan as being the means by which a number of these will be delivered particularly investment in Sites and Infrastructure.
- 4.12 The Local Growth Fund is a significant positive step in the Government’s decentralisation agenda. We have developed our SEP as a starting point in our ambition to secure a long term devolution of accountability and funding. We strongly believe with the sentiment of Lord Heseltine that local areas are best placed to make the decisions that will deliver jobs and economic growth, and therefore there is clearly an opportunity for the decentralisation of funding and powers to go much further. Our City Deal work has provided us with a valuable insight into Government expectations and the necessary requirement to evidence investment decisions. We look to Government departments to work with us to continue to develop this devolutionary process.
- 4.13 Government should continue to work towards further devolvement of funding, in line with the recommendations of the Heseltine Review. Rather than highlighting which specific funding streams should be included in the Local Growth Fund in future years, we believe that

it is important to stress that as many funding streams as possible that can be better delivered locally should be devolved. The disparate nature of funding streams at present makes it more difficult to plan appropriately and focus on the strategic priorities that will really deliver growth in our area. For example, the thirty plus different national programmes that exist to tackle worklessness make it difficult to target the correct interventions towards the right people. A single devolved pot would allow the design of a much slimmer number of programmes specifically designed to target the issues that exist in our area. Whilst we acknowledge that this will not happen overnight, it is something that should be actively worked towards and our City Deal, SEP and EU Investment Strategy provide a basis to do this.

- 4.14 Delivery of capital projects requires a degree of certainty about allocations. In its Local Transport Plan Settlements the Department for Transport adopted the practice of providing indicative allocations for future years. This approach allowed the commissioners and industry to plan over a longer term leading to improved efficiencies and the avoidance of a financial year based investment approach. We would hope that this good practice could be extended as it would allow us to plan more effectively in commissioning projects and assessing priorities.