

A GREATER BIRMINGHAM FOR A GREATER BRITAIN





Greater Birmingham & Solihull has
an economy worth
£40bn

Greater Birmingham & Solihull has
a population of
2m

GREATER BIRMINGHAM & SOLIHULL LEP

Greater Birmingham & Solihull contains a population of nearly two million, and is home to a million jobs and an economy worth £40 billion. It enjoys a concentration of economic drivers second only to London, making its success key to the fortunes of the UK economy as a whole.

The LEP area constitutes a dynamic, functional economy. From travel to work patterns to shared economic assets and business linkages, the lives and fortunes of the people and institutions of the area are inextricably linked.

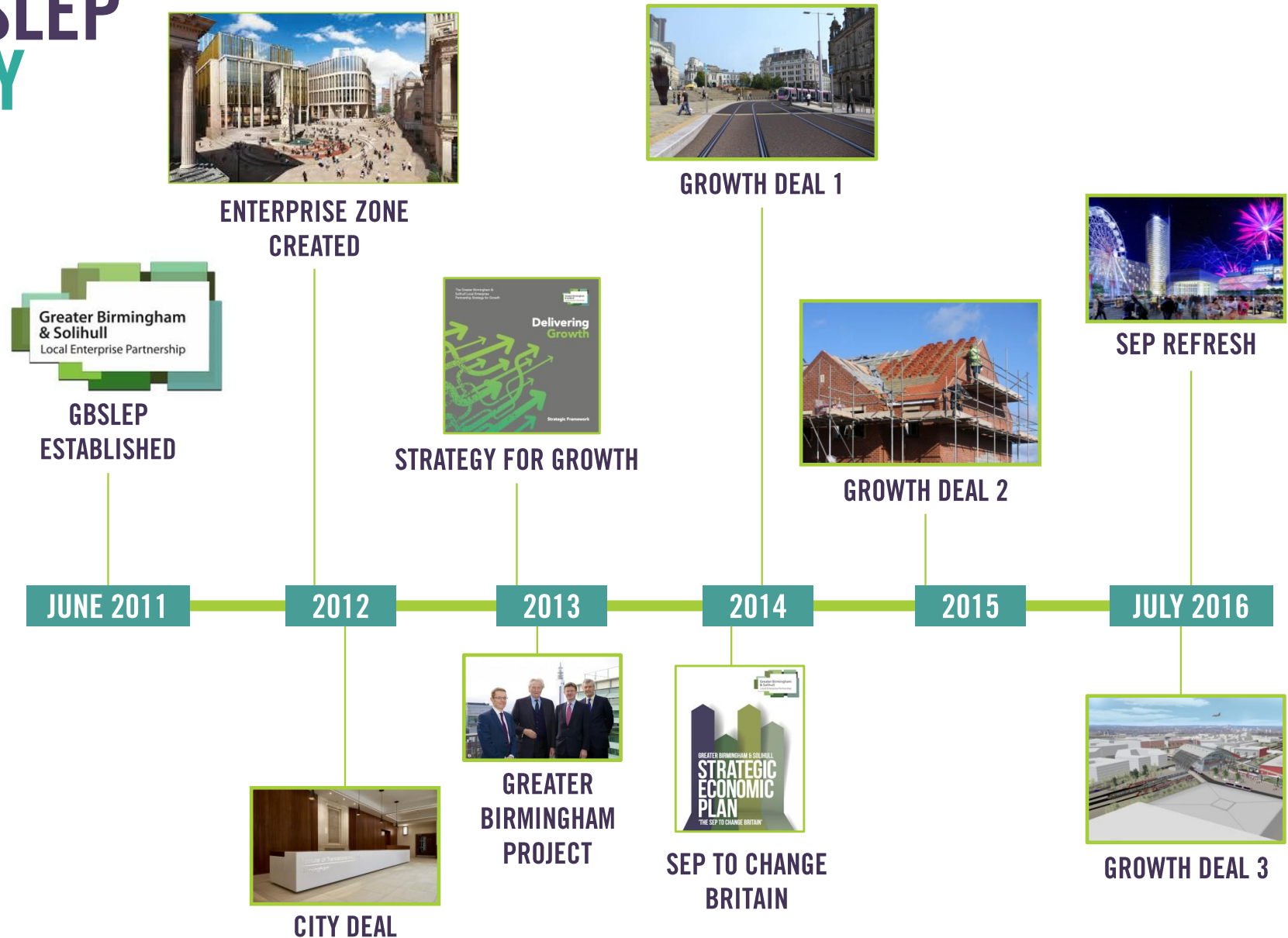
The core area of Birmingham and Solihull has a population of 1.3 million and contains many of the economic drivers of the conurbation such as the airport in Solihull, Birmingham city centre, a number of major universities and international meeting places.

Southern Staffordshire comprises four local authority areas to the north: Cannock Chase, Lichfield, Tamworth and East Staffordshire (based upon Burton and Uttoxeter). It has a population of 390,000 with considerable numbers commuting to and from Birmingham. There is an area of some 20–40km outside the urban conurbation, which has been identified as an area with significant potential for sustainable, knowledge-based economic growth.

North Worcestershire comprises three local authority areas to the south: Redditch, Bromsgrove and Wyre Forest (based upon Kidderminster). It has a population of over 275,000 and has a similar relationship to Birmingham and Solihull as that of Southern Staffordshire. There is considerable commuting into Birmingham and Solihull, but also commuting out from the core city.



THE GBSLEP JOURNEY



GBSLEP AREA ECONOMIC PERFORMANCE TO MARCH 2016

Attracted

73 NEW FDI
PROJECTS

9% more than any other LEPs



20,200

NEW BUSINESSES

born in the GBSLEP 2015



85,200
ADDITIONAL
PRIVATE SECTOR

JOB

since 2010 – outperforming
national growth rate



13.5%

ECONOMIC
GROWTH RATE

in the last five years



36.4k



Unemployment claimant
numbers reduced from 64.6k
in 2013 to 36.4k today (2016)

<1%

of people in
Tamworth and
Lichfield claim
unemployment
benefits



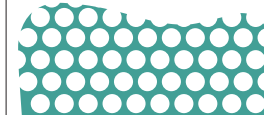
5,800

people moved from London to
Birmingham in 2014, the most
popular destination of any UK city

**TOP UK
REGIONAL
CITY**

Birmingham ranked
top UK regional city
for quality of life

(Mercer Living Index)



£29bn



West Midlands region exported
£29bn of goods in 2015, more
than any UK region outside
London and the South East

EXECUTIVE SUMMARY

The Greater Birmingham and Solihull LEP (GBSLEP) area has a track record of delivery, achieves a greater return on investment than other LEP areas and is the major driver of the UK economy outside of London.

We have unique advantages flowing from HS2, the West Midlands Combined Authority (WMCA) and Midlands Engine. Building on these strengths, GBSLEP aims to be a top global city-region – a major international gateway for the UK economy.

To support this ambition our Growth Deal 3 ask is £310 million. In return, we will deliver up to 28,000 jobs, 8,400 homes, 840,000 sq.m of commercial floorspace, £1.5 billion Gross Value Added and 3,200 learners assisted. Our key focus is leveraging investment. The development of Greater Birmingham as a place to do business enables us to insist on a greater return, potentially unlocking up to 5x our funding ask, bringing in over £1.5 billion in external investment.

In line with our refreshed Strategic Economic Plan (SEP), we have identified three packages of work to achieve GBSLEP's aims that, because of our size and scale, also drives growth across the UK and helps deliver a range of wider Government policy objectives in areas such as sustainable transport, skills, housing and estates regeneration.

The first package is Global Connectivity. HS2 will be the key infrastructure project that transforms the economic geography of the UK, rebalancing growth away from London and the South East – and Greater Birmingham is the first stop. Within the next decade, Birmingham Airport, the UK's seventh busiest, will become the UK's first and only high-speed rail connected airport and Birmingham City Centre will have been brought within 49 minutes of central London. We have identified four programmes designed to make the most of this unique opportunity: Birmingham Curzon; UK Central; East Birmingham and HS2 Growth. These are aligned with the wider WMCA SEP, and enable projects like the Centre for Excellence for Rail Systems Innovation and Integration, which exploit our world class academic excellence to accelerate new technology development and their integration into the rail supply chain. This will attract significant international investment, placing us at the global heart of rail transport innovation.

The second package is Leading the World in Innovation and Creativity. This makes the most of our world-leading capabilities, and our ability to innovate and commercialise cutting edge science, art and technology. There are seven programmes within this package, many of which are key WMCA priorities: New Manufacturing Economy; Energy Capital; Demand-led Innovation; Space to Innovate; Transport Innovation for a Low Carbon Economy; Creative, Cultural and

Digital; and Medical and Life Sciences. This package will enable projects like the Precision Technologies Accelerator, which will attract significant foreign direct investment and help the UK capture a sizeable share of a market forecast to grow by £900 billion over the next ten years.

The third package is Breaking Down the Barriers. This unlocks economic growth and spreads its benefits across society. There are seven programmes within this package, including several priorities for the WMCA: Housing and Estate Regeneration; Future Skills; Industrial Estate Renewal; Town and Local Centres; Transport and Accessibility; A38 Corridor; and Business Support. This package will accelerate projects such as the regeneration of North Solihull. This scheme aims to transform a currently neglected housing estate, creating new homes and jobs and tackling issues of deprivation and social exclusion.

GBSLEP is a partnership of the private, public and educational sectors. We have excellent governance arrangements and a track record of delivery across a range of programmes. Working in partnership with Government, we are well-placed to deliver a Greater Birmingham for a Greater Britain.

“JLL has always firmly believed that the key to attracting investment is for Birmingham to think of itself as a top European city, not just as part of the UK.”

BEN KELLY

DIRECTOR OF CAPITAL MARKETS • JLL

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Appendices

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The Aviation Engineering Training Centre at Solihull College, supporting the skills provision for the advanced manufacturing sector.



Midland Metro Extension – Growth Deal part-funded the delivery of cutting-edge battery technology.

A GREATER BIRMINGHAM FOR A GREATER BRITAIN

The aspiration of the GBSLEP Board is to deliver a step-change in Greater Birmingham's importance in the international marketplace, and create a truly global city-region. Our ambition is founded on a track record of delivery, the ability to achieve a greater economic return on investment than other LEP areas and our position as the major driver of the UK economy outside of London.

Alongside this, we have a critical mass of genuinely transformational opportunities: the arrival of HS2 in Birmingham City Centre and Birmingham Airport, the redevelopment of UK Central and Curzon, the devolution of powers to the West Midlands Combined Authority, and the creation of the Midlands Engine for Growth. The size and scale of these opportunities means that, right now, the Greater Birmingham offer is unique in the UK.

Following the recent EU referendum result, we believe that, as a country, we will need to become more internationalist in our outlook. It will be even more important that we make the most of our assets, especially the skills and talents of our people, if we are to rise to the challenges Brexit presents. Building on our existing strengths and our unique opportunities, Greater Birmingham is in an excellent position to lead the way. This view has received unequivocal endorsement from local business leaders on the GBSLEP Board and those from the local Chamber

of Commerce, Federation of Small Businesses (FSB), Confederation of British Industry (CBI), Institute of Directors (IoD) and Engineering Employers Federation (EEF) who have worked with us on developing this bid. At a time of uncertainty, it is more important than ever that Government stands behind the ambitions of GBSLEP, as set out in this bid, and supports the delivery of projects that make it easier to do business and create wealth.

Since our formation in 2011, we have already made huge strides forward. Our track record shows we can be trusted to deliver what and when we say we will. The performance of our delivery partners across the LEP area, both private and public sector, has been second to none. Projects include real game changers, such as the £500 million Paradise scheme which is transforming Birmingham City Centre, through to innovative interventions such the Aviation Training Centre at Solihull College, which are making a huge difference to people's lives as well as tackling a national deficit in skills.

The new Growth Deal provides an opportunity to stretch ourselves even further. Over the last few years, Greater Birmingham has been developing its reputation as a place to do business. Major schemes have unlocked development and significantly raised land values. Consequently, we have been able to insist that projects seeking a place on our programme this time around deliver a greater return. This is particularly

the case with leveraging external investment. In the first round of the Growth Deal, we were able to achieve a return that matched Government's investment. This time around, we are looking to achieve at least three times that and, have set ourselves a target return of five times our bid. This is challenging but, with some of our projects offering a return of nine times their ask we believe it a realistic goal to aim for. Overall, we believe that if Government continues to invest in Greater Birmingham's success, we can substantially enhance our ability to make our city-region a place that:

- Is globally connected, home to major investors from the UK and abroad and a gateway to markets across the world
- Leads the world in innovation and creativity, commercialising the science, technology, engineering, art and design that forms the foundations of the economy of the future



Andy Street
Chair
Greater Birmingham & Solihull
Local Enterprise Partnership



- Frees local companies to fulfil their potential by breaking down the barriers to their growth, supporting local people to fulfil their potential, building the infrastructure that makes us a great location for inward investment and an attractive destination for talented individuals

Achieving the Government's aim of rebalancing the UK economy requires our Core Cities and their hinterlands to continue to grow their role in the global marketplace. City-regions, such as Greater Birmingham, that have the size and scale to become global players and make a national impact are key areas for investment because they deliver a greater return than can be achieved in smaller or less well-connected locations. The rewards for taking the next steps along this road are potentially massive – for Greater Birmingham and for Great Britain as a whole. We are committed to making it happen. We invite Government to continue to invest in our journey.



Steve Hollis
Deputy Chair for Strategy
Greater Birmingham & Solihull
Local Enterprise Partnership



Birmingham's £500 million Paradise regeneration scheme.



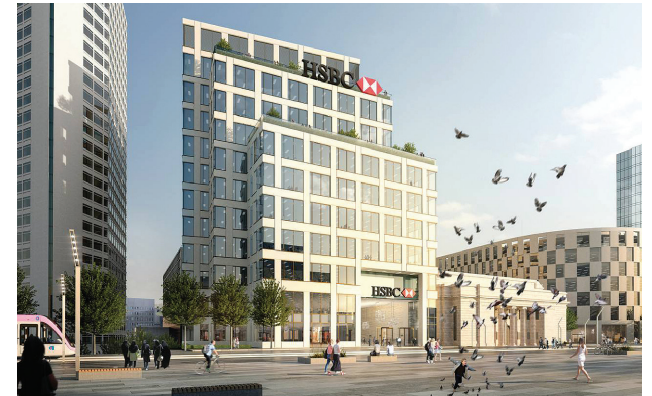
Chris Loughran
Deputy Chair for Delivery
Greater Birmingham & Solihull
Local Enterprise Partnership



“All options were on the table when we started thinking about the location of HSBC UK’s new head office but Birmingham emerged as our number one choice. The revitalisation of the UK’s second biggest city and its connectivity make it a really attractive home for UK businesses and their employees.”

NIGEL HINSELWOOD

HEAD OF UK AND DEPUTY CEO OF HSBC BANK PLC



CGI of HSBC's UK head office for personal and business banking in the Enterprise Zone.

INTRODUCTION

Greater Birmingham is young, diverse and dynamic. Our size and scale gives us a huge economic footprint that means investments in our area have an impact right across the UK.

We have ambitious civic leadership, excellent transport links and world class universities. HS2 is the key infrastructure project transforming the economic geography of the UK, rebalancing growth away from London and the South East – and Greater Birmingham is the first stop. Within the next decade, Birmingham Airport, the UK's seventh busiest, will become the UK's first and only high-speed rail connected airport and Birmingham City Centre will have been brought within 49 minutes of central London.

From 2009 to 2014 Greater Birmingham saw a 16.3% growth in its economy (GVA), the highest rate of growth of any UK city outside London. For the last two years the city has attracted more foreign direct investment than any other Local Enterprise Partnership area and in 2015 Greater Birmingham saw the largest number of new company start ups (14,152) of any Core City. Two thirds of all UK automotive research and development now takes place within the region. Our task is to build on these strengths and advantages to make Greater Birmingham one of the top global city-regions, providing an additional major gateway to world markets for British businesses. Delivering on this ambition is achievable, if we can take full advantage of our existing strengths and the once in a generation opportunities currently available only to Greater Birmingham.

Our refreshed SEP identifies three interconnected priorities to turn our aspirations into action. They underpin our investment packages, providing the strategic rationale for major change that unleashes Greater Birmingham's full potential, enabling us to play our part on the global stage for the benefit of the UK as a whole. Our packages support the delivery of wider Government policy priorities in areas such as sustainable transport, skills, housing and estates regeneration. This round of Growth Deal helps deliver these packages and, we are asking Government for a £310 million contribution. In return, we will deliver up to 28,000 jobs, 8,400 homes, 840,000 sq.m of commercial floorspace, £1.1 billion Gross Value Added and 3,200 learners assisted. Our key focus is leveraging investment. The development of Greater Birmingham as a place to do business enables us to insist on a greater return, potentially unlocking up to 5x our funding ask, bringing in over £1.5 billion in external investment.

Following the EU referendum, local business leaders from the Chamber, FSB, CBI, IOD and EEF, have made clear that investment through GBSLEP is more important than ever to maintain this confidence. Private investment in Greater Birmingham has been steadily growing, and is continuing to grow, but companies are looking for Government to show leadership in this time of uncertainty. Supporting GBSLEP's ambitions is seen as a key way in which this can be achieved. There is even a strong case to suggest that a greater fiscal stimulus than we have requested is required to demonstrate Government's commitment to Greater Birmingham's continued growth and development.

This document is divided into three sections:

Section 1 describes the three investment packages. The first package takes advantage of our **Global Connectivity**, especially the benefits of being the first

location for HS2. Birmingham Curzon station will place the city at the heart of the national high speed rail network, connecting us more firmly to European markets and increasing the national impact from our economic success. The combination of the new HS2 station at UK Central with Birmingham Airport extends that network across the globe. The second package is our contribution to the UK's emerging wider industrial strategy. It is about making the most of our **World-Leading** capabilities in innovation and creativity, in particular around our ability to commercialise that innovation, from cutting edge science and technology through to cultural heritage and our creative industries. This innovation will provide the foundations for the economy of the future. Our world class universities provide us with a competitive advantage in a range of sectors, including advanced manufacturing, sustainable transport, energy and low carbon technologies, and medical and life sciences. These advantages enable us to stake a claim to a whole host of high value growth opportunities, attracting major external investment. The third package sets out how we will **Break Down the Barriers** that constrain growth and prevent wealth spreading to all sections of society. These include skills shortages, underutilised land, and poor digital and physical connectivity.

Section 2 of the document describes the arrangements put in place to enable delivery, to ensure value for money is achieved, and to ensure that the principles of good governance are applied.

Section 3 summarises the key information about our packages, including our financial ask from the Local Growth Fund. More detailed information on the programmes and projects contained within the packages are set out in Appendix A.

Devolution Deal to bring an additional

£40m per year

£8bn
overall investment package

WEST MIDLANDS COMBINED AUTHORITY

The Devolution Deal and the formation of the West Midlands Combined Authority (WMCA) creates an unprecedented new opportunity to achieve our ambitions for Greater Birmingham and the wider West Midlands.

The new freedoms and flexibilities, together with the additional resources on offer, provides the delivery tools required to make more things happen - especially when it comes to major, complex projects. The Devolution Deal agreed with Government is expected to bring the equivalent of £40 million per year for the next thirty years to support an overall investment package that will unlock £8 billion and create an additional half a million jobs. To provide the framework for the economic growth of the West Midlands, a WMCA-wide SEP has been created to sit alongside the individual SEPs for the Black Country, Coventry & Warwickshire and GBS LEPs. At the heart of the WMCA SEP is the drive to accelerate an improvement in productivity and enable the West Midlands to become a net contributor to the UK exchequer – while improving the quality of life for everyone who lives and works in the area. The strategy will be delivered through:

- Strengthening local supply chains and re-shoring activity to the West Midlands

- Enabling more businesses to take advantage of the R&D and innovation infrastructure
- Improving road and rail infrastructure
- Boosting business birth, survival and growth rates in parts of the area
- Improving the skills base and ensuring that businesses have access to the skills they require
- Bringing forward land for housing and employment
- Accelerating the rate of house building to match aspirations for growth

The economic geographies of the three LEP areas have many commonalities along with some areas of difference. The three LEPs have aligned relevant elements of their bids for Growth Deal funding. This is in recognition of the contribution individual SEPs make to delivery of the aspirations of the WMCA and, conversely, how delivery of the WMCA SEP contributes to the delivery of the ambition contained in the individual SEPs. Programmes such as HS2 are almost entirely integrated across the combined authority area, while others such as life sciences have their heart within GBSLEP but provide benefits across the wider West Midlands area.

The chairs and officers of the Black Country, Greater Birmingham and Solihull and Coventry and Warwickshire LEPs already meet as part of a well-established West Midlands LEP chairs forum. This shared agenda across LEPs has created a strong and confident foundation for WMCA development and has helped support close joint working between local authority and business leaders. It has already translated into specific actions and joint work on areas such as supply chain development and financing, transport, marketing and promotion and financial economic instruments (aligning EU funds). This experience,

knowledge and shared agenda provides a solid foundation for working across the combined authority. The WMCA SEP board, comprising LEP Chairs and Leaders is just one example of successful close joint working. To support and accelerate delivery of the WMCA SEP outcomes, a West Midlands wide growth company is also being considered to work with the private sector across the area.

Transport for the West Midlands (TfWM) is the transport body for the WMCA area. Movement for Growth is TfWM's plan to deliver the improved connectivity needed to enable economic development and unlock housing and employment growth. This will help unlock high value growth clusters across the West Midlands, widen labour markets and support regeneration and place making initiatives. As well as giving people access to skills, education and training, a balanced and effective transport system will enable agglomeration and reduce business overheads in accessing the supply chain and markets.

The Devolution Deal investment package will help TfWM unlock £8 billion of economic development. The transport programmes developed by the three West Midlands LEPs for the Growth Deal will complement this activity by promoting modal shift, increasing capacity on the network through smart improvements to the existing highway and enabling transport improvements. Increased sustainability is a key part of these transport programmes. This is in line with the Government's wider policy objectives, and will complement the forthcoming revenue element of the Access Fund to support sustainable travel solutions for new housing and business developments.



GBSLEP BID

CW & BC BIDS

THREE ALIGNED BIDS

MIDLANDS ENGINE FOR GROWTH

The Midlands Engine for Growth brings together eleven LEPs, including GBSLEP, who together with their Local Authorities, businesses and other partners, have come together to respond to the Government's economic and productivity challenges. Partners have agreed to collaborate around promotion, connectivity, innovation, finance for business and skills. The impact of this collaboration is to enable individual LEP programmes and projects to make a greater impact as part of the wider Midlands Engine plans. Where programmes and projects in our packages contribute to driving the wider Midlands Engine agenda, these have been flagged up in the text.

“Birmingham is number 1 in the UK for real estate investment prospects, and number 6 in Europe.”

PWC & URBAN LAND INSTITUTE

“EMERGING TRENDS IN REAL ESTATE: EUROPE 2016”

Home to over

**60,000
BUSINESSES**

and

1m JOBS

SECTION 1: PACKAGES

Greater Birmingham is already a major economy of national significance. It has an annual GVA of nearly £40bn and is home to over 60,000 businesses and one million jobs.

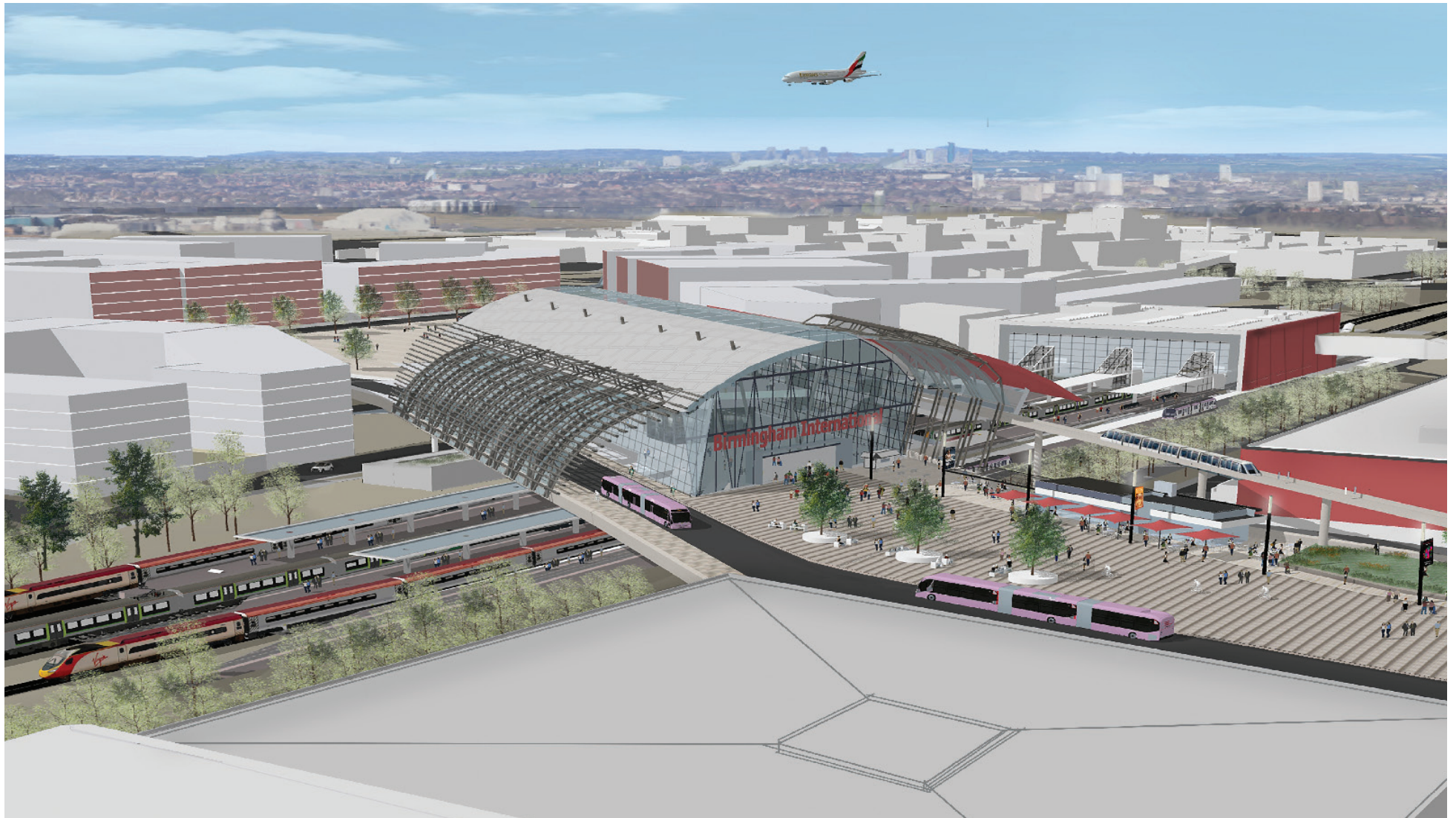
Our ambition is to continue the process of transformation into an economy of international significance, greatly increasing our contribution to UK PLC. Our investment packages are the mechanism through which we turn this ambition into reality. While set out individually, for ease of presentation, the packages are fundamentally interconnected. It is the combined scale of the opportunities they present, and the impact they will have across the UK as a whole, that differentiates Greater Birmingham from other areas.

The investment packages consist of a number of programmes and projects, each of which is a strategic intervention designed to make an impact in the most cost effective way. They consist of major, complex programmes that are game-changers in their own right, alongside smaller projects that break down the barriers to growth at ground level. As set out in Section 2, over the last few years we have demonstrated a strong track record in delivering these types of projects.

The size and scale of the packages reflect our ambitions. We are looking for a contribution of £310 million from the Growth Deal. In return, we envisage delivering the outcomes and outputs listed by

package in Section 3. Ahead of the detailed appraisals, these outputs are initial estimates based upon known information, previous experience and standard formulas. While they are likely to change, following detailed appraisal, we are confident that, based on our experience, they provide a robust indication of what will be achieved in practice across the three packages. Our key measure is the level of investment secured. Based upon the proposals we have received, we have set ourselves a stretching target of achieving a return five times the level of Government investment.

In the text below, we describe each package and include a detailed narrative on each programme contained within. We have also provided an example of the type of project we would be looking to deliver to achieve the package and programme aims. For the sake of brevity we have only used one project to illustrate each programme. However, these projects are indicative of a number of excellent proposals within our project pipeline. As part of our prioritisation process, projects will only be funded once they have been subject to a full Green Book appraisal in line with GBSLEP's assurance framework. Further details on the prioritisation process and the assurance framework are set out in Section 2.



Globally connected CGI of Interchange Station at UK Central in Solihull.

PACKAGE 1: CONNECTING GLOBALLY

This package is focused on exploiting the advantages from our increasing global connectivity, especially those conferred by the new HS2 network. Greater Birmingham will be first to connect to the new high speed rail system, opening up new international gateways for the UK at Birmingham City Centre and Airport.

This means that, at the current time, we are in a unique position to take advantage of both the connectivity benefits of the network, and its catalytic impact on the physical redevelopment of areas around the new stations and on local skills supply chains. We have identified four programmes of work to sit within this package. They are designed to make the most of our increased connectivity to global markets, attract investment and ensure that the benefits this creates radiate out throughout the Greater Birmingham area and drives growth across the rest of the Midlands and the UK as a whole. Three of the programmes are spatially based. The fourth is cross-cutting, enabling us to get exponentially more benefit from the other three programmes.

BIRMINGHAM CURZON is the arrival point for HS2 in the Midlands. Arriving in Birmingham City Centre in 2026, HS2 will bring upward of 25,000 passengers per day into the City. The Birmingham Curzon Masterplan sets out how the arrival of HS2 can be maximised and the growth and regeneration opportunities around the new terminus station unlocked. Its designation as part of the Enterprise Zone brings added impetus, boosting economic activity and supporting delivery. A regeneration company has been formed to guide delivery of a forecast £1.4 billion economic uplift. Working with the City Council and WMCA, we have identified a £724 million investment plan for the area. Our programme complements that plan and has two major aims. Firstly, to continue the transformation of Birmingham City Centre that has led to the area being rated one of the most attractive destinations in Europe for property investment. This will be achieved through the delivery of a range of public realm, environmental quality and highway improvements schemes that will further increase land values. The second aim is to take advantage of the economic development opportunities created by the integration of a new international rail terminus in the heart of the city centre. Projects will bring back into use under-utilised assets, and link the new terminus station to major development schemes such as the Knowledge Hub, Birmingham Smithfield and Typhoo Wharf.

MOOR STREET QUEENSWAY AND DIGBETH HIGH STREET

The Birmingham Curzon Masterplan identifies Moor Street Queensway and Digbeth as key locations for economic growth, essential to successfully integrate HS2 into the City and to maximise the potential for uplift in land-values. At Moor Street Queensway, a new “Station Square” would be created within the existing space of Moor Street Queensway and on land up to the entrance of the Curzon HS2 new station. The square will become a focus for wider pedestrian movement as it forms a pivotal point within the City Centre where Eastside and Digbeth shall be seamlessly connected into the existing retail and commercial City Core area. Enhancements to Digbeth High Street present a further opportunity to improve connectivity in the area. Improvements to the public realm will be integrated with the Metro extension to become an exemplar model of pedestrian and traffic movement, encouraging new investment, businesses and visitors.

UK Central to achieve
an additional

20,000
JOBS

and

2,000
HOMES

UK CENTRAL is a sub-regional network at the centre of the UK's high-skilled manufacturing heartland. It is already one of the strongest economic bases in the country with the potential to provide even more transformational growth. This will be based around the M42 corridor, the 140 hectare development site at Arden Cross, and the new connections between the proposed HS2 Interchange Station and the existing nationally significant assets of Birmingham Airport, the National Exhibition Centre and Jaguar Land Rover. The overall vision seeks to achieve an additional 20,000 jobs and 2,000 homes. The WMCA Devolution Deal has secured £350 million investment for the Interchange and 'People Mover'. Alongside this, Highways England are reconfiguring the existing motorway network to ensure the opportunity offered by growth in UK Central spreads across the entire LEP area and the wider Midlands. The Growth Deal helps to make the most of these investments by delivering complementary projects that, while more local in nature, are key to maximising growth potential. This includes projects such as the A45/Damson Parkway, which provides essential infrastructure to open up development sites, while others, such as the Birmingham Business Park Access Road, will link it into existing employment and housing areas.

A45/DAMSON PARKWAY JUNCTION IMPROVEMENT

The A45/Damson Parkway Junction is a key site for unlocking jobs and growth at UK Central, providing the main access to key parts of the Jaguar Land Rover complex and to the 40 hectare Elmdon development site at Birmingham Airport. It is also a key part of the local highway network. It provides the landing point for traffic from junction 6 the M42, currently being remodelled by Highways England, and is on the path of both the Sprint and cycle corridors from Birmingham. The Junction is already subject to significant levels of traffic demand and regularly suffers congestion. This means that without improvements, it will be a bottleneck constraining economic development and the delivery of sustainable transport solutions.

EAST BIRMINGHAM is currently an area that suffers from significant levels of deprivation. However, it is transforming itself into a top business location that links people to employment and training opportunities. Connected to HS2 at both Curzon and UK Central, it is a key location for jobs and housing growth that will greatly increase land values in the area. The extension of the Metro through East Birmingham links a number of important regeneration opportunities and major employers at Heartlands Hospital, the Meadway, the North Solihull regeneration area, Birmingham Business Park, and Bordesley Park, including the Wheels site. Opportunities are being identified for estate regeneration, bringing forward employment land and housing opportunities and increasing the density of development along the route of the Corridor, particularly at Metro stops. East Birmingham is a key WMCA priority and includes the Washwood Heath site. This is the location for HS2's Rolling Stock Maintenance Depot and the Network Integrated Control centre for the new high speed rail network, which will create 640 direct jobs in an area of high unemployment, and unlock a further 24 hectares of employment land for development.

BROMFORD GYRATORY

The Large Local Majors Fund supports exceptionally large, potentially transformative, local schemes that are too big to be taken forward within regular Growth Deal allocations and could not otherwise be funded. For GBSLEP, bids to the Large Local Majors are required to relate to projects with a capital cost in excess of £75 million. Bids can be for scheme development costs, or, if an Outline Business Case (OBC) is already complete, for funding to prepare and construct a scheme.

GBSLEP is bidding for £1.5 million of development costs for Bromford Gyratory (promoting authority Birmingham City Council). Bromford Gyratory has a key strategic role in both efficient access to the Washwood Heath site and enabling wider connectivity across the City and wider GBSLEP area. However, there is major congestion and delays for journeys at this point on the Outer Ring Road (A4040) impacting on both Heartland and Fort Parkway (A47) junctions. This project would form the second phase of a two-phase package looking to deliver improvements to Bromford Gyratory, including creating two smaller at grade roundabouts at either end of the gyratory. It is anticipated the cost of the project could be in the region of £80m, however, scheme development costs are needed to prepare the proposal.

HS2 Rolling Stock Depot will create

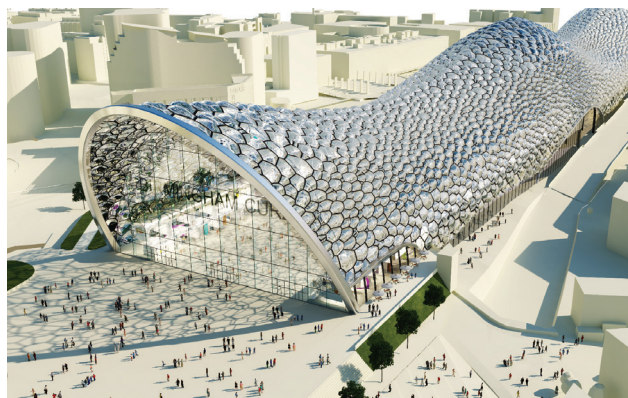
**640
DIRECT JOBS**

in an area of high unemployment

and unlock

24ha

of employment land for development



Curzon Street station in Birmingham city centre.

HS2 GROWTH will create an unprecedented number of new job and business opportunities in the Greater Birmingham area. We will need to take full advantage of these opportunities if we are to realise all the economic benefits of investment in HS2 and the consequent increase in Greater Birmingham's global connectivity. This means addressing the skills gap and ensuring local business can take advantage of HS2's supply chain. The WMCA and the Devolution Deal are focused on unlocking the opportunities from HS2, and the Growth Deal can play a key role in supporting complementary projects. We have already invested Growth Deal Funding in the new National College of High Speed Rail. Alongside this, our local colleges are looking to develop an engineering skills supply chain training support through investment in IT, small-scale demonstrator equipment and online learning. This will enable us to better meet current and future skills gaps, not only for HS2, but for all future major infrastructure projects.

Our Growth Hub has also started working with partners across the WMCA area to map the HS2 supply chain and ensure local companies are best placed to secure new business. Our aspirations are now to ensure that existing businesses are successfully relocated from the land required to build HS2, our educational institutions grasp the opportunity as feeder and progression routes to supply the necessary construction and engineering skills, as well as injecting innovation into the local rail supply chain, and global connectivity is extended from stations to all our local centres and, indeed across the wider West Midlands and beyond.

BIRMINGHAM CENTRE FOR EXCELLENCE FOR RAIL SYSTEMS INNOVATION

This project will create the first phase of a UK network of joint academic and industry Centres of Excellence for the rail sector. Based at the University of Birmingham, it will exploit our world class academic excellence and our regional supply chain capability. This will enable the UK to realise the benefits from opportunities presented by current investments, such as HS2, and from the predicted massive future growth in rail in the UK and internationally. Acting as the Hub for a UK network of future Centres of Excellence, as envisaged in the Rail Supply group strategy "Fast Track to the Future", this Centre would coordinate the acceleration of new technologies and their integration into the rail supply chain locally, across the Midlands and across the country as a whole.

This will increase productivity and capability, making businesses more competitive and therefore better equipped to win new contracts and create new jobs. The Centre will also attract significant research and innovation investment from Europe and the rest of the world, placing Birmingham at the global heart of innovation in rail transport.



Leading the world in creativity and innovation Smithfield Market, artist's impression.

PACKAGE 2: LEADING THE WORLD IN INNOVATION AND CREATIVITY

Greater Birmingham hosts organisations operating at the cutting edge of current research and innovation. Our expertise extends to advanced manufacturing and transport technologies (automotive, aerospace and rail); digital and creative industries; the cultural sector; medical and life sciences; and energy and environmental technologies.

Commercialising our research and innovation capability is key to developing an industrial strategy to capture the high value high growth sectors of the future, and driving the benefits of that strategy across the UK. In an increasingly competitive global economy, constant innovation is essential. This package supports those working at the cutting edge to stay ahead of the game, and encourages more businesses to become innovative. It promotes innovation, and the translation of research advantages into tangible outputs, driven by demand, that deliver economic benefits for Greater Birmingham and Great Britain as a whole.

This package is inextricably linked with Package 1. Increasing the global reach of our world-leading institutions is key to maximising their ability to create economic value by attracting investment, especially foreign direct investment.

The **NEW MANUFACTURING ECONOMY** programme supports our advanced manufacturing sector, building on unique existing innovation and geographical assets such as Rolls-Royce, Jaguar Land Rover, Doncasters, Delcam, Moog, Mondelez, GKN, Siemens and their associated supply chains. This area is becoming increasingly important for growing exports and attracting foreign direct investment. Working alongside interventions proposed in the WMCA SEP, our aim is to create the biggest concentration of advanced manufacturing in Europe, to become a major player in the global economy and to double the productivity of the sector locally by 2030. Investment in innovation will be key to achieving these aims.

GBSLEP projects within this programme include a cross-cutting, multi-sector centre for advanced measurement in manufacturing and an innovation institute focused on food design and manufacture. These initiatives build on existing investments locally including the High Temperature Research Centre (HTRC), the International Thermal Manufacturing Accelerator (ITEMA) and will be complemented by European Structural and Investment Fund (ESIF) revenue projects including the recently funded Advanced Materials Characterisation and Simulation Hub (AMCASH).

CENTRE FOR INNOVATION IN ADVANCED MEASUREMENT IN MANUFACTURING (CIAMM)

This project will deliver Phase 1 of a Midlands R&D hub for innovation in advanced measurement in manufacturing. This will create a joint centre in advanced measurement science, building on world leading expertise from the National Physical Laboratory at the University of Birmingham. This will be initially based around the Quantum Technology Hub, the High Temperature Manufacturing Centre and the Energy Research Accelerator, and will eventually operate across advanced engineering, advanced manufacturing, energy, transport and healthcare technologies - all key industrial sectors in the Midlands Engine. The CIAMM will accelerate the commercialisation of new measurement technologies for advanced manufacturing as they transition from the fundamental science stage through engineering to industry.

The **ENERGY CAPITAL** programme aims to establish Greater Birmingham as the global capital for energy systems innovation and market development. It builds on our established world class innovation assets, particularly the Energy Research Accelerator and Energy Systems Catapult. Our ambition is to establish a position of global market leadership in the \$2.7 trillion market for energy technologies, focusing specifically on the smart energy solutions that will support the connected smart cities of the future.

The projects included within this programme fit within an existing portfolio of investment in low carbon energy systems across Greater Birmingham through ESIF and Heat Networks, with substantial projects in Selly Oak and at UK Central supported by the Department for Energy and Climate Change (DECC) and the Birmingham District Energy Company (BDEC). Our approach is to maximise the benefit of the significant investments in HS2, new commercial developments and housing across the GBSLEP area, by systematically encouraging adoption of leading edge energy solutions piloted in complementary demonstration facilities at Tyseley and Aston and delivered by local supply chains, nurtured through targeted business support and inward investment. Alongside these projects, we expect to unlock a minimum of £50-£100 million of matched funding from corporate partners.

This programme links closely to the work being done by the Black Country and Coventry and Warwickshire LEPs, each of which brings distinct energy challenges and market opportunities (for example, in reducing energy costs for high energy using manufacturing businesses). GBSLEP is already working under the Energy Capital Programme with both neighbouring LEPs to develop the concept of an Energy Innovation Zone (EIZ) across the combined WMCA geography.

BRIGHT PLACE FOR SYSTEMS INNOVATION (BPSI)

BPSI at Aston University will provide a specially designed technology demonstration and research base for new and integrated low carbon systems technologies and services. It will combine energy, transport and smart city perspectives and deliver aspects of the 'mobility as a service' agenda. The Bright Place will be at the heart of Birmingham's Knowledge Quarter, cementing our world-leading position in the energy sector by integrating and expanding the critical mass in university R&D, innovation, education and skills. It is intended to become a new paradigm for the effective and efficient linking of demand and innovation, providing a mechanism for encouraging the adoption of leading edge energy solutions from major investments such as HS2

Establish global market leadership in the

\$2.7 trillion MARKET

for energy technologies

Enabling business, public services
and academia to commercialise

INNOVATION



The Food Innovation Hub at University City Birmingham, supported by Growth Deal Funding.

The **DEMAND-LED INNOVATION** Programme addresses the perceived misalignment between innovation demand and supply. Currently, despite the strength of our research assets and a growing number of innovative businesses, only 12% of businesses in the LEP area work with universities. Likewise, there is under-exploitation of our innovation potential by our public services. This programme will foster shared understanding amongst businesses, public services and academia of the commercialisation/application opportunities for innovation by enabling them to co-create solutions to public/market demand and challenges. The Programme will exploit GBS LEP's unique offer as 'test bed' location for innovation including urban scale and large, diverse population base and major public sector investment programmes including HS2 and the public sector reform agenda.

DIGITAL INNOVATION IN PUBLIC SERVICES (DIPS)

Building on the Innovation Birmingham Campus offering that has recently seen the opening of the iCentrum® building and the new Serendip® Smart City Incubator, the DIPS project will create a new facility, and an associated network of like-minded places. This will be focussed on promoting innovation to drive the development of new digitally-enabled, user-centred services that will increase inclusion and better meet citizens' needs. As well as reducing process costs and increasing efficiency, it will drive digital solutions to promote a step change in the way people engage with traditional public services. The DIPS centre will offer the opportunity to public sector organisations, initially Birmingham City Council, the GBSLEP and the West Midlands Police, to become partners, to identify needs and issue challenges to create relevant and appropriate digital solutions. The proposal could also be developed across the WMCA area as a set of connected centres with the DIPS centre acting as the catalytic hub.

The **SPACE TO INNOVATE** programme promotes collaborative development that enables creative thinking, drives transformational change and leads to new opportunities for commercialisation. It brings clusters of talent together in a network with the power of disruptive and emerging technologies across multiple sectors. The programme also provides Greater Birmingham with a way to develop its innovation assets. This includes establishing a creative community of businesses, academics, artists and residents; forming a network of innovation incubators, all with their own specialisms; and shaping a mechanism for attracting, developing and retaining the highest quality talent. At the centre of this programme is the concept of the Knowledge Hub. This envisages seven new public spaces connected through autonomous vehicle corridors, providing a thriving area for start-up and growing businesses as part of the renaissance of Birmingham. The scheme involves renewing Corporation Plaza, Aston Square, Jennens Park, Cinema Square, Typhoo Wharf, Eastside Locks and Curzon Street with an extension to Eastside City Park. At the centre of these regeneration plans lies STEAM-house. A new approach to innovation that fuses the creative sector with traditional science and technology disciplines and which received £14 million of funding from the Treasury in the last Budget.

SENSOR VILLAGE

Sensor Village is a key component of the Knowledge Hub. It is strategically linked to the Curzon Masterplan, and is supported by a collaborative consortium that includes Birmingham City University, Innovation Birmingham, Phillips Lighting, Schneider Global Electric, Google, HS2 Ltd, CISCO, Westfield Sports-cars, Aston Martin, Microsoft and the Digital Catapult. The project will establish a unique high technology smart cities accelerator with a bespoke 'Internet of Things' sensor-systems fabrication facility servicing the health, mobility and energy needs of the city and the WMCA whilst being linked to Silicon Valley, Barcelona and the £20 million Data Institute in the Northern Powerhouse. Sensor Village will focus on creating, nurturing and providing a test bed to trial systems in autonomous vehicles and wearable technologies in an urban area for SMEs over a 10-year period, driving growth both locally and beyond. The project is closely linked with the proposed Skills Engine scheme in the Future Skills Programme, which is intended to address the shortage in digital skills.

Establishing a

CREATIVE COMMUNITY

of businesses, academics, artists and residents

Developing

LOW CARBON

transport technologies to mitigate climate change

TRANSPORT INNOVATION FOR A LOW CARBON ECONOMY

is at the heart of the Midlands Engine for Growth. The arrival of HS2 and the cross-regional collaboration Midlands Connect will set out a long-term transport investment strategy for the wider Midlands region. The innovation section of the Midlands Engine prospectus includes Transport as an area where the region would like to address gaps in national capability, drive business retention and inward investment, safeguard and increase employment, and equip UK businesses to lead globally in response to the rapidly evolving demands of customers. This programme is intended to help Greater Birmingham drive the Midlands Engine work, and includes a range of projects that address national transport related challenges and priorities, such as the development of low carbon transport technologies to mitigate climate change, the holistic improvement of the transportation and logistics system and the enhancement of productivity of the transport industrial sectors, including the creation of new supply chains. The programme will deliver improved environmental performance while supporting jobs and delivering on key societal aspirations and economic needs on mobility.

INTEGRATED LOW CARBON ROAD TRANSPORT, ENVIRONMENT AND LOGISTICS ACCELERATOR (IREL)

Building upon Aston University's world-leading expertise, knowledge and industrial networks in the field of road transport logistics, the iREL innovation accelerator will unlock the potential for entrepreneurs, SMEs and industry to become leaders in the high-growth low carbon road transport logistics sector. The iREL will pioneer the 'integrated living lab' model for innovation and enterprise, providing businesses with structured access to multi-disciplinary state of the art knowledge and technology transfer facilities. This will act as a catalyst to fast-track the development, adoption and exploitation of the next generation of emerging low carbon road transport logistics and supply chain innovations by local entrepreneurs and businesses.

CREATIVE, CULTURAL AND DIGITAL.

Greater Birmingham has a rich culture and a strong tradition of creativity and innovation. We have well-established creative clusters such as the Jewellery Quarter. Alongside this, new clusters such as the Digbeth Creative Quarter, are emerging on the back of our culturally diverse and digitally skilled, youthful population. We have world-leading cultural organisations including Birmingham Royal Ballet, the City of Birmingham Symphony Orchestra, International Dance Festival Birmingham and a strong ecosystem of 6,000 creative industries. This programme works within the wider WMCA programme to bring together our cultural and creative industry leaders with our universities and the public sector to explore new models for investment and deliver projects that utilise our strengths in new ways to build a pipeline of talent, innovation and investment. Early examples of the significant commitments being made include plans for the STEAMHouse creative innovation campus in Digbeth, allocated specific funding in the last Budget, and proposals to make Greater Birmingham an international centre of excellence for dance. These proposals will establish Greater Birmingham as a city-region of production as well as consumption, an engine for creative development. The additional capital investment sought through this bid will help us to further our plans and to capitalise on the momentum being generated by our improving international connectivity and the transformational regeneration plans we are delivering across the City Centre, Birmingham Smithfield, at UK Central and across our districts.

NATIONAL DANCE HUB: BIRMINGHAM

National Dance Hub: Birmingham will be an innovative, world leading dance hub for the production, performance and skills development of dance in an international context. It will be a facility for talented dance artists and a catalyst for aspiration, collaboration and growth. Part-funded by the recent £5 million Treasury grant, it will build upon the exceptional infrastructure already in place including Birmingham Royal ballet, Dancexchange, the International Dance festival and a rich ecology of independent dance companies and professionals. The Dance Hub will have a significant focus on South Asian dance. The Hub will leverage strong community and educational links to make Birmingham the UK's premiere location for dance production.

Build a pipeline of
**TALENT,
INNOVATION**
and
INVESTMENT

£1bn

PRECISION MEDICINE INVESTMENT FUND

to support pre-commercial trials

Greater Birmingham's **MEDICAL AND LIFE SCIENCES** institutions have partnered to create a globally unrivalled approach that allows scientific discoveries to be developed, commercialised and adopted at pace, at scale and on time. This puts us in a unique position to create a life sciences cluster for the 21st Century that will attract foreign direct investment and capture a sizeable share of a market forecast to grow by £900 billion over the next ten years. We will consolidate and develop our world-leading position by connecting and evolving our distinctive capabilities in targeted areas of focus for economic and patient benefit. Priority projects will build on the proven outcomes of previous Government Funding for the Centre for Haematology and recent City Deal funding for the Institute of Translational Medicine. Key future interventions include the development of a Precision Technologies Accelerator site on the Life Sciences Campus to further enhance the discovery potential of the clinical networks that we support. Nearby engineering, device design and development facilities will support solutions to ensure products can be manufactured at scale and a Skills Escalator will meet the workforce demands for translational medicine. Alongside this, we are establishing an initial £1 billion Precision Medicine Investment Fund to support the pre-commercial trials of these discoveries, which will be commercialised through New Industry Engagement Models.

PRECISION TECHNOLOGIES ACCELERATOR

The Precision Technologies Accelerator will be embedded within the co-located, clinical academic ecosystem uniquely offered in Edgbaston. It will drive innovation by providing commercial incubator space, connected data platforms, skills development and multi-omic laboratories. This will unlock significant commercial potential by generating deeper insights into disease pathogenesis and treatment. By bringing together rich data on molecular make-up with current treatment regimens and outcomes across large patient cohorts, and making that data available to clinical networks across UK centres, we will create a powerhouse for discovery and value creation. The investible intellectual property based propositions which emerge from these networks will need a place in which to develop their business plan. The incubation space on the Life Sciences Campus will provide this environment, offering commercial and regulatory advice, market access, development and manufacturing expertise.



Breaking down the barriers to growth Delivering housing



Estate regeneration in North Solihull.

PACKAGE 3: BREAKING DOWN BARRIERS

Greater Birmingham has a dynamic private sector that drives economic growth across the UK and enables us to make the most of the opportunities created through the first two packages: global connectivity and leading the world.

However, there are still many structural supply-side barriers preventing these businesses reaching their full potential. This prevents wealth spreading to all sections of society, and limits the effectiveness of the GBSLEP area as a single systemic functional unit contributing to the growth of the UK as a whole. These barriers include not having access to an appropriately skilled workforce, housing shortages that limit the area's ability to attract and retain skilled workers, the lack of suitable quality business locations, flood risk, environmental quality, climate change and poor digital and physical connectivity. In the first Growth Deal projects, such as Unlocking Small Housing Sites, were brought forward to tackle these barriers. This new package is designed to create a step change in our fight to break down these barriers. There are seven programmes within this package. These programmes are closely aligned to wider Government

priorities around the Area Based Reviews of the Further Education sector, Estate Regeneration, Town Centres and the delivery of new homes, especially the Starter Home Programme. A key element of this package is drawing upon the dynamic relationship Greater Birmingham has with its urban and rural hinterland to ensure all parts of the LEP area play their part in driving economic growth outwards from the regional centre across the Midlands and the rest of the country.

HOUSING AND ESTATE REGENERATION.

A shortage of available housing is a major barrier to delivering new development. We need to step up to the housing challenge facing us, if we are to meet our growth and quality of life ambitions. The challenge goes beyond a general need for more housing. Greater Birmingham must offer a mix of tenures and types of homes that meets both the aspirations of our existing communities and the demands of those looking to locate here with their businesses. Unless these needs are met, the level of foreign direct investment we attract will always be constrained. GBSLEP has already been working closely with our local authority partners, and in partnership with the Black Country local authorities, to develop a Housing Needs Strategy and to collectively identify where and how it can be delivered. This programme seeks to tackle the housing challenge in a number of ways. Firstly, there are a number of brownfield sites across the GBSLEP area that can be unlocked, including publicly owned land that can be brought forward through the One Public Estate Programme. Increasing density and changing the mix of tenures on existing housing estates, alongside the Government's Estates Regeneration Programme, not only improves Greater Birmingham's

housing mix but helps tackle the decades of neglect that have helped maintain social deprivation in some of the country's most run-down neighbourhoods.

New urban extensions offer the opportunity to create sustainable communities of the future. Finally, innovative schemes such as the Unlocking Housing Sites scheme we introduced in our original Growth Deal, provide an opportunity to encourage smaller housebuilders to deliver homes on more challenging smaller brownfield sites. We envisage this type of scheme being rolled out across the wider WMCA geography. Across both larger and smaller sites, we will be working closely with the Homes and Communities Agency to ensure that our work utilises and supports wider Government funding streams and priorities such as the Starter Home Programme.

NORTH SOLIHULL

North Solihull was built in the 1950's as a post-war housing estate, but now displays characteristics of housing market dysfunction: limited housing choice, a lack of private sector investment in the area, an imbalance between housing supply and demand and significant levels of deprivation. Whilst the area provides an important function in providing affordable housing, projections suggest that low income populations will continue to be marginalised and higher income and aspirational households will continue to leave for areas with a better environment and housing choice. Originally launched in 2005, the existing regeneration programme has already enabled over 1,000 new homes to be built, alongside six new schools and significant investment in local centres. Now, as part of the wider UK Central programme, the opportunity exists to further redevelop estates and connect them to new employment opportunities. Projects, such as Kingswood Village Centre, will see the existing housing and run-down community facilities within the current estate demolished and replaced with new homes and buildings that enable modern service provision. Public realm improvements will also help to increase pride in the local area and raise land values.

FUTURE SKILLS. The availability of an appropriately skilled workforce is invariably raised by the private sector as the key factor for unlocking their growth potential. A number of innovative proposals are being developed to better align our skills needs with our growth sectors, the recommendations from the Area Based Reviews and WMCA Adult Education Budget delivery agreements. There is a combined LEP-wide college investment plan for infrastructure equipment to match skills priorities/growth sectors. The plan will underpin joint college work on driving up apprenticeships through the newly established Appco and the proposed Institute of Technology to provide a single investment strategy for the key employment sectors of engineering, digital and media and advanced construction. Alongside this, the Skills Engine will bring together education institutions and private skills providers across the city and region in a dynamic, distributed partnership with employers, enterprise agencies and government. It will match employer demand for skills, the skills supply chain and user/learner potential in a responsive physical and virtual infrastructure, to ensure skills supply fits and is judged to fit both user need and employer demand.

The availability of construction skills will be a key factor in our ability to deliver our full growth potential. Forthcoming infrastructure, housing and built environment projects in Greater Birmingham provide us with an unparalleled opportunity to build for the future. HS2 and UK Central are game changing projects on our doorstep, but there is a plethora of smaller scale developments planned too. We currently have a clear, unmet need for construction skills ranging from labour, multi-trade pathways to drivers and logistics to civil engineering and construction related digital technology. This may be exacerbated following

the recent referendum on membership of the EU and, will certainly be worsened in the near future as nearly a third of the current workforce are due to retire in the next 10 years. A major step change is needed to train and up-skill for the thousands of construction related jobs needed now and those required to replace the meaningful vocational jobs that will remain unfilled. Our aim is to work with industry to increase construction jobs and apprenticeships and exceed the projected desirable skills supply. There is a necessity to inspire young people about the career ladder that is offered and invest in end to end skills development within construction. Our investment will encourage people to join the industry, enable a huge investment in the tools and equipment required to develop the requisite skills and take us closer to delivering a sustainable construction sector in the West Midlands.

KIDDERMINSTER COLLEGE

SKILLS CENTRE

There are approximately 3,850 construction businesses and 26,000 employees involved in construction in Greater Birmingham & Solihull. Local FE Colleges and private training providers are integral to providing the skills needed in this sector. This project will enable Kidderminster College to create a new Skills Centre for the delivery of training, primarily in construction. Their current facilities constrain their ability to meet the skills needs of local employers. The Skills Centre will provide both the traditional aspect of bricklaying and multi-trade pathways skills and a transformational approach to off-site and sustainable construction and digital engineering/manufacturing skills. Beneficiaries of these skills will not only meet help local needs in house building and general construction fields, but also support learners to access job and apprenticeship opportunities created through major infrastructure projects, such as HS2.

INDUSTRIAL ESTATE RENEWAL is key to ensuring we maximise the potential of commercial assets to support economic growth. There is only a finite amount of employment space available and much of it has been developed in years gone by to accommodate the business needs of a different type of economy. This programme is focused on upgrading our existing sites, ensuring they offer the quality environment and facilities the current market demands, and are easily accessible by different modes of transport. This will help indigenous businesses in our growth sectors, especially advanced manufacturing, be more productive and provides the right accommodation for them to grow into. At the same time, our capacity to attract foreign direct investment is increased. A key driver of this programme is the recognition that GBSLEP is an integrated economic system within which each area plays a part. Consequently, many of our planned interventions are focused in and around locations such as Lichfield, Tamworth, Cannock, Burntwood and North Worcestershire

DERBY ROAD GATEWAY, BURTON UPON TRENT

The A38 Derby Road represents the key gateway into Burton from the north. This corridor is home to a series of key employment sites for the East Staffordshire Borough, which have been identified as a key opportunity area for regeneration. The Derby Road industrial estates have issues with a mixture of 1950/60s poor quality units that don't reflect the modern business demographic needs, nor do they provide the high productivity land use that is commensurate with this prime gateway location. Through improvements across these sites, this project will create an improved image for the area and sow the seeds for continued private investment, resulting in greater inward investment and improved productivity. This scheme aligns with a broader strategy that also encompasses brownfield regeneration, along the same corridor, and the delivery of new affordable housing, which supports Burton's growth plans to create over 10,000 new homes.

Maximising the potential of
commercial assets to support

ECONOMIC GROWTH

Encouraging

LOCAL RETAILERS

by providing suitable space to expand

TOWN AND LOCAL CENTRES. Birmingham City Centre is the major regional economic driver in the entire Midlands region and beyond. As the location for the Enterprise Zone and the Curzon HS2 station, it is forecast to grow exponentially in the future. However, the city centre is only one part of the functional economic system that is Greater Birmingham. The city relies on its urban and rural hinterland, and especially its town and local centres, for its workforce, shoppers, supply chain and complementary business activities. These centres are key economic players in their own right, and each brings something different to the success of the GBSLEP area. This programme builds on these unique strengths, and leverages the additional value created by being part of the wider Greater Birmingham economic system, to maximise the impact of these individual town and local centres, and help ensure they remain great places to live.

TAMWORTH TOWN CENTRE REGENERATION

Through the town centre masterplanning process that is currently in progress, an opportunity has been identified to realise public/private investment to stimulate increased growth and jobs in Tamworth, strengthening the economic network across the Greater Birmingham area. Reflecting the changing aspirations of businesses and communities, the scheme will respond to the increased demand for in-town living, expand the retail offer and in particular accommodate a shift in focus to an improved leisure and cultural offer in the town centre. A key aim at the heart of the scheme is to encourage existing indigenous retailers and businesses by providing suitable space for them to expand.

TRANSPORT AND ACCESSIBILITY. The Greater Birmingham area operates a functional economic system connected by transport links. When the transport and accessibility challenges of the system are met effectively, it stimulates significant levels of sustainable growth and development, improves access to markets and employment opportunities, reduces the cost base to small businesses and enhances our environment. It allows the different areas within GBSLEP to work seamlessly together to play their role within the Greater Birmingham economy and across the wider Midlands and beyond. However, when the challenges of the system are not met, the lack of connectivity acts a major constraint to delivery. Consequently, throughout this bid document, connectivity issues have featured highly and many of the schemes set out in this programme also enable projects within other programmes to come forward or to achieve their full potential. Within this programme, there are schemes that promote economic growth by removing barriers to growth such as poor air quality, congestion and those that help bring under-utilised land back into more productive use by opening up the ability to access the site. Other schemes promote new sustainable modes of travel that increase the connections between locations, making it easier for workers to connect to jobs, and for businesses to connect to suppliers and markets. Overall, the programme is closely linked to the wider work across

the WMCA area, including the work of Transport for West Midlands (TfWM) in promoting modal shift, increasing capacity on the network through smart improvements to the existing highway and enabling transport improvements. Increased sustainability is a key part of these transport programmes. This is in line with the Government's wider policy objectives, and will complement the forthcoming revenue element of the Access Fund to support sustainable travel solutions for new housing and business developments.

LICHFIELD SOUTHERN BYPASS

This project is designed to provide a through route between the A461 Walsall Road and the A5206 London Road, bypassing the historic City core. The new link will provide access to a proposed housing site identified as a strategic development location, facilitate a canal restoration project, access the emerging residential development South of Shortbutts Lane and provide additional highway capacity to enable the Friarsgate regeneration proposals. The scheme will also benefit new planned housing on Cricket Lane and at Deanslade Farm.

Altogether, the Lichfield Southern Bypass is expected to support the delivery of 3875 new dwellings, up to 30,000sqm of office space, 36,000sqm of retail development and significant industrial development including 12Ha of employment at Cricket Lane in Lichfield City to 2029.

Capacity to create up to

10,000 JOBS

Deliver

7,000 NEW HOMES

The **A38 GROWTH CORRIDOR** sits on the prominent north/south arterial route through Birmingham. It is key to opening up the largest growth locations outside of the City Centre. This includes the regeneration of Longbridge, with the capacity to create up to 10,000 jobs, the Selly Oak/University/Hospitals hub, home to the many exciting projects in the Medical and Life Sciences Programme, and Bromsgrove, potentially delivering 7,000 new homes. However, the A38 is also one of the most congested roads in Greater Birmingham. Unless this congestion is addressed, growth will be stymied and new housing and employment developments will not be able to come forward. Facilitating growth in the corridor requires both targeted highway improvements and a modal shift through a step change in public transport. A number of projects in the first Growth Deal, such as Longbridge Park & Ride and Selly Oak New Road Phase 1b, are already helping to address the issues. The introduction of sprint routes as part of the West Midlands HS2 Connectivity Package will help to further achieve these aims, linking both residents of southern Birmingham to Curzon Street HS2 Station, and HS2 passenger and residents to the Longbridge and University/Hospitals sites. Building on these actions, this programme will deliver improvements that improve journey times and increase reliability across the wider A38, unlocking development, and leading to growth in productivity across the whole of Birmingham.

UNIVERSITY

STATION

University Station is a critical gateway for a number of growth opportunities, including those located at the University of Birmingham and the Queen Elizabeth Hospital. The station already suffers from overcrowding, limiting the ability to unlock these opportunities. This project enables the partial demolition of the existing station building and the building of a new extension to provide facilities able to cope with current and forecast future demand. The scheme has received development funding from GBSLEP to bring it to the position where it is deliverable. It will deliver a larger station building at the main entrance, with enhanced passenger facilities and an expanded ticket gateline, all of which will provide a significantly improved passenger experience over the current facilities provided. The provision of larger circulation spaces will give the station greater capacity to deal with larger numbers of passengers, and the revised internal layout will make the journey through the station building more efficient and hence reduce delays in passing to and from the platforms, with the associated safety concerns relating to station overcrowding and queuing back on the platforms.

BUSINESS SUPPORT. Access to finance is especially important for supporting the growth strategy of small businesses. Since the economic crises of 2008/09 the traditional sources of investment capital, especially risk capital, have become scarce. A recent ex-ante assessment of the West Midlands, funded by DCLG and undertaken by the European Investment Bank (EIB), concluded that there are gaps in the provision of microfinance of £40 million per annum, gaps of £800 million per annum for microbusinesses seeking larger amounts of finance and gaps of £800 million per annum for small and medium sized firms seeking larger amounts of finance. The GBSLEP and its neighbouring Combined Authority, West Midland and Midlands Engine for Growth counterparts have made great strides in their efforts to address these challenges and various initiatives are underway or planned to help to fill the gaps in the private sector market for investment capital in the region. These initiatives will help but they will not entirely plug the gaps. This programme establishes revolving financial instruments that will ensure that finance is available to support the investment needs of inward investment opportunities and start-up businesses. As revolving financial instruments, the capital set aside for the purpose set out below will be managed by independent, professional and expert fund managers appropriately appointed to manage the investments. They will be expected to generate returns which will, in turn, be re-invested in the similar projects in the region. This programme would include small amounts of revenue funding and, while we recognise the Growth Deal is capital, we would welcome a discussion around any flexibility in this regard.

Under this programme, we are also looking for funding on behalf of WMCA's proposed Growth Company. If established, the Growth Company is expected to support the marketing of the West Midlands area as an investable proposition, promoting private sector engagement and leveraging commercial revenue generation. The Growth Company would expedite the productivity gains and economic impact of the region's ambitious infrastructure plans, including HS2. It would also secure much needed uplifts in business rate receipts through a new operating model which manages risks carefully, but operates on much more commercial principles than the current delivery infrastructure employs.

URBAN DEVELOPMENT

LOAN FUND

This £150 million scheme is designed to bring forward key investment schemes which will accelerate business growth and productivity. It builds on the returns from the existing regional Growing Places funds and will leverage in an estimated £350 million of private sector funding. The funds will be made available to inward investment and start-up operations in the region to support investment, job and wealth creation. The funds will be used to provide loans, equity and mezzanine investments; they will be expected to recycle their investment funds, leverage private sector finance (of a level considerably higher than the public sector contribution), create new jobs, invest in plant/machinery and infrastructure, invest in digital media content (including games, TV, film and the creative arts) and support businesses through their early stages of development. The fund will lend at State Aid reference rates to ensure that it does not squeeze out private sector funding where such funding is available.



Delivering in partnership National College for High Speed Rail, established to address the skills needs of HS2.

SECTION 2: GOVERNANCE, ASSURANCE AND DELIVERY ARRANGEMENTS

Governance arrangements

Since the first Growth Deal allocations, GBSLEP's governance arrangements have demonstrated their robustness, transparency and democratic accountability. The Supervisory Board, a joint committee of the nine Local Authority Leaders that meets in public and publishes their papers, retains ultimate authority for decisions on expenditure. This position has been clarified in the Accountability Framework following comments from the National Audit Office. A Local Authority Joint Scrutiny Committee reviews and scrutinises Supervisory Board decisions. The LEP Board has overall responsibility for setting the LEP's strategic agenda through the SEP. The LEP Board also makes decisions regarding expenditure, which are taken to the Supervisory Board for endorsement. Decisions around the prioritisation and funding of projects are based on advice from the Growth Team, which brings together stakeholders from both the private and public sectors. The Growth Team was chaired by the LEP Chair until July 2016 and is

now chaired by the Deputy Chair for Delivery. They are advised by LEP officers and an Independent Technical Evaluator, who assesses proposals in line with the procedures set out in the Assurance Framework.

The LEP Board remains private sector-led, with Directors representing both large and small businesses. The Chair and both the Deputy Chairs for Strategy and Delivery are from the private sector. The public sector has a strong presence on the Board, with Leaders from our constituent Councils in Birmingham, Cannock Chase, East Staffordshire, Lichfield, Solihull, Tamworth and Wyre Forest (on behalf of all North Worcestershire Councils in the LEP). Higher and Further Education representatives also play a key role on the Board.



Friarsgate development, Lichfield.

Business representatives*



Andy Street
Managing Director, John Lewis
Chair



Steve Hollis
Former Midlands Chairman,
KPMG
Deputy Chair for Strategy



Chris Loughran
Vice Chairman, Deloitte
Deputy Chair for Delivery



Anita Bhalla
Chair, Performance
Birmingham Ltd
**Responsible for
Creative City Partnership**



Saqib Bhatti
Associate, Younis
Bhatti & Co Ltd
**Responsible for
Growing Businesses**



Andrew Cleaves
Principal and
Chief Executive,
Birmingham
Metropolitan College
**Responsible for
Improving Skills**



Pat Hanlon
Handelsbanken
**Responsible for
Access to Finance**

Local authority representatives



Simon Marks
Partner, Arcadis
**Responsible for
Optimising Assets**



Matthew Rhodes
Managing Director,
Encraft Ltd
**Responsible for
Stimulating Innovation**



Cllr John Clancy
Birmingham City Council



Cllr George Adamson
Cannock Chase
District Council



Cllr Richard Grosvenor
East Staffordshire
District Council



Cllr Mike Wilcox
Lichfield District Council



Cllr Bob Sleight
Solihull Metropolitan
Borough Council

Education representatives



Cllr Steve Claymore
Tamworth District Council



Cllr Greg Chance
on behalf of the North
Worcestershire local authorities



Mike Hopkins
Principal, South & City College
**Further Education
Representative**



Professor Cliff Allan
Vice-Chancellor,
Birmingham City University
**Higher Education
Representative
Responsible for Building
Sector Strengths**



Mark Rogers
Chief Executive
Birmingham City Council

Company secretary

*At the time of going to print, the process for recruiting a Board Director for Improving Connectivity has not concluded.

Cross-LEP working

Creating an impact that goes beyond the GBSLEP area is a cornerstone of our offer to Government. We already work jointly with our overlapping LEPs in Worcestershire and Stoke & Staffordshire to achieve the greatest impact for our collective investments, on projects such as Friarsgate, and this will continue in our new Growth Deal. In addition to working through the combined authority, we have worked on an individual basis with the other WMCA LEPs on projects that are relevant to our respective SEPs, such as UK Central Plus with Coventry and Warwickshire, and the Strategic Housing Needs Study with Black Country. Across the wider West Midlands and Midlands, we have worked with all six regional LEPs, to develop proposals for investment funding. We have even worked with the Sheffield City region LEP to make sure that the National College for High Speed Rail, with its dual locations at Birmingham and Doncaster, was successfully delivered.

Strategic Economic Plan (SEP)

The SEP sets out a shared, private and public sector, vision of the economic growth ambitions for the GBSLEP area. Our original vision was to re-establish the city region as the leading economy outside of London, and our aim was to close the performance gap with the national average. While there still challenges ahead, as shown in the dashboard, during the last few years we have made great strides forward, and the area has seen significant growth in jobs and productivity.

KPI dashboard (2015/16)

	Baseline (2010)	Latest data	Annual performance	KAG rating	
				Baseline	Previous year
119,000 PRIVATE SECTOR JOBS by 2020 <small>Source ONS/BRES – 2014 latest data available</small>	633,600	718,000	+40,800	↑	↑
INCREASE GVA BY £8.25bn by 2020 <small>Source ONS – 2014 latest data available</small>	£39,584m	£41,781m	+£668m	↑	↑
DECREASE UNEMPLOYMENT to the national average by 2020 <small>Source ONS/APS – 2015 latest data available</small>	2.7% point gap	1.6% point gap	0.6% point	↓	↓
INCREASE GVA PER HEAD to the national average by 2020 and to exceed national average by 2025 <small>Source ONS – 2014 latest data available</small>	-£3,451 per head gap	-£3,895 per head gap	+£212 per head	↑	↑
NVQ3+ Increase % of the working age population with NVQ3+ to Core City LEP average by 2020 <small>Source ONS/APS – 2015 latest data available</small>	2.7% point gap	3.1% point gap	0.0% point	↓	↔

As circumstances change, the SEP needs to evolve to stay relevant. We are therefore, in the process of working with partners to refresh our SEP through to 2030. A draft of the new SEP is attached at Appendix B. This is currently subject to consultation with partners and stakeholders. This refresh has identified the opportunity for a step-change in Greater Birmingham's positioning as a player in the global marketplace. This approach has the potential to deliver significant benefits to UK plc, and has become far more important to the long-term health and wellbeing of the nation following the result from the EU referendum. The three strategic priorities in the refreshed SEP provide the foundation for the three packages included within this bid.

Assurance Framework

GBSLEP's Assurance Framework ensures the LEP achieves regularity, propriety and value for money in all its investments. As part of our culture of continuous improvement, the Assurance Framework was updated in March 2016. This enabled us to take account of the minor comments made by the National Audit Office following their review of Central Government procedures for managing the Growth Deal. The fundamental principles on which the Assurance Framework was built remained unchanged. These principles therefore remain the basis for allocating public money to new projects seeking funding from this round of the Growth Deal. This means that before being accepted onto the programme, all projects will be evaluated against the same criteria: strategic fit with the SEP; forecast economic return on investment; and risk and deliverability. This process will enable us to identify high priority projects and manage the programme to ensure the greatest value for money is

achieved for the taxpayer. Once on the programme, projects will need to submit a full business case (FBC), which is Green Book compliant. The level of detail included in the FBC will be proportionate to the size of the project, and will be reviewed by an Independent Technical Evaluator (ITE). Only once the ITE has confirmed that the project constitutes value for money, will it be submitted for approval to the LEP Director, Growth Team or LEP Board, in accordance with the delegation limits set out in the Assurance Framework. The Supervisory Board endorse all decisions at their public meeting. This provides both democratic accountability and transparency.

Birmingham City Council acts as the Accountable Body for GBSLEP funding streams. It holds and accounts for monies on behalf of GBSLEP, ensuring that funding is only released if it conforms to legal requirements with regard to equalities, environmental, EU issues and other relevant legislation and guidance. The Accountable Body also ensures funds are used properly and that Assurance Framework procedures are adhered to.

As part of our commitment to continuous improvement, we are currently reviewing our Assurance Framework to ensure it remains fit for purpose. This includes looking at ways in which we can streamline procedures, reducing the administrative burden on project sponsors where we can without reducing the level of oversight, and providing additional value in our role as programme manager, for example through sharing best practice across all projects. As part of this process, earlier this year we held workshops for project managers. These were facilitated by an expert in the use of risk management to properly understand how to calculate the level of contingency required for a project

and how to report the financial status of live schemes. Later this year, we will be hosting further workshops. These will cover topics such as how to conduct a Green Book appraisal.

Delivery

GBSLEP does not directly deliver projects. Instead, we provide funding to project sponsors, primarily local authorities, as set out in our assurance framework. GBSLEP's role is to ensure projects contribute to meeting the objectives of the SEP, provide value for money and form part of an overall programme that is capable of fully utilising the resources of the LEP. Through our management of the programme, we also support project managers to realise project benefits and keep their projects to time and budget. In 2015/16, GBSLEP successfully invested its entire Growth Deal allocation of £47 million in 31 projects. Other successes include:


- To March 2016, the Growth Hub has created 565 new jobs and 146 new businesses, and is now supporting an average of 600 businesses a month
- To March 2016, the Enterprise Zone has created 1,700 new jobs and 125,000sqm of commercial floorspace, leveraging in £325 million of private sector investment
- Our Work Coaches programme has created 13,351 work experience opportunities and supported 11,689 people into employment.


Over the next few years, our existing Growing Places, City Deal and Growth Deal programmes are set to deliver thousands of additional jobs and homes, leveraging in hundreds of millions of pounds of private sector investment.

GROWING PLACES FUND

GOVERNMENT: £1.7M REVENUE
INVESTMENT: £20.8M CAPITAL

OUTPUT FORECAST:


7,928
NEW JOBS CREATED/
SAFEGUARDED

1,600
NEW HOMES
BUILT


18,228sqm
COMMERCIAL FLOORSPACE
CREATED


£52.4m
INVESTMENT
LEVERAGED

193
BUSINESSES
CREATED

CITY DEAL FUND

GOVERNMENT: £44.5m
INVESTMENT: CAPITAL

OUTPUT FORECAST:

3,063
NEW HOMES
BUILT



721
REFURBED/
RETRO-FITTED
HOMES

£14.8m
INVESTMENT
LEVERAGED

 **6,055**
NEW JOBS
CREATED/
SAFEGUARDED

153,948sqm
COMMERCIAL FLOORSPACE CREATED



3560
APPRENTICESHIP GRANTS

£1m
SKILLS CAPITAL INVESTMENT

LOCAL GROWTH FUND

GOVERNMENT: £356.2m
INVESTMENT: CAPITAL

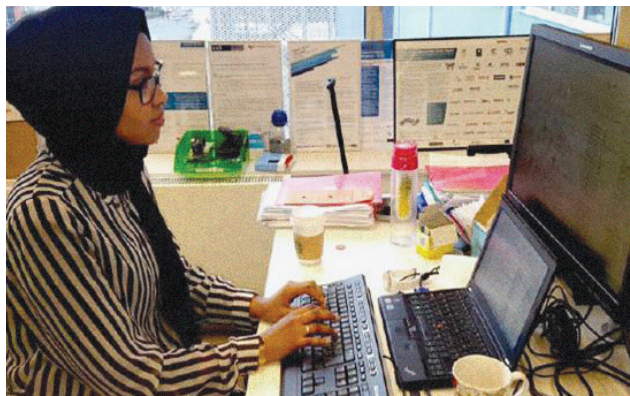
OUTPUT FORECAST:


20,300
NEW JOBS CREATED/
SAFEGUARDED

4,900
NEW HOMES
BUILT


641,703sqm
COMMERCIAL
FLOORSPACE CREATED


£119m
INVESTMENT
LEVERAGED



Work Coaches Programme: Huda, who has secured a job with the National College for High Speed Rail project team.

Prioritisation

The project proposals we are considering for Growth Deal funding are designed to deliver our ambition to become a top global city-region. They have been grouped into programmes on the basis of where they make the most impact. However, the majority of the projects deliver against more than one programme and, in many cases, there are links between projects in different programmes and across packages. Drawing out these links, so we can ensure projects that support each other are considered collectively, will be key to gaining the most impact for our investment across the programme as a whole. Due to the complexity of the overall project pipeline, and the time before the majority of the Growth Deal investment comes on stream, we are planning to prioritise projects in the run up to the Autumn Statement. This will enable us to have clear list of the key interventions ready to take forward with the funding made available to us.

We believe our proposals are scalable. This means that if further Government funding is available to deliver a fiscal stimulus to the economy, we will be able to deliver more of our programme. Equally, if less funding is available than we have requested, we will be able to select projects, and clusters of linked projects, that deliver the greatest impact. However, this will significantly reduce the outputs that can be achieved.

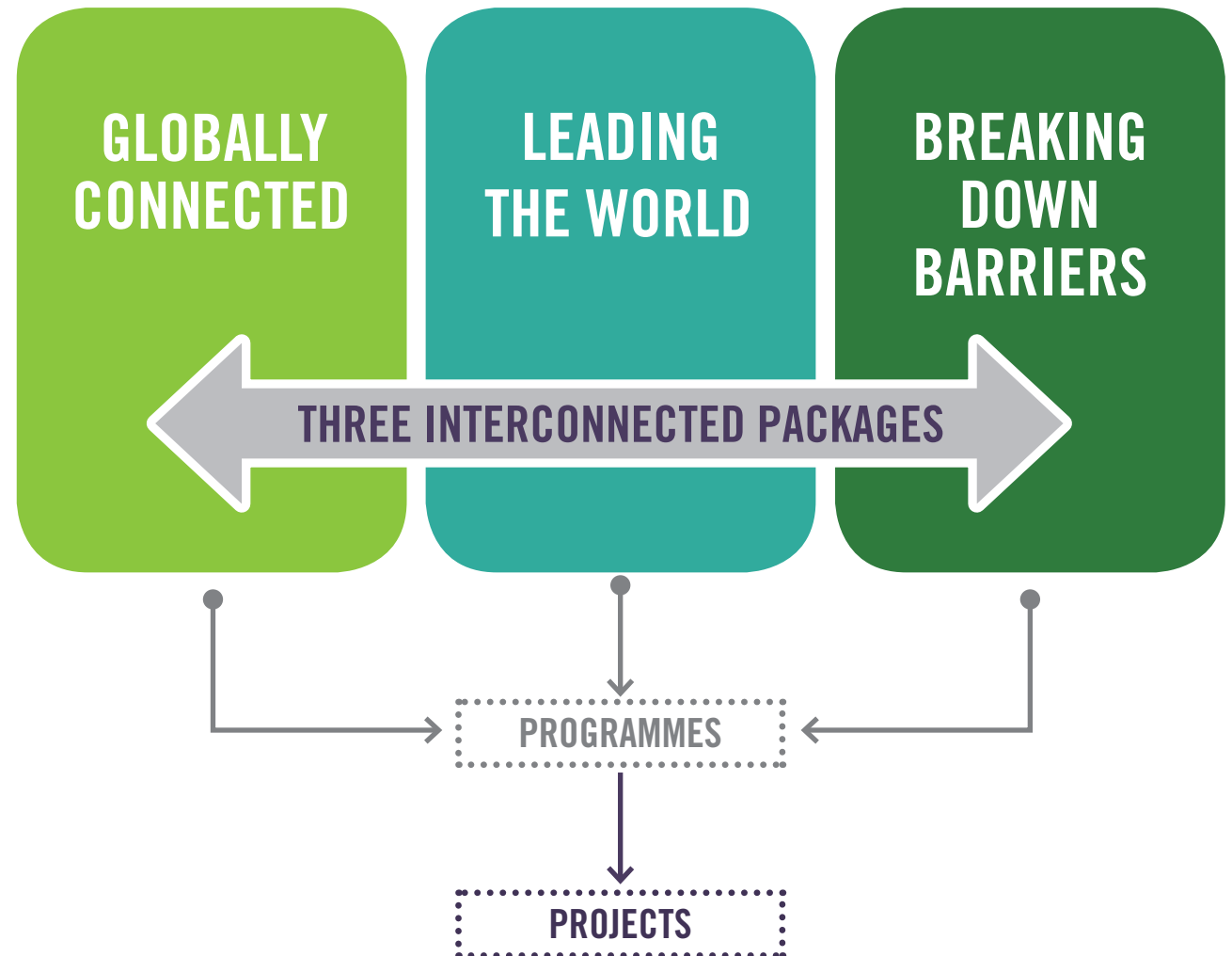
The prioritisation process will follow the principles set out within our assurance framework. This means that before a project is entered onto the project pipeline, it will be assessed for strategic fit against the objectives set out in the refreshed SEP, together with deliverability, viability and impact (outcomes and outputs). Before full acceptance onto the programme, a fully Green Book compliant appraisal and business case will be required. Where a project is looking for funding from GBSLEP alongside the WMCA or the other West Midlands LEPs, we are looking towards a shared approach to appraisal which streamlines back-office procedures and uses common criteria, making the process as resource-efficient as possible. If possible, we will also seek to utilise the WMCA's Dynamic Economic Impact Assessment model in our appraisal process. Similarly, where projects sit in our overlapping LEP areas, we will work with Worcestershire and Stoke & Staffordshire LEPs to jointly consider the approach to appraisal.



The new iCentrum expansion of the Innovation Birmingham Campus – an example of progress in the digital technology sector.

SECTION 3: SUMMARY OF PACKAGE INFORMATION

Our Vision is simple. To work in partnership with Government to create a top global city-region, the major driver of the UK economy outside London. To deliver this we have created three interconnected packages.



Our globally connected programme exploits our role as an international gateway to drive growth across the Midlands and beyond.

Our leading the world programme commercialises cutting edge research and innovation to create the high value business sectors of the future.

Our breaking down the barriers programme creates the conditions for growth, and spreads success to all sections of society, across GBSLEP, the Midlands and the whole of the UK.

GLOBALLY CONNECTED PROGRAMMES

UK Central*
East Birmingham*
HS2 Growth*
Birmingham Curzon*

LEADING THE WORLD PROGRAMMES

Transport innovation for Low Carbon*
Demand-led innovation
Life sciences*
Energy capital*
New manufacturing economy*
Space to innovate
Digital and creative culture*

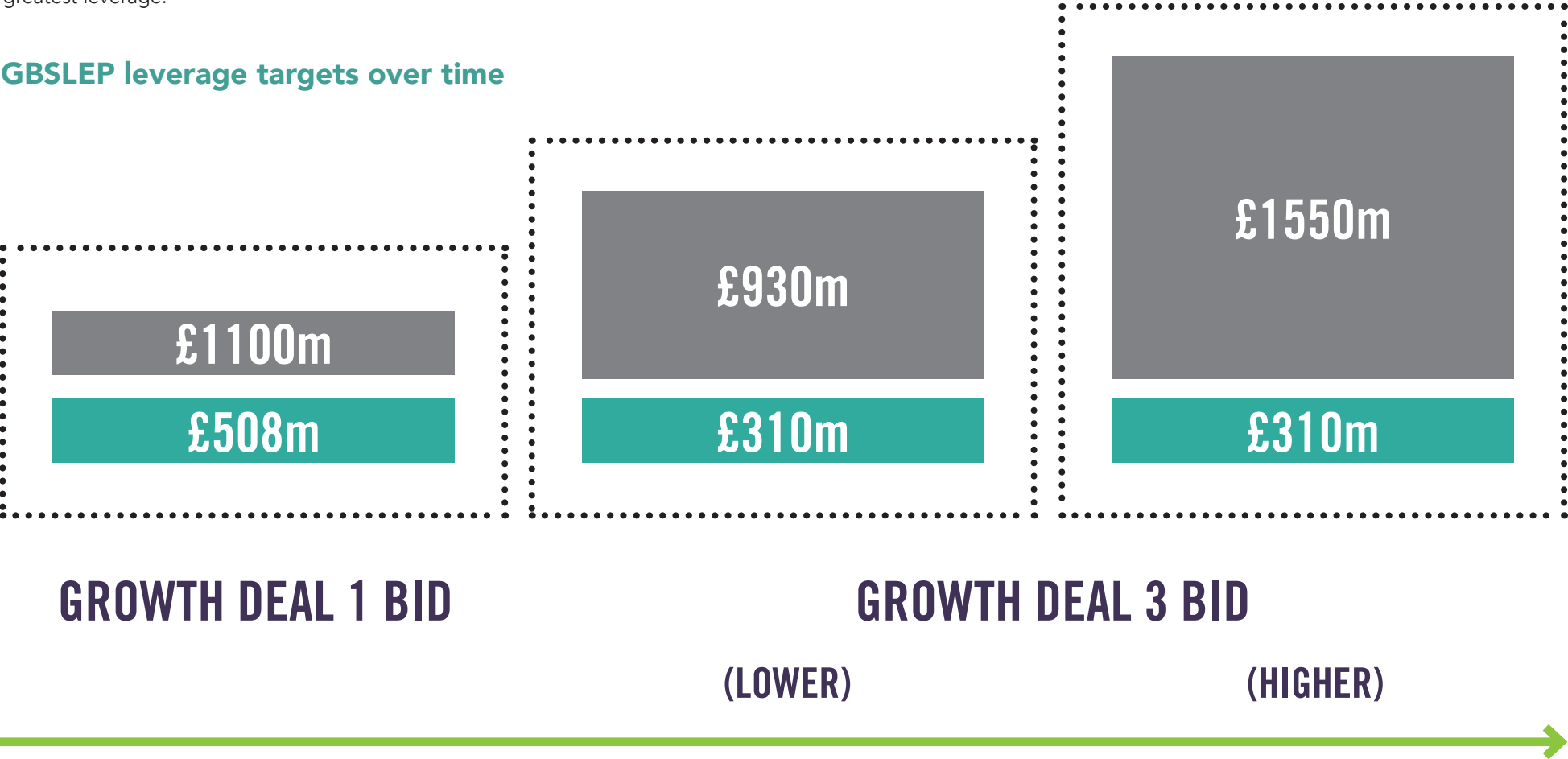
BREAKING DOWN BARRIERS PROGRAMMES

Future skills*
Housing and estates regeneration*
Transport and accessibility*
Business support*
Town and local centres
A38 Growth Corridor
Industrial estate renewal

*Shared GBSLEP/WMCA priority

We have a track record of delivery second to none.
We are the major driver of the UK economy outside London, and we can deliver Government the greatest leverage.

GBSLEP leverage targets over time



*GBSLEP FUNDING REQUEST

*PRIVATE SECTOR LEVERAGE

Ahead of the detailed appraisals, forecast outputs are presented as estimates within a range. These are based upon known information about projects, previous experience within the GBSLEP area, and standard formula. As part of our prioritisation process, projects will be subject to a full Green Book complaint appraisal in line with GBSLEP's Assurance Framework. This will enable us to more accurately forecast outputs. A more detailed breakdown of these figures is provided in Appendix A.

Overall, we believe this bid creates a compelling offer to Government. Greater Birmingham has the track record, the size, scale and opportunities to achieve transformational change. We aim to be a top global city-region and, with your support, can deliver the greatest economic return on investment for Great Britain as a whole.

Financials £m			Outputs					
	Total project cost	LGF contribution	Jobs	Houses	Match funding/ Leverage £m	Floor-space'000m ²	GVA £m	Learners assisted
Connecting globally	155–185	100	5600–9300	2000–2800	300–500	200–280	350–500	670–1065
Leading the world	185–215	120	6400–10700	285–1200	360–600	230–320	400–600	760–1220
Breaking down barriers	140–160	90	4800–8000	3715–4400	270–450	170–240	300–450	570–915
Total	480–560	310	16800–28000	6000–8400	930–1550	600–840	1050–1550	2000–3200

“We are an ambitious company, and we are looking forward to settling into what we know is a very ambitious and talented city... Birmingham feels like a city that has some big plans and is on the cusp of big things. We wanted to get in there first.”

PETE MARSDEN

CHIEF INFORMATION OFFICER • ASOS

Local authority members



Business representative members



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