



Birmingham Housing and Economic Development Needs Assessment

Final Report – Appendix 2 – Policy Review

Iceni Projects Limited on behalf of
Birmingham City Council

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1. POLICY REVIEW

1.1 This appendix of the report reviews some of the key policy and evidence based documents which have been published in relation to housing and the economy in Birmingham.

Birmingham Development Plan (BDP) 2031 (January 2017)

1.2 The Birmingham Development Plan (BDP) 2031 was adopted by Birmingham City Council on 10 January 2017.

1.3 Policy PG1 sets out the overall levels of growth the City has planned for. These targets include:

- 51,100 additional homes;
- Regional Investment Sites of 20 and 25 ha and a 71 ha employment site at Peddimore;
- A minimum 5 year reservoir of 96 ha of land for employment use.
- About 350,000 sq.m. gross of comparison retail floorspace by 2026;
- A minimum of 745,000 sq.m. gross of office floorspace in the network of centres primarily focussed on the City Centre.
- New waste facilities to increase recycling and disposal capacity and minimise the amount of waste sent directly to landfill.

1.4 The policy also notes that Birmingham's objectively assessed housing need for the period 2011 to 2031 is 89,000 additional homes, including about 33,800 affordable dwellings. But it also recognises that it is not possible to deliver all of this additional housing within the City boundary and that there would be a shortfall of 37,900 homes, including 14,400 affordable dwellings.

1.5 The policy notes that the City Council will continue to work actively with neighbouring Councils through the Duty to Co-operate to ensure that appropriate provision is made elsewhere within the Greater Birmingham Housing Market Area to meet the shortfall.

1.6 The focus for growth will primarily be upon re-using existing urban land through regeneration, renewal and redevelopment. The City Centre, as the regional centre and key growth point, will be the focus for significant levels of housing, retail and office development and support the arrival of HS2.

1.7 The City has a number of further key Growth Areas as follows:

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- Greater Icknield – to provide a sustainable neighbourhood of 3,000 new homes
 - Aston, Newtown and Lozells - the adopted Area Action Plan (AAP) proposes a 20 ha Regional Investment Site, over 700 new homes and new office and retail development, including the growth of Perry Barr District Centre.
 - Sutton Coldfield Town Centre - significant growth and diversification of the town centre to improve the current limited retail and leisure offer.
 - Bordesley Park - the AAP will deliver 750 new homes, enhanced connectivity, an improved environment and new employment generating activity.
 - Eastern Triangle – regeneration and growth of around 1,000 new homes and improvements to local centres focused on the Meadway, Stechford and Shard End.
 - Selly Oak and South Edgbaston - major regeneration and investment opportunity including growth of the District Centre, 700 new homes and a new life sciences campus.
 - Longbridge - the adopted AAP proposes significant levels of growth including a Regional Investment Site, 1450 new homes, a new local centre and other employment sites.
 - Langley Sustainable Urban Extension – will be developed for about 6,000 new homes, supported by a range of facilities and integrated transport links.
 - Peddimore - a 71ha high quality employment site estimated to create about 10,000 jobs.

1.8 Policy TP31 related to affordable housing and set out that the Council will seek 35% affordable homes as a developer contribution on residential developments of 15 dwellings or more.

1.9 The policy also provides flexibility to the implementation of the policy stating that the City Council may seek to revise the mix of affordable dwellings (for instance to secure additional larger dwellings) or to adjust the level of subsidy on individual dwellings (a higher subsidy may be required in high value areas).

1.10 As well as general needs housing, specialist housing provision within the C3 use class, such as housing for the elderly including extra care, supported housing and age restricted housing, will also be expected to deliver affordable housing in accordance with this policy.

1.11 Finally, the policy recognises that where the applicant considers that a development proposal cannot provide 35% affordable housing, for example due to abnormal costs or changing economic conditions, the viability of the proposal will be assessed using a standard viability assessment tool as specified by the City Council.

1.12 Policy TP32 related to Housing Regeneration and supported the regeneration and renewal of existing housing areas to ensure that high quality accommodation and environments are provided in line with the principles of sustainable neighbourhoods. The policy states that initial priorities will be:

- The Lyndhurst Estate;
- The Bromford Estate;
- Newtown;
- Druids Heath and Maypole;
- Kings Norton Three Estates; and
- The Meadway

1.13 Accounting for a third of Birmingham's economic output, the City Centre is central to Birmingham's future growth agenda and continuing success in promoting itself as an international city. There will be an emphasis on delivering major new investment in retail and office provision. To support this growth and ensure its ongoing success the traditional City Centre Core will be expanded through five wider areas of change, incorporating significant new office, retail, leisure, residential, civic and cultural uses.

1.14 Within the BDP the City Centre has potential to accommodate in the region of 12,800 new homes, 700,000 sqm gross of office floorspace and 160,000 sqm gross of comparison retail floorspace.

1.15 Provision will be made for a portfolio of 'readily available' employment land consisting of best quality, good quality and other quality. Within the portfolio there is a requirement for Regional Investment Sites in addition to a 5 year minimum reservoir of 96 ha which will be maintained throughout the period.

1.16 Research undertaken by PA Consulting and Warwick Economics and Development highlights a number of key growth sectors, such as advanced manufacturing.

Birmingham Development Plan Document (Dec 2021)

1.17 The Council have also recently adopted their Development Management DPD. This builds on the Birmingham Development Plan by providing detailed development management policies that will be used to guide future development and determine planning applications.

1.18 Policy DM10 sets out that all residential development will be required to meet the minimum Nationally Described Space Standards. Although this does not include specialist accommodation. Specialist

residential accommodation is a generic description used to describe housing that meets the needs of specific groups of people. This can comprise of hostels, shared housing, care homes and supported accommodation for older people and people with mental health, learning disabilities, dementia, physical and sensory impairment, ex-offenders and drugs and alcohol dependency. It does not include age-restricted general market housing, retirement living or sheltered housing.

- 1.19** Policy DM10 also adds that housing developments of 15 or more dwellings, should seek to provide at least 30% of dwellings as accessible and adaptable homes in accordance with Building Regulation Part M4 (2) unless demonstrated to be financially unviable.
- 1.20** Policy DM11 relates to Housing in Multiple Occupation (HMOs). The policy prohibits this type of development if it would result in over 10% of residential properties within a 100 metre radius of the application site being HMO or if a C3 family dwellinghouse is sandwiched between two HMOs or three HMOs in a row.
- 1.21** HMOs where permitted must also provide high quality accommodation with adequate living space including bedrooms of at least 7.5 sq.m. (single) and 11.5 sq.m. (double). It should also provide communal living space comprising lounge, kitchen and dining space, washing facilities and outdoor amenity space.
- 1.22** Policy DM13 states that the Council will actively support the development of self and custom-build homes in suitable locations. The Council will encourage developers to consider incorporating an element of self-build plots into schemes as part of the housing mix.
- 1.23** The policy adds that affordable self-build plots will be considered and encouraged as a suitable product within the affordable housing mix on larger sites (200 dwellings or more) where it meets an identified need and is not substituted for needed social rented and affordable rented housing.

Aston, Newton and Lozells Area Action Plan (July 2012)

- 1.24** The Aston, Newtown and Lozells Area Action Plan (AAP), forms part of Birmingham's Local Plan and acts as a basis for determining planning applications and bringing forward regeneration in the AAP area.
- 1.25** The purpose of the plan is to provide a clear vision and strategy for regeneration and development in the Aston, Newtown and Lozells area over the period 2012-2026. A key challenge for the City as a whole is to respond to household growth and the need to increase housing provision.
- 1.26** The majority of the AAP area fell within the Birmingham-Sandwell Housing Market Renewal area (Urban Living), which was set up in 2002 to tackle weak housing markets. In the area, the housing stock is characterised by areas of large-scale post-war housing with a high rate of obsolescence,

proportionally fewer detached and semi-detached dwellings compared with terraced properties and purpose built flats, lower than average home ownership levels, and a higher than average proportion of homes owned by the local authority or housing associations. A lack of family housing is evidenced by overcrowding and aspirations for larger homes.

1.27 There is an opportunity to capitalise on the area's strategic location just north of Birmingham City Centre, and on the excellent transport links offered.

1.28 The shared vision for the AAP includes:

- A transformed housing market where choice and quality meet the needs of existing residents, and which attracts new residents and accommodates sustainable growth.
- A successful economy where businesses can flourish and a range of jobs are accessible to local people.

1.29 The required infrastructure will be delivered through planning obligations which will be agreed after market viability appraisals have been prepared. Another important element of the regeneration is the provision of local employment opportunities to help reduce the rate of local unemployment rate. The use of targeted employment strategies to link training to employer demand and the use of the local workforce in the construction phases of development on major developments will also need to be secured through Section 106 agreements.

Longbridge Area Action Plan (2009)

1.30 This AAP responded to the closure of the MG Rover in April 2005 and was prepared to secure the comprehensive regeneration of the area. The AAP sets out a series of proposals through which it intended to create a highly sustainable and accessible new community offering jobs, homes and a new local centre as well as opportunities for recreation and leisure.

1.31 In relation to Housing the AAP sought to deliver a minimum of 1,450 new dwellings to help meet existing and future housing needs and to create a sustainable mixed-use community. These new homes were to provide a mix of type, size and tenure including affordable housing, high-density layout appropriate to the location of the site and be designed to highest standards.

1.32 The AAP also supported the continued development of Longbridge as a regional investment location for industry and employment, securing economic diversification and business growth, providing 10,000 jobs, protecting existing employment and providing a long-term sustainable job environment. These jobs should include a mix of sectors including high technology, finance, professional services, retailing, education and leisure to help diversify the local economy.

1.33 Part of the AAP is also to secure existing land for general industrial uses including the Nanjing Automotive Corporation site (now MG motor group UK) and the Cofton Centre. It also seeks to development the 25 hectare Regional Investment Site (RIS) to high profile regional, national and international investors as well as a major location for high technology businesses.

1.34 The APP also supports smaller businesses and sought to create an accessible business advice service, premises for start-ups and small businesses and a viable trading environment are important factors in helping small firms as well as an innovation centre.

Bordesley Park Area Action Plan (2020)

1.35 The Bordesley Park Area Action Plan (AAP) sets out the Councils vision and policy for an area which covers around 580 hectares to the immediate east of the City Centre. Overall the strategy is to deliver 3,000 additional jobs and 750 homes. The AAP defines four objectives to support the delivery of this vision:

- 1. For Bordesley Park to become a focus for sustainable growth in terms of economic activity, housing and community infrastructure.
- 2. For Bordesley Park to benefit from improved linkages within and across the area to the City Centre and other centres of activity.
- 3. For the character and quality of the environment across the whole of Bordesley Park to be improved.
- 4. To ensure a sustainable future for Bordesley Park, and for the area to make a positive contribution to the City's sustainability targets.

1.36 In relation housing a range of types and tenures are required to meet the needs of the community, including affordable housing, large family housing, and properties suitable for elderly and disabled people.

1.37 There are also measures to improve existing housing, replace that which is beyond repair, and bring vacant properties and sites back into use – including the use of the City Council's compulsory purchase powers – will also be supported.

1.38 The City Council will work with landowners and developers to bring sites forward, and identify new housing opportunities. This will include bringing vacant properties back into use and windfall housing opportunities will also contribute to housing growth.

1.39 For employment the AAP seek to provide sufficient land to enable a diverse economic base. It recognises that there is a shortage of land, and particularly of high quality readily available land, for employment uses in the city, which needs to be addressed.

1.40 Investment and improvements to the environment in core employment land sites in the area is promoted, alongside the creation of major new employment uses at the Wheels site which will deliver up to 1 million sq ft of floorspace and contribute to the provision of up to 3,000 jobs and training opportunities.

Our Future City Plan (January 2021)

1.41 Our Future City Plan aims to provide a new vision and strategy for investment that will stimulate green, inclusive growth that meets the City's diverse needs, and maximises the potential of all communities. The vision has been formed from an understanding of the key opportunities and challenges facing the city over the coming decades:

- An innovative global city where prosperity is shaped by all – happy healthy and affordable.
- Connected, culturally distinct neighbourhoods showcase the best environmental quality, resilience and adaptability.
- A city proud of its unique identity and diversity that embraces technology and creativity, beauty and imagination.

1.42 Six 'City Themes' have been developed to deliver the vision, including a 'city of growth for all' which aims to meet the city growth needs for a provision of a range and diversity of affordable housing, jobs and skills; strengthen Birmingham's global position as an attractive place for inward investment; and ensure opportunities for a robust, flexible and diverse range of industries to thrive.

1.43 The key actions being considered are as follows:

- Beyond the Ring Road: Begin to develop ideas for change and growth that are outward looking and connect neighbourhoods, quarters and local centres to maximise their growth potential.
- Central Renewal Areas: Identifying and promoting 8 Central Renewal Areas with potential for significant change and reimagining to unlock new opportunities for mixed use redevelopment to provide housing, jobs and public spaces within new and existing neighbourhoods.
- Major Development Sites: Ongoing developments such as Paradise, Arena Central and Icknield Port Loop are delivering space for new homes and major employers. The plan will continue to promote these alongside proposals including Smithfield, Axis Square, Martineau Galleries and New Garden Square.

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- Delivering a diverse range of affordable, quality homes: Continuing the Council Birmingham Municipal Housing Trust initiative to develop affordable, quality housing.
 - Local First: Develop policies and projects that support Birmingham's diverse range of local and independent businesses.

1.44 The document was open for consultation until March 2021. Responses to this and engagement with the community will help inform the draft Central Birmingham 2040 document that will be consulted on during Spring 2022.

Loss of industrial land to alternative uses SPD (February 2006)

1.45 The SPD provides guidance to developers on the information required by the City Council where a change of use from industrial to an alternative use is being proposed and applies to all industrial land including land which is redundant and no longer in use.

1.46 When considering proposals involving the loss of industrial land to alternative uses the City Council will now expect applicants to provide evidence of the following:

- Why the site is non-conforming, mostly consisting of small (generally less than one acre) isolated industrial sites within predominantly residential areas.
- Where it is argued that there is a lack of demand for a particular industrial site, the applicant will need to demonstrate that active marketing has been undertaken for a reasonable period (normally a minimum of two years).
- Where it is being argued that high redevelopment costs makes industrial redevelopment commercially unviable, applicants should provide a detailed analysis of redevelopment costs including investigations into land contamination issues.

Other factors which will be considered are as follows:

- Within the City Centre it is recognised that a more flexible approach towards change of use from industrial to residential is required to support regeneration initiatives.
- There may be occasions when the most appropriate proposal for an area involves using previous employment land for housing and releasing some of the cleared housing land for employment uses, particularly where they are linked to comprehensive regeneration programmes.

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- Other strategic planning factors which involve considering a number of factors including whether a site lies within an area of strategic importance for industrial purposes, such as the core areas of industrial regeneration.
 - There will be occasions where it can be demonstrated that there are good planning grounds to depart from the general presumption against the loss of industrial land. Such proposals will need to demonstrate that alternative sites are not available.

Urban Centres Framework (January 2020)

- 1.47** The aim of the strategy is to maximise the potential of Birmingham's urban centres by promoting them to adapt and change. By focussing on core themes of activity, connectivity and local design and identity, centres can become more vibrant and sustainable places. This will see the delivery of new homes, jobs and amenities and significant improvements to connectivity and the local environment.
- 1.48** The City Council has identified its initial priority centres of transformation, and there is potential for other urban centres in the city to be identified in the future. Concentrating mixed development in sustainable locations will help to reduce overall emissions and improve air quality across the city, including:
- Centres at Sutton Coldfield and Perry Barr will be the focus for significant growth, delivering new homes, jobs and local services.
 - Bordesley Green, Coventry Road - Small Heath, Stechford and Meadway are centres on key public transport corridors. The proposed East Birmingham Metro will drive forward the delivery of clusters of economic and social activity.
 - Erdington, Northfield, Stirchley and Alum Rock Road all present opportunities to re-focus their offer to serve their growing neighbourhoods, remaining relevant and resilient into the future.
- 1.49** This will be delivered through the Council's application of Development Management, including producing development briefs for individual sites, the City Council's land holdings in line with its Property Strategy to assist delivery and, where appropriate, its compulsory purchase powers may be used to assist with site assembly.

Homelessness Prevention Strategy 2017+

- 1.50** As the fourth Homelessness Strategy, it focuses on preventing people from becoming homeless in the first place and supporting those who are homeless to build a more positive future in good health.

1.51 The approach sets out five key areas which can be used flexibly to ensure that no matter what stage people enter the pathway, will be supported as early and as effectively as possible:

- Universal Prevention: To ensure people are well informed about their housing options.
- Targeted Prevention: To prevent people from becoming homeless.
- Crisis Prevention and Relief: To assist people as soon as possible if they do become homeless so that their homelessness can be relieved by securing sufficient accommodation and support.
- Homeless Recovery: To support people to recover from their experience and stay out of homelessness.
- Sustainable Housing Options: To enable people to secure homes that they can afford and maintain.

1.52 The Strategy Implementation Plan sets the direction for the next five years. The following actions have been split into whole system and domain specific actions:

- Develop an excellent positive pathway across all five domains.
- Embed a human-rights approach to homelessness in the city.
- Establish a trauma based approach to responding to homelessness in the city.
- Drive culture, organisational and decision making change to design out homelessness both within and between organisations.
- System-wide, consistent communications and messaging to citizens in terms of options and offers available.
- Develop specific responses for cohorts most at risk of becoming homeless.
- Take pragmatic action in the best interest of individuals.
- Review existing commissioned services to design in more flexibility and remove unintended barriers.
- Contribute to the preparation work in readiness for the pending Supported Housing Finance reforms (April 2020).
- Strengthen intelligence gathering and sharing to inform policy, practice and priorities for action.

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- Strategic leads across the city work together to collaboratively shape and drive key priorities and actions across related strategy areas including Housing, Health and Wellbeing, Domestic Abuse, and Financial Inclusion.
 - Complete a health impact assessment concerning the strategy delivery to better inform the responses to meet the health needs of homeless households.

State of the Region 2020 (July 2020)

- 1.53** The State of the Region 2020 is the fourth annual review of performance across the West Midlands. The report is written on behalf of the West Midlands Combined Authority and all its partners, it provides a snapshot of where the region is doing well and what needs to be improved.
- 1.54** The region broke through the £100bn GVA barrier and had been bucking the national trend on a host of economic indicators, such as enterprise and employment growth. This was powered by a young workforce, increasing its skills and moving to the region. However, underlying this growth there were significant issues with inequality, poverty, youth unemployment, low skills, poor health and school performance.
- 1.55** The economic impact of the pandemic has been severe. Sectors where there has previously been growth and expansion are the hardest hit, such as construction and the expanding higher education sector. The largest employment and GVA sector (professional, businesses and financial services) is resilient and the sectors hardest hit from furlough (retail, hospitality and tourism) could bounce back providing consumer demand returns.
- 1.56** Economic forecasts consistently show the West Midlands to be one of the UK regions hit hardest by the economic crisis. This is because of the industrial and demographic mix, with some local economies among the most vulnerable in the UK in terms of sectoral composition and health vulnerability. Those same models also show relatively strong regional growth in 2021, but this depends on assumptions about future market demand and international trade agreements.

Birmingham Economic Recovery Strategy (March 2021)

- 1.57** The purpose of this document is to summarise the City Council's contribution to supporting the economy of the city as it recovers from the COVID-19 crisis and adapts to changing conditions, including the challenges of leaving the European Union.
- 1.58** The vision states that the Council is committed to delivering existing growth plans and transformational infrastructure and regeneration initiatives. However, the crisis has highlighted the full scale of inequalities in our current economy and how vulnerability to economic shocks is unevenly distributed across the population. So, they also want to take the opportunity to think about economic

growth beyond the pandemic and how we can direct achieve a cleaner, greener, fairer Birmingham which nurtures a culture of business growth.

1.59 A summary of key actions are as follows:

- Leadership for recovery: establish an Economic Recovery Partnership to guide collective efforts to support businesses and communities over the next two years and deliver the objectives set out in this strategy.
- Engagement with business and communities: Continue to engage regularly, in a variety of ways, with a wide range of stakeholders including business organisations, the GBSLEP and Growth Hub, Business Improvement Districts and Social Enterprise organisations.

1.60 This will be delivered through measures such as a partnership-based approach, funding, stakeholder engagement and a Recovery Intervention Plan.

Birmingham Smithfield Masterplan (September 2016)

1.61 Delivering upon the overarching vision of the Big City Plan, the strategic city centre masterplan, Birmingham Smithfield will be the next phase of major investment in the centre. As an Enterprise Zone site, located within close proximity of many of the city's major economic assets, the scene is set to bring forward the next phase of city centre growth.

1.62 Following an international launch and extensive public consultation the masterplan sets the vision for the site that will form the basis for the procurement of a development partner and a guide for the detailed planning and delivery phases that follow.

1.63 The overarching vision for Birmingham Smithfield will be of a sustainable, green and inclusive place that has people are the heart of a zero carbon development. This vision will be secured through the delivery of a series of big moves and underpinned by key development principles, including a mixture of new, modern sustainable homes in a green setting supported by a range of community facilities, creating an exemplar residential neighbourhood that will be one of the most desirable places to live in the city centre.

1.64 Due to the site's size a phased approach to development will occur with opportunities to bring forward different elements dependant on market conditions. Enterprise Zone funding has been secured to support the development. The City Council, will if appropriate, consider the use of compulsory purchase powers to assist the delivery of the masterplan. It will commence the process of procuring a development partner and securing private investment to deliver Birmingham Smithfield.

Paradise Masterplan

- 1.65** In 2013 outline planning permission was granted for a major £700 million 1.8 million sq ft mixed use development. Paradise will deliver 10 buildings combining contemporary new office, retail, hotel and leisure spaces, 3 new public squares and 360 new build to rent homes.

HS2 Curzon Masterplan (July 2015)

- 1.66** The Birmingham Curzon HS2 Masterplan identifies the opportunities and sets out the approach to future development, building upon the work of the Eastside Masterplan (2011), which was produced as part of the Big City Plan. The Masterplan area covers a significant swathe of the City Centre and will complement and support several other key growth areas that will come to fruition over the years towards the opening of HS2 and beyond.
- 1.67** The Masterplan establishes the principles for creating an international railway station that is successfully integrated with its surroundings and efficiently connected to a variety of transport options. It demonstrates the huge potential of a swathe of the City Centre to accommodate the growth of a wide range of activities and sectors over the coming decades forming a key part of the Birmingham Growth Agenda and a priority for the Greater Birmingham and Solihull Local Enterprise Partnership (LEP).
- 1.68** The Masterplan takes the opportunity of the HS2 station as proposed within the Hybrid Bill, and develops the basic proposals beyond the delivery of a railway station to the delivery of an integrated, transformed, thriving series of places for growth. The economic impact is summarised below:
- Bring forward over 700,000 sqm of development within the Birmingham Curzon area.
 - Over 36,000 (net) jobs are to be created within the Masterplan area for the period. A large proportion of the jobs created are expected to be within higher order occupations.
 - Overall, it is estimated that the redevelopment could have a cumulative GVA impact of around £3.1 billion at the Birmingham level.
 - HS2 will also transform links to Birmingham Airport both from central London and Birmingham City Centre. This will open up opportunities for international connectivity and related growth particularly through East Birmingham and North Solihull.
- 1.69** The successful delivery of the HS2 scheme will require ongoing co-operation and dialogue between key stakeholders and delivery agencies. The Curzon Regeneration Company will have a central role in bringing forward the development and local infrastructure across the Curzon area. The company is a partnership between the City Council, Greater Birmingham and Solihull LEP, HS2 Ltd, Department for Transport (DfT), Centro and other partners.

Regional Policy

West Midlands Local Industrial Strategy (May 2019)

1.70 Led by the Mayoral Combined Authority, working with Local Enterprise Partnerships and local authority, the Local Industrial Strategy marks the next stage of the West Midlands' long-term partnership with government. It demonstrates how the West Midlands is forging its future and building an inclusive and balanced economy.

1.71 The strategy sets out the steps the West Midlands will take to:

- Drive growth by strengthening the foundations of productivity; contributing towards the Grand Challenges; and taking advantage of market driven opportunities in mobility, data-driven health and life sciences, modern services, creative content, techniques and technologies.
- Ensure all communities can contribute to and benefit from economic prosperity whilst protecting and enhancing the environment; investing further in social infrastructure; measuring progress; and
- Designing actions using a balanced set of inclusive indicators.

1.72 The key goals are as follows:

- **Driving Growth: Future of Mobility:** The West Midlands will build on the UK Battery Industrialisation Centre to consolidate its role as a battery research, development (R&D) and manufacturing hub. By combining the opportunities of 5G, the Future Mobility Zone, High Speed 2 and the Commonwealth Games, it will also create a more connected region.
- **Modern Services:** The West Midlands aims to build its reputation as a high-value business and professional services location benefiting from a highly diverse and highly skilled local workforce, through investments in the construction sector, the business environment, infrastructure and skills.
- **Business Environment:** Working in partnership with the government and building on the strengths of its existing Growth Hubs, the West Midlands aims to boost business dynamism and productivity. This also includes ongoing work to increase the Midlands Engine's international reach and success.

East Birmingham Inclusive Growth Strategy (February 2020)

1.73 The East Birmingham Inclusive Growth Strategy has been prepared by the East Birmingham Board to guide the delivery of inclusive growth in East Birmingham over the next 20 years.

1.74 Inclusive Growth is defined by the West Midlands Combined Authority as follows:

A more deliberate and socially purposeful model of economic growth - measured not only by how fast or aggressive it is; but also by how well it is created and shared across the whole population and place, and by the social and environmental outcomes it realises for our people - an economy that shares the values of its citizens.

1.75 The Council and its partners will make use of the unique opportunities and potential of East Birmingham to create a clean, safe, prosperous and well-connected place where citizens from all backgrounds have access to excellent housing, education, healthcare, green spaces and employment opportunities. Local communities will work together as part of the team to achieve their aspirations and will share a strong sense of ownership and pride in their area. The main role of East Birmingham within the wider city region will be as a desirable yet affordable residential area with excellent amenities which is particularly suitable for families with children, and as a centre for low carbon and sustainable industries.

1.76 The objectives of the strategy include:

- Improving living standards and reducing overcrowding and homelessness
- Increasing the number of people in employment (including high-skilled and sustainable jobs) and reduce the employment gap for people with ill health and/or disability.

1.77 The Council will aim to meet these objectives by bringing forward five Big Moves, including: improved local services; job and training support; supporting the growth and vitality of local businesses; the planned expansion of the Midland Metro route.

Draft WMCA Spatial Investment and Delivery Plan (February 2019)

1.78 The Spatial Investment and Delivery Plan (SIDP) has been prepared by the West Midlands Combined Authority (WMCA) in collaboration with its constituent and non-constituent organisations. It is one of the key requirements of the Housing Deal agreed with Government in March 2018.

1.79 The SIDP implementation plan will drive change through a series of interventions each designed to unlock barriers to development and accelerate delivery. Known barriers which require a strategic response from partners across the region include:

- insufficient capacity and capability in the public sector delivery agencies
- the need for stronger co-ordination and agreed prioritisation between the public sector delivery organisations

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- shortages of skilled construction labour
 - insufficient funding for key infrastructure required to support new homes
 - contaminated land across the region but particularly concentrated in the Black Country on employment sites allocated for future employment and former employment sites now allocated for housing
 - fragmented ownership of land, again a particular problem in the Black Country
 - speculation in land and the pursuit of higher value land uses without development coming forward
 - unrealistic landowner expectations of value and land banking by private house builders
 - the need to maximise and encourage private sector interest and investment in opportunities across the region
 - the need to create delivery partnerships and to support private land owners to access public funding opportunities to overcome viability challenges
 - ensuring housing supply and development meets the range of housing and employment needs in the region including a sufficient and diverse supply of affordable housing
 - the need to provide sufficient suitable infrastructure including 'hard' measures like water, power and flood relief alongside social infrastructure such as schools, health and parks.
 - Direct intervention and deal-making (e.g. joint ventures, site acquisition, site assembly, brownfield remediation).

The Midlands HS2 Growth Strategy (July 2015)

- 1.80** The Growth Strategy outlines how the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) are seeking to fully maximise the benefits HS2.
- 1.81** The LEP is targeting new investment to unlock regeneration schemes, form new social and educational structures and through transformational Midlands Connect partnership open up the region's connectivity. This Growth Strategy outlines the delivery mechanisms, local and national partnerships, and funding structures.

Recharge the West Midlands (June 2020)

- 1.82** The document sets out the key immediate asks of the Government from the West Midlands, which total £3.2 billion of investment over three years.

1.83 The plan not only addresses the short-term risks of COVID-19 by creating and safeguarding jobs but takes into account the longer term improvements in regional innovation, competitiveness and resilience. It drives benefits across the ‘three LEP areas’ of the Black Country, Coventry and Warwickshire and Greater Birmingham and Solihull.

1.84 The areas of industry support include:

- Creating green manufacturing jobs: harnessing the potential of green technology and electrification to deliver green growth, improve the wellbeing for communities and unlock 51,700 green jobs with investment of £614 million.
- Maximise job creation for local people from HS2 and other West Midlands opportunities: Accelerate and maximise the benefits of HS2, Commonwealth Games and City of Culture, and reinvigorating the cultural sector. Doubling down on these investments will unlock 33,000 jobs and growth across the region with investment of £306 million.

1.85 The recovery will be enabled by investment in our infrastructure, people and communities, underpinned by a business support programme for high-potential businesses:

- Building better digital and transport links: Enhance digital infrastructure and develop the most integrated multimodal public transport system, through an ambitious investment of £376m to drive productivity and create 4,200 job years in construction. Investing in sustainable, green transport projects will ensure HS2 is integrated into the transport network, and support economic and housing growth.
- Regenerate and build brownfield land and building 35,000 new homes: Landmark investment of over £650m to bring forward at least 35,000 additional new homes – of which over 15,000 will be affordable – building on the West Midlands’ nationally leading delivery of brownfield remediation, regeneration, housing supply and design innovation.
- Get people back into work: Support thousands of young people and workers by equipping them with the skills needed for the future through apprenticeships, training, upskilling and employability schemes, through an investment of £550m.

WMCA Research Evidence Base: Science & Innovation Audit for the West Midlands (June 2017)

1.86 The West Midlands SIA will be used to help inform both local and national investment priorities. It will help to ‘make the case’ for further public and private investment to unlock and realise the productivity potential of the area, identify where there is scope for developing more pervasive

collaborative cultures, and set out the specific opportunities for building a more resilient and outward facing innovation ecosystem.

1.87 The study was funded by the three LEPs, steered by the WMCA Innovation Working Group and managed by Birmingham Science City.

1.88 Despite many strengths of the West Midlands economy, productivity performance is persistently well below the national average level. A core focus of the SIA process is leveraging the science and innovation excellence to lead to investment in new products and processes and in turn drive-up productivity.

1.89 The audit process has identified three enabling competencies that characterise the modern knowledge economy, and where there is a concentration of assets, and genuine expertise across the private and public sectors:

- **Advanced Manufacturing and Engineering:** the competence supports a broad and integrated range of sectors and markets – including food and drink manufacturing, automotive, aerospace, rail, electronics, construction, and energy.
- **Digital Technologies and Data:** with strengths in the area's academic, research and industrial base in exploiting and understanding big data, analytics, simulation and modelling, and the use of digital technologies and media in product, process and service development and commercialisation across the full range of markets and sectors.
- **Systems integration:** assets, expertise, and insight in the area's academic, research and industrial base on how increasingly complex systems – including energy systems, manufacturing processes, service delivery, and logistics – can be better designed, managed and operated, to deliver improved performance and outcomes

1.90 These enabling competencies underpin and support four specific areas of market strength where there is existing excellence and major growth opportunities for the future. The four market strengths identified are as follows:

- **Next Generation Transport:** significant opportunities for growth are provided by the next generation of rail technology, in part through links to HS2, and connecting with the Midlands motorsport cluster.
- **Sustainable Construction:** grounded in the significant construction industry across the area, the R&D and commercial deployment by industry of energy efficient and lower carbon building technologies.

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- Energy Storage and Systems: grounded in scientific excellence across the knowledge base, the West Midlands have significant potential in the development and commercial application of a range of technologies in energy storage.
 - Technologies for Better Health: focused on developing further nationally-significant medical technologies sector, covering R&D, design and production of devices, diagnostics, and software as a medical device.

1.91 The SIA is important for the LEPs and the WMCA for whom the work was conducted as the findings can help partners deliver on the following core objectives:

- Closing the productivity gap
- Stronger connection of the innovation ecosystem with local skills interventions
- Reform of public services
- Delivery of priorities of the WMCA SEP and of the three ELP SEPs.

1.92 The audit identifies that there is opportunity to take forward the following with Government and local partners:

- Raising levels of business R&D investment and its subsequent exploitation is a key strategic imperative for the UK, including the WM SIA area.
- Addressing the large number of innovation inactive businesses, effort is required to increase the inclination or capacity of businesses to innovate.
- Stimulating and steering major collaborative research and innovation projects that realise the potential from our science and innovation base.

WMCA Strategic Economic Plan (June 2016)

1.93 The Strategic Economic Plan sets out the vision for improving the quality of life of everyone who lives and works in the West Midlands.

1.94 The aim is for WMCA to work with local enterprise partnerships to deliver thousands more jobs and bring more investment and income, tackling the priority issues that will help make the most change, including:

- New manufacturing economy: Creating the biggest concentrations of high value manufacturing businesses in Europe and their supply chains.

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- Creative and digital: Further developing this vibrant and flourishing sector.
 - Environmental technologies: Securing transformational environmental improvements.
 - Medical and life sciences: Enabling the further growth of the medical and life sciences sector.
 - HS2 growth: Maximising the benefits of the largest infrastructure project in Europe.
 - Skills for growth and employment for all: Ensuring the skills needs of businesses are met and everybody can benefit from economic growth.
 - Housing: Accelerating the delivery of current housing plans to increase the level of house building to support increased level of growth.
 - Exploiting the economic geography: Making the most of the scale and diversity of the West Midlands' geography to enable economic growth and community wellbeing throughout urban and rural areas.

1.95 The geographies examined in the study are those of the Black Country, Coventry & Warwickshire and Greater Birmingham & Solihull LEPs.

1.96 Industrial specialisation was examined using Location Quotients which provide a local measure of geographical concentration of industries. This showed:

- There is a greater degree of specialisation in the Coventry & Warwickshire and Black Country LEP areas than in the Greater Birmingham and Solihull LEP area.
- Specialisation across all three LEP areas is focused on manufacturing, wholesale and the motor trades.
- There are specialisations in Transport and Storage in the Coventry & Warwickshire LEP area and mining, quarrying and utilities in the Black Country LEP area that are not shared in the other LEP areas.

1.97 The greatest degree of specialisation across the LEP areas is in manufacturing. The three LEP areas account for 9% of Great Britain's manufacturing employment. Closer analysis shows that these areas employ 25% of Great Britain's automotive manufacturing workforce.

1.98 Wholesale industries account for 23,000 more employees than would be expected from national average concentration. Closer analysis shows that Coventry and Warwickshire and Greater

Birmingham and Solihull specialise across a broader range of wholesale sectors than the Black Country.

WMCA Research Evidence Base: Business Environment in the WMCA Region (March 2018)

1.99 The findings of the study showed that:

- The job reallocation rate, which is the key metric of business dynamism, for the West Midlands is average and lags behind other regions with higher productivity levels.
- There is a range of start-up rates across the region with Coventry and Warwickshire LEP performing well against the English LEP average with the Black Country LEP lagging well behind that benchmark.
- The Black Country LEP has a better track record on the initial scaling of its start-ups compared to the other two LEP areas in the WMCA region and is above the English LEP and UK average.
- There are very few firms in the WMCA region which can be categorised as 'high-growth' or 'scaling' - this is particularly true of the Black Country LEP.
- Growth ambition among early-stage entrepreneurs in the WMCA region is around the national average in Greater Birmingham and Solihull and Black Country LEPs.

1.100 The Growth Hubs in each of the LEP areas are in the frontline and need to step up and engage more effectively with building a pipeline of businesses who have a clear growth orientation. The following specific recommendations flow from this guiding principle:

- There is a need to provide a clear focus on the 'growing businesses' agenda in the region. There is a tension in the public sector between supporting growth-orientated businesses (the 'few') and making business support and advice available to start-ups and established businesses (the 'many').
- Need to ensure that business leaders are aware of the wide range of support available to them from the private and public sectors. The proportion of businesses in the WMCA region contacting the Growth Hubs is low, therefore a greater effort on marketing the range of business support available is required.
- Leadership, management and entrepreneurial skills are crucial in driving growth and productivity gains. An audit of all available programmes and initiatives categorised in terms of low, medium and high intensity as well as which ones are delivering real impact.

Sector Action Plans

- 1.101** The GBSLEP are leading work on five of the Sector Action Plans; Creative Industries, Life sciences, Low carbon technology, Food & drink and Professional Services, and two of the new major market opportunities; Data driven health and life sciences and Modern services. These are yet to be published.