

Review of West Midlands Industrial Strategy Consultation Document

**Does it meet the WMCA ambition to produce the
UK's first Clean Growth Local Industrial Strategy?**

Author: Sustainability West Midlands

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1 Introduction

1.1 Aims of report

“The WMCA will work to ensure local strengths in clean growth sectors of transport, buildings and energy, as well as the importance of the natural environment, form a key part of the new Local Industrial Strategy, with the ambition to become the UK’s first Combined Authority Clean Growth Industrial Strategy.”

Source: [WMCA Annual Plan 2018-19](#) July 2018, p25

SWM welcomes the opportunity to comment on this consultation. The purpose of this report is to provide the WMCA an indicator of how it is meeting its ambition to produce the UK’s first Clean Growth Local Industrial Strategy, key recommendations for improvement, and detailed comments around the consultation questions for the draft strategy.

This report will also inform other Local Enterprise Partnerships, our members and networks as we help them develop their new clean growth local industrial strategies.

It is over 10 years since we helped to create the UK’s first regional low carbon economic strategy. We are looking forward to building on the subsequent decade of experience of our members and networks to help the West Midlands realise the future opportunities of clean and inclusive growth.

To discuss any of these responses or recommendations further please contact [Anna Bright](#) (Chief Executive) or [Dr Simon Slater](#) (Associate Director of Policy and Partnerships) at Sustainability West Midlands

1.2 Recognition of WMCA progress on Sustainability

The WMCA, helped by partners, has made significant progress on integrating environment within social and economic strategies and processes to date. This is evidenced by:

- The national annual sustainability benchmark of combined authorities where the WMCA is making rapid improvements and is now only 2nd in the league table. See: <https://www.sustainabilitywestmidlands.org.uk/resources/combined-authority-sustainability-benchmarking-technical-report-analysis-of-strategies-2/>
- improved external communications with the creation of environment pages on the WMCA website (see below) and improved progress reporting on the website and in the annual plan.

WMCA Environment Policy – Clean, Inclusive and Resilient Growth

The environment covers energy, water, materials use, air, the quality of our land for recreation and wildlife, and our changing climate.

The way we integrate environment into activity that will deliver long term economic, social and environmental improvements is called sustainability. In the West Midlands we call this clean, inclusive and resilient economic growth.

Being efficient in energy, water, and materials use, developing new green products and services, and having access to a high quality natural environment, can bring significant ‘clean growth’ productivity

gains for organisations. Our region is already well placed to benefit from its strengths in low carbon energy, transport, construction, and waste reuse.

Being prepared for future legislation, resource scarcity, investors, employees and customers expectations, and extreme weather events, helps 'resilient growth' to protect hard won productivity gains.

Being generous in how economic growth can help provide jobs for a diverse range of people and improve the quality and access to the local natural environment, helps to contribute to 'inclusive growth'.

Source - Extracts from WMCA website: <https://www.wmca.org.uk/what-we-do/environment/>

1.3 Focus on Clean Growth

The WMCA Environment Board has a commitment to provide a wider sustainability and resilience review of new strategies and policies once a set of key assessment criteria are agreed.

However, given that the industrial strategy is focused on business growth, not wider economic development, at this stage we have primarily focused on the 'Clean growth' aspect.

Clean growth as defined by the Government is 'improved economic productivity whilst reducing greenhouse gas emissions and other damage to the environment'. It is not just improving the natural environment, but also our resource use, and reducing overall emissions to the environment.

1.4 Draft Industrial Strategy is not yet 'Clean Growth'

There has been a great deal of work to support the WMCA and partners to develop the industrial strategy and the 'clean growth' ambition it has. However this does not always appear to have found its way into the draft strategy.

This strategy is not yet meeting the ambition to be the UK's first Clean Growth Strategy, because although it has many of the right components in place – it doesn't join them up.

This consultation process provides a welcome opportunity to take stock on progress and make recommendations for improvements.

1.5 Summary of recommendations for improvement

Section 3 contains our detailed recommendations against the consultation questions, with the highlights in boxes. These highlights are set out below.

1. ***Spell out the overall aim of the strategy as 'inclusive and clean growth and productivity gains'*** in the Vision, Objectives and Figure 1.
2. ***Have a section on 'cleaner growth' and the environment explaining what it is***, and how this strategy seeks to help with the transition by:
 - Having the Government indicator of productivity and carbon intensity as one of the success measures

- Understand baseline needs of energy and resource costs across all sectors and where to target help that will drive highest productivity through the different drivers of productivity – people, ideas, infrastructure, business environment, and place. For example, through using new technology in the design and manufacturing process, local energy generation, circular economy, and natural capital.
 - Use the future challenges of clean growth and mobility to help existing local strengths in transport, construction and energy to drive innovation, disruption, and strong local markets for developing future solutions and services.
 - Use existing infrastructure investment to help stimulate local businesses to provide more resource efficient and environmental goods and services.
 - Influence other partners strategies, policies, and procurement, such as health and statutory regulators, low emissions and air quality strategies, planning policy, and green growth business challenges to help reinforce the demand for more resource efficient and environmental goods and services.
 - Show how the clean growth agenda will also contribute to the economy becoming more inclusive and resilient.
3. ***Within the commitments there should be one that sets out the clean growth outcomes from any investment or tailor the existing 10 commitments to show how they will contribute.*** For example:
- There could be one commitment that clearly states that all existing and future investment secured to deliver this strategy will need to demonstrate how it will contribute to deliver productivity gains, develop future markets, be resource efficient (materials, carbon, and air), improve our natural environment, address health inequalities and help excluded groups access work.
 - Or the existing 10 commitments tailored to show how they will contribute to these goals.

The rest of this report sets out a summary of our input to date with our stakeholders into the strategy development process and our detailed recommendations.

2 SWM help in the development of the West Midlands Local Industrial Strategy

2.1 Our policy experience

We are the sustainability adviser for the leaders of the West Midlands. We are also the regional sustainability champion body for the West Midlands, designated by government, and the WMCA sustainability delivery partner. We are a not-for-profit company that works with our members in the private, public and third sectors. Our Board is private sector led and has cross-sector representation. They are supported by our team of staff, volunteers and associates.

In supporting the development of the LIS, we have drawn on our following policy experience:

- Government recognised independent regional sustainability champion for the West Midlands since 2002, now the only outside London.
- Running a range of annual good practice networks and events sharing solutions and reaching over 10,000 individuals within the private, public and third sector.
- Futures and sustainability reviews for Government, business and public sector, and producing the UK's only annual independent regional sustainability roadmap progress report.
- Developed the UK's first low carbon regional economic development strategy with Advantage West Midlands in 2007.
- Produced the UK's first joint Local Enterprise Partnership (LEP) low carbon investment prospectus, and national benchmark of LEP sustainability good practice.
- Supported by the UK Government to promote UK expertise in low carbon economic policy and business opportunities in Europe, China, and Japan.
- Sustainability advisor and delivery partner for the West Midlands Combined Authority.
- Produce UK's first sustainability strategy and metrics national benchmark for Combined Authorities and helped set up national good practice network.

As part of the SWM sustainability support programme for the WMCA, we have supported the development of the strategy in a number of ways.

2.2 Review of opportunities for the LIS within the Industrial, Clean Growth strategies and latest devolution deal – Dec 2017

The West Midlands is a pioneer of clean and inclusive growth through the publication in 2007 of Connecting to Success, the UK's first low carbon regional economic development strategy. This was produced by the former Regional Development Agency and partners, and many of the strategic investments in low carbon manufacturing, skills, innovation, and development sites, are still bearing fruit 10 years later.

Since 2007 these types of economic activities have been championed by the former city region, and the current LEPs and WMCA. The first Mayoral hustings was on this topic and subsequently reflected in the winning Mayors manifesto.

SWM has been proud to play our part during this period. For example, our regular annual monitoring of the 2020 roadmap outcomes of productivity, carbon reduction, and health inequality for our local 6 LEPs and the WMCA has regular showcased good practice and partnerships across our members and networks.

Through the sustainability reviews of the clean growth strategy, industrial strategy, and latest devolution deal based on our 2020 roadmap priorities we have identified a series of opportunities to consider when developing local industrial strategies in the West Midlands.

UK Clean Growth Strategy, UK Industrial Strategy, WMCA Devolution Deal – Opportunities for West Midlands Local Industrial Strategies

Promotion of strengths

- Use recognition of West Midlands low carbon strengths around areas identified by SWM, WMCA and Government in transport, buildings and energy to attract investment from private and public sector investors.
- Use local community and private sector partners to develop annual Green Week to run local and international campaigns promoting local good practice.
- Integrate promoting 'clean and inclusive growth' stories within existing public sector economic development communications

Support existing partnerships

- Support existing Energy Capital partnership as it seeks to coordinate local partners to drive business support, innovation, and local regulation to stimulate new businesses and services.
- Using new BEIS and LEP funding to set up [local energy support hub](#) to help identify, develop, fund and manage a pipeline of local energy projects.
- Build on the work of the Science City Low Carbon Working Group and the Sustainable Housing Action Programme in driving innovation and sustainable construction standards for existing and new housing.
- Support existing West Midlands Natural Capital group and HS2 local environment group to interpret forthcoming national 25-year Environment Plan to produce a local version to integrate into local industrial strategies and infrastructure schemes.
- Build on previous work of the former Regional Waste Infrastructure Board in using open data to help the market identify existing waste streams to reuse and the work of the National Industrial Symbiosis Programme (waste exchange between businesses and supply chains).

Create and attract funding

- Using recognition and funding of West Midlands as global centre of expertise on electric cars, battery technology and driverless cars to attract more research funding, drive standards, demonstration sites and roll out of infrastructure and uptake of cars. Encourage local manufacturers such as JLR to move electric car / hybrid production into the region.
- The West Midlands has one of the highest concentrations of households in fuel poverty, strengths in sustainable construction, and experience in different business models for large scale retrofit. Use this to attract funding to develop a large scale programme for the region.
- Use the collective buying power of the WMCA and partners to help stimulate the local market in areas where there are local strengths and market opportunities such as sustainable construction, energy, and transport.
- Create a regional natural capital infrastructure fund to attract investment into key sites and help with deliver of the new Woodlands target.
- Bid for cycling and walking schemes as part of £1.7 billion cities travel fund
- Set up rolling 'invest to save' energy saving rolling fund for public and private buildings.

Improve delivery

- Use the creation of the new local industrial strategies as an opportunity to promote clean and inclusive growth in the region and improve the coordination and deliver of existing expertise and resources to deliver these plans.

- Use land use planning standards to support and reinforce market opportunities e.g. planning requirements for car charging points, cycle provision, energy efficiency etc.
- Integrate clean energy, natural capital, sustainable travel, construction, resource efficiency within procurement, planning policy, and business and skills support

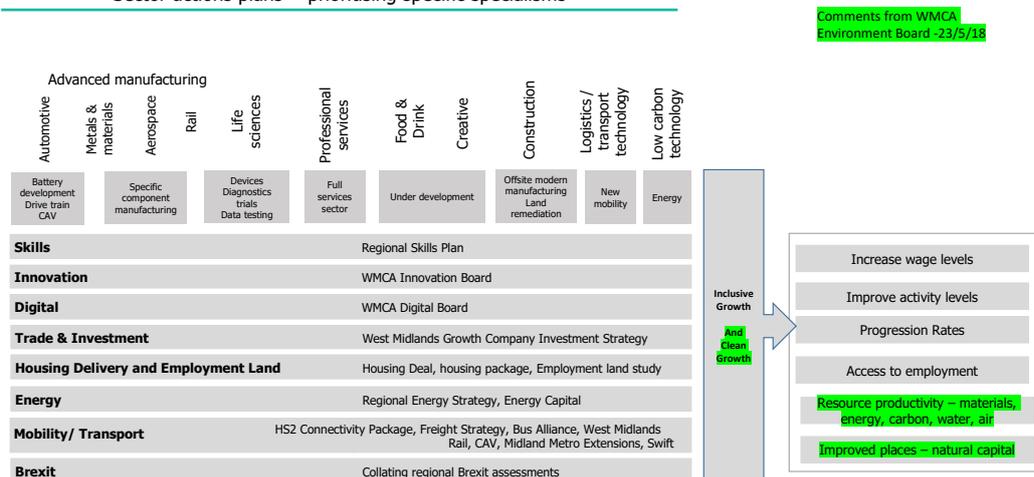
Source: "The UK Clean Growth Strategy, the UK Industrial Strategy and West Midlands Devolution Deal: Opportunities for the West Midlands Industrial Strategies, Sustainability West Midlands, December 2017.
<https://www.sustainabilitywestmidlands.org.uk/resources/uk-clean-growth-strategy-industrial-strategy-and-wm-devolution-deal-opportunities-for-wm-local-industrial-strategies/>

2.3 Creation and input from the WMCA Environment Board – Environment Advisory and Delivery Group – May 2018

Feedback from the group included the emphasis of putting a range of social and environmental goals and metrics within the strategy e.g. reduced carbon and net improvement to natural environment. Members of the group also promoted the draft LIS to their networks and members.

West Midlands Industrial Strategy on a page

Sector actions plans - prioritising specific specialisms



Source: <https://www.sustainabilitywestmidlands.org.uk/wp-content/uploads/WMCA-Environment-Board-Progress-Meeting-Outputs-8June18.pdf>

2.4 Organised Low Carbon Innovation Workshops – June 2018

Working with our partner, the WM Innovation Alliance, we ran a series of workshops and outputs around low carbon innovation as part of the broader innovation consultation process.

2.5 Support the WMCA to set out the Annual Plan environment priorities – WMCA AGM - July 2018

The Mayor and WMCA Board agreed at the AGM the latest WMCA annual plan setting out progress and future priorities. Within the environment section this included:

“The WMCA will work to ensure local strengths in clean growth sectors of transport, buildings and energy, as well as the importance of the natural environment, form a key part of the new Local Industrial Strategy, with the ambition to become the UK’s first Combined Authority Clean Growth Industrial Strategy.”

2.6 Summary of the existing Low Carbon evidence base – July 2018

We reviewed the existing evidence base to identify key gaps and areas where further investment would improve economic growth and productivity. Overall, 93 key pieces of evidence were identified and reviewed covering the last 10 years of activity within the region that reflected strengths matching the four locally and nationally set industrial challenges of construction, automotive and mobility, clean growth, and low carbon technologies.

Of these, 56 represented evidence of activities that have taken place that contribute to the sector (projects and programmes), 22 represented policy evidence and 15 networking agents were also identified. The research supported the existing opportunities for the region and investment priorities, especially around energy and low carbon mobility.

We also identified a gap around how to identify and measure low carbon growth which the research identified was significantly under-represented by current research.

2.7 Proposed improved indicator to measure the ‘hidden growth’ of businesses contributing to clean growth – July 2018.

The low carbon sector is a dynamic fast growing sector that includes a diverse range of research, technology, skills, sales and implementation. This does not suit the UK Standard Industrial Classification (SIC) codes which are based on long established industries, not new high growth ones. For example, as more of JLRs activity becomes related to electric cars, the company should fall within the low carbon definition but actually sits within a transport classification. Engineering jobs created from the maintenance and installation of renewables would sit within an engineering classification. Therefore, as the UK Clean Growth and Industrial Strategy acknowledge that the ‘green growth’ sector is the fastest growing sector of the global and UK economy, but that it is ‘hidden’ locally as it is dispersed and disrupting across existing sectors.

The most recent update is for the WMCA Skills and Productivity Commission in January 2018 by the Black Country Consortium and used several SIC codes to show that the Low Carbon and Environmental Sector (energy, water, remediation activities) contributes £3.3bn to the WMCA and 24,000 jobs.

However, research for just one LEP in the WMCA area in 2016 using a much broader and dynamic definition of the sector identified that for the GBSLEP alone the sector contributed 1,835 business, 33,405 jobs and £4.5n GVA in the GBS LEP low carbon sector. The renewable energy subsector in the GBSLEP area had sales of £1,528.2m in 2014/15 and grew over 10% over the last three years. Manufacturing and fuel production activities with solar PV and hydro sub-sectors were ahead of other English regions. For example see: <https://gbslep.co.uk/wp-content/uploads/2017/06/GBS-LEP-Low-Carbon-Energy-Plan-Summary-Report.pdf>

Greater Manchester have built on the 2016 work by GBSLEP to use the broader and more dynamic definition to apply to their area which covers one LEP and 10 local authorities. As a

result, they have more meaningful figures, a better scale of opportunity to attract investors, and a fine grain of sub-sectors to help local companies understand how they are performing productivity wise against the UK average, and where the export opportunities are for growth. For example see:

https://www.businessgrowthhub.com/media/1062132/gm_lowcarbon_sector_report.pdf

Our recommendation was for new research to build on the GBSLEP and Greater Manchester approach to use the latest data sets and interpretation of sales activities to help provided the following for the three LEPs and WMCA area:

- Contribution to GVA and employment
- Comparison with other LEPs, combined authority areas and International Competitors – areas of key strength and opportunities
- Sub-sectors that would benefit from support because they are a) below the UK average on productivity b) have growth opportunities due to the market they are supplying in UK and export opportunities.
- This data could also be further tailored if required at a later stage by LEP business Growth Hubs seeking to identify suitable market intelligence for key areas for individual businesses and investors to grow existing businesses or target export sales.

2.8 SWM Board input – July 2018

The private, public and third sectors represented on our Board provided input into the draft strategy on the role of sustainability in terms of the environmental opportunities to address the productivity gap. These included:

- Incorporating good quality environment, resource use and energy within underpinning infrastructure strand and one of the drivers of productivity – rather than a specific sector e.g. role of energy infrastructure is more important to whole economy than the number employed in sector locally
- Within specific sector where we have strengths ensure emphasis on low carbon with transport, construction and energy not lost.
- Welcome waste/circular economy being identified as new opportunity
- Need to use power of procurement to drive via social value and ‘forward commitments’ new low carbon products and services.

Other broader issues raised:

- Concern from business partners that volume of current planned infrastructure and construction projects are running into a skills/capacity issues already in terms of the ability of the market to respond to deliver.

Source: <https://www.sustainabilitywestmidlands.org.uk/wp-content/uploads/SWM-Board-17-July-18.pdf>

2.9 Early draft SWM input – September 2018

We reviewed and commented on an early slide pack of the LIS prior to the sign-off of the consultation draft. The overall recommendations were:

- Need to make explicit 'environment' in several places to signal intent and outcomes – through objectives, context and actions
- Where possible making the inclusive growth strand inclusive 'and clean growth' - as much of it is similar in influencing other activity/delivery - as a result we have added one slide within that section - which is a start, but not as integrated as we would like to see in a future version.
- Some extra/refined actions within relevant action boxes - ensuring flow through of actions from context.
- A place marker in metrics sections - recognising commitment to build/use wider existing SEP monitoring which is already strong on a range of clean growth indicators.

As a result, some of ours and other partners recommendations began to finally feature in the latest October consultation draft.

Source: <https://www.sustainabilitywestmidlands.org.uk/wp-content/uploads/SWM-Review-of-LIS-external-5Sept18.pdf>

2.10 UK Green Week – consultation workshop with Green Alliance and local stakeholders – October 2018

As part of UK Green Week in October 2018 SWM worked with the WMCA, Green Alliance and stakeholders to develop a key set of criteria to help test whether the emerging West Midlands LIS met its goal of becoming a Clean Growth strategy.

Criteria for a Clean Growth Local Industrial Strategy

Raise the baseline – low carbon & resource efficiency included in programmes across five foundations of the proposed LIS (People, Ideas, Infrastructure, Business environment, Place)

- Clear overall vision, definition and principles to guide and monitor of clean growth aspirations
- Understand baseline needs of energy and resource costs across all sectors and where to target help that will drive highest productivity

Future proof – sectors fit for the future, existing firms and new entrants that can succeed in a low carbon world (In WM this is the strengths of mobility, energy, construction)

- Foresight and behaviour change process to help drive innovation, disruption and creation of strong local markets to develop clean growth products for export.
- Should not just focus on sectors but people as they will drive changes required – WM these includes young diverse population / future workforce
- Transition fund to help areas and businesses move to future markets
- Role for low productivity but useful employment e.g. green infrastructure maintenance

3. Double down – ensure infrastructure delivery and policy provides incentives for businesses to innovate and invest in clean growth (e.g. local building codes, product standards, vehicle tax, infrastructure standards, emissions reduction strategy)

- Use scale of region to overcome inertia e.g. different approach to risk, insurance etc. to encourage innovative schemes.
- Use public sector and partners key sites as flagship examples e.g. in WM – WMCA role in infrastructure for Commonwealth Games
- Local planning policy to drive clean growth standards
- Return on investment criteria expanded to include health, carbon, climate risk, as well as productivity etc.

4. Think widely about policy options – what can local stakeholders do to incentivise business investment and create real market opportunities for clean growth (e.g. use other local strategies such as emissions, green infrastructure, planning, procurement, public health)

- Engage wide as possible with stakeholders for delivery and tailor language / benefits for diverse audiences e.g. private sector, business clubs, social enterprise, community etc.
- Facilitate collaborative approaches for ‘forward commitments’ to stimulate new products.
- Products bought and sold in area have a green kite mark for wide benefits e.g. CO2, environment, air quality, and inclusive growth

Source: Developing the UK’s first Clean Growth Local Industrial Strategy, SWM, Green Alliance and WMCA, October 2018.
<https://www.sustainabilitywestmidlands.org.uk/resources/gb-green-week-developing-the-uks-first-clean-growth-local-industrial-strategy-18-10-18/>

Also, as part of this workshop delegates developed potential disruptive ideas to help make the transition.

2.11 Promoted LIS during consultation period – Oct-November 2018

We used our social media, newsletters, and networks to promote the consultation document directly to over 3,000 local stakeholders and wider reach of 10,000. As a result, several of our members and partners have made direct responses to the consultation.

3 Recommendations for Improvement

3.1 Overall comments

SWM are pleased to see that elements of Clean Growth are reflected in the ten strategic commitments. However, we would like to see a much clearer commitment to Clean Growth through the inclusion of an overarching Vision Statement and related targets and metrics.

We would like to see the natural environment at the heart of decision making. We know it provides the connection to better places, better jobs and better health and wellbeing which drives investment, inclusive economic growth and long-term sustainability.

Being efficient in energy, water, and materials use, developing new green products and services, and having access to a high-quality natural environment, can bring significant 'clean growth' productivity gains for organisations. Our region is already well placed to benefit from its strengths in low carbon energy, transport, construction, and waste reuse.

It is also essential that the Local Industrial Strategy enables our region to improve its resilience. By being prepared for future legislation, resource scarcity, and extreme weather events associated with climate change, 'resilient growth' will be achieved to protect hard won productivity gains.

The challenge around productivity is evident. However, it is important to understanding the baseline needs of energy and resource costs across all sectors and thus identify where targeted help will best drive productivity.

We have the opportunity to use the West Midlands Local Industrial Strategy and the potential of devolution to act boldly where we have the levers to do so.

3.2 Question 1. Have we identified the right strengths and competitive advantages in our sectors?

Spell out the overall aim of the strategy as 'inclusive and clean growth and productivity gains' in the Vision, Objectives and Figure 1.

It is encouraging to see many of our regional strengths in Clean Growth reflected in the sectors shown in Figure 1. We would suggest that the following sectors should also be considered for inclusion in Figure 1:

- Automotive: Low emission vehicles
- Logistics/transport: Mobility as a service, active travel
- Low carbon technology: Resource efficiency and the circular economy

However, the 'Sectors' section beginning on Page 18 is extremely light on detail and a missed opportunity to demonstrate the huge opportunities that can be seen from Clean Growth in sectors such as energy, transport and mobility, waste management, and

construction. Evidence is available in the Science and Innovation Audit and the [Low Carbon Investment Prospectus](#).

3.3 Question 2. Are the challenges and opportunities facing our economy accurately articulated?

Have a section on 'cleaner growth' and the environment explaining what it is, and how this strategy seeks to help with the transition by:

- Having the Government indicator of productivity and carbon intensity as one of the success measures
- Understand baseline needs of energy and resource costs across all sectors and where to target help that will drive highest productivity through the different drivers of productivity – people, ideas, infrastructure, business environment, and place. For example, through using new technology in the design and manufacturing process, local energy generation, circular economy, and natural capital.
- Use the future challenges of clean growth and mobility to help existing local strengths in transport, construction and energy to drive innovation, disruption, and strong local markets for developing future solutions and services.
- Use existing infrastructure investment to help stimulate local businesses to provide more resource efficient and environmental goods and services.
- Influence other partners strategies, policies, and procurement, such as health and statutory regulators, low emissions and air quality strategies, planning policy, and green growth business challenges to help reinforce the demand for more resource efficient and environmental goods and services.
- Show how the clean growth agenda will also contribute to the economy becoming more inclusive and resilient.

SWM would like to see the inclusion of the following evidence-based challenges and opportunities included under a new 'Environment' section:

- **Overview:** Despite much of our area benefiting from a high-quality environment around our urban area, we have low levels of access to green space, local hotspots of poor air quality, 12% of our households are in fuel poverty, we need to improve our recycling rates, and decrease our carbon emissions.
- **CO₂ emissions:** Our most [recent analysis](#) of data in relation to our Vision and 2020 Roadmap shows that whilst considerable progress has been made in reducing CO₂ emissions, the West Midlands is unlikely to meet the target of a 30% carbon reduction by 2020. The WMCA has made better than average progress at reducing its overall and per capita emissions in the years 2010 to 2015 but remains the CA region that emits [more carbon than any other](#). It is also currently unlikely to meet the 40% reduction target by 2030 in the Strategic Economic Plan.
- **Loss of biodiversity and natural capital:** This will have a negative impact on the West Midlands economy in various ways including reduced ability to manage flood waters and increased heat in urban centres, poorer air quality, and poorer mental and physical health.
- **Air quality:** The West Midlands breached air quality standards on more days than in any other CA region bar one in 2017 [but recorded less breached days in 2017 than in any other year since 2010](#).

- **Resource efficiency:** The Circular Economy is an industrial system that can be used to deliver economic prosperity as well as restore social and natural capital. It drives towards an economy of zero waste and renewable energy use where materials loop at their highest value rather than following the current ‘take-make-waste’ predominantly linear model operated today.
- **Resilience:** SWM has worked with partners and the Government Foresight programme to conducted a series of [‘future drivers of uncertainty’](#) reports for the region. The latest one in 2015 identifies the following as key issue for the region:
 - Population Changes
 - Changing workforce, skills and working practices on business
 - Impact of lifestyles and environment on health
 - Increased demand for more regional or local powers and governance
 - Widening inequality and inclusion gap
 - Knowledge economy and networked world
 - Accelerated change from new technology opportunities for business
 - Globalisation of markets and competition on business
 - Increased stress on transport infrastructure for public services and business
 - Pressure for climate change adaptation - extreme weather events can have significant impacts on our local businesses, transport, supply chains, and workforce.
 - Emphasis on lower carbon energy supply, security and cost for public services, business, and communities
 - Increased pressure on natural resources

The **‘People, skills and employment’** section on Page 11 should include information regarding **Health inequality**.

- Our most [recent analysis](#) of data in relation to our Vision and 2020 Roadmap indicates that the West Midlands is extremely unlikely to reach the 2020 vision of life expectancy inequalities being reduced for both men and women.
- Inequalities in the region are on the rise for both sexes, instead of declining. Therefore, action needs to be taken immediately to reverse this trend. Inequality of access to natural spaces has a significant detrimental impact usually on the most socially disadvantaged communities.

The **‘Ideas and Innovation’** section on Page 14 would be enhanced and linked more strongly to Clean Growth by detailing the ‘market opportunities’ identified in the Science and Innovation Audit of Sustainable Construction and Energy. This would also provide a link back to the sectors shown in Figure 1.

The **‘Infrastructure’** section on Page 15 would benefit from inclusion of the challenges around active travel such as cycling and walking.

3.4 Question 3. Are these the right opportunities for the West Midlands to take in order to benefit from these Grand Challenges and make a major contribution to the UK’s response?

In addition to the information included in the consultation document reference should be made to natural infrastructure contributing to Future Mobility. Green and blue corridors

provide a fantastic opportunity for people to travel by foot or bike improving both mental and physical health, and connecting communities to opportunities.

3.5 Question 4. Does this emerging approach to inclusive growth have the potential to meet the challenge?

A greater focus on the circular economy could have significant benefits through the creation of jobs, the generation of energy locally and reduced reliance on national and international energy sources.

We would like to see the development of a green workforce - a new generation of skilled people to enhance our towns and cities, by investing in and better maintaining natural assets and enabling better access, starting with those areas of greatest need.

3.6 Question 5. How could your organisation get involved to help?

SWM are a 'network of networks' and work with a huge number of stakeholders from businesses, local authorities, LEPs, universities, colleges, NHS and the third sector; all with an interest in the sustainability of the West Midlands. We can use our networks and stakeholders to help feed into the sector action plans which will be one of the next outputs in relation to the LIS. We intend to start this process at our [annual conference](#) on the 03 December 2018.

SWM ran a workshop with the Green Alliance and WMCA on 18 October 2018 when delegates took looked at disruptive ideas that would help existing sectors to move into future markets e.g. mobility services rather than just car manufacturing. This can be fed into the development of the sector action plans.

As a supporting partner to the Innovation Alliance for the West Midlands and coordinators of the Innovative Low Carbon Working Group we will contribute to the low carbon innovation aspects of the strategy.

As a member of the Midlands Energy Hub steering group and partner of Energy Capital – we will continue to provide links with our networks and members with local energy projects and opportunities.

Through our regular communications to local stakeholders and our Green Business Clubs Network we will continue to promote accessible low carbon funding for local businesses and communities and legislative updates. In the last 12 months we have promoted over £700 million of accessible funding.

As one of the founders of the Combined Authority Sustainability Good Practice network, we will continue to identify and share good practice around LIS development and delivery across the UK.

As the sustainability delivery partner to the WMCA we will continue to support with benchmarking against all metrics agreed in the SEP and in the forthcoming LIS. This will be a means of demonstrating progress and identifying areas for improvement. Our Associate

Director of Policy and Partnerships, Dr. Simon Slater will continue to act as Interim Head of Environment and coordinate the Environment Board and Advisory Group, working with the Director of Industrial Strategy, the Mayor and the Environment Portfolio Holder.

3.7 Question 6. Are these the right ten strategic commitments?

Within the commitments there should be one that sets out the clean growth outcomes from any investment or tailor the existing 10 commitments to show how they will contribute. For example, you could have one commitment that clearly states that all existing and future investment secured to deliver this strategy will need to demonstrate how it will contribute to deliver productivity gains, develop future markets, be resource efficient (materials, carbon, and air), improve our natural environment, address health inequalities and help excluded groups access work.

Alternatively, the existing 10 commitments should be tailored to show how they will contribute to these goals.

SWM are pleased to see the inclusion of commitments on natural capital (no.3), mobility and transport innovation (no. 5) and innovation and successful new approaches to energy generation, storage and transmission (no. 10). However, these commitments do not fully reflect the ambition for a Clean Growth Industrial Strategy as defined in the WMCA Annual Plan.

We would propose the following:

- Commitment no. 3 should be split into two separate commitments: one around improvements to natural capital and one around the provision of high quality and sustainable housing. High-quality housing must include access to an environment that is healthy for people and wildlife, and is well connected to the ecological network at a landscape scale to facilitate travel through natural corridors.
- Commitment no. 5 should include reference to mobility as a service and reducing reliance on private cars.
- Commitment no. 10 should reflect the work of Energy Capital on the benefits of Energy Innovation Zones, and promotion of renewable or lower carbon energy. Links should also be made with the waste system.
- A commitment should be made to decreasing health inequality across the region, and linked to addressing the highest levels of fuel poverty of any region.
- A commitment should be made to improving air quality across the region
- A commitment should be made to decreasing carbon emissions across the region

3.8 Question 7. Do they reflect the momentum which is underway and the opportunities ahead?

To a degree, the commitments reflect the momentum in the West Midlands currently. However, there is scope of ensure that each commitment reflects an overall ambition and vision of Clean Growth.

3.9 Question 8. Will these emerging actions help your business or community grow and succeed?

Many of the emerging actions are directly related to the activities of SWM and progress towards our 2020 Roadmap and Vision.

Building on our competitive advantages in smart mobility should reduce CO₂ emissions. The action to use data to improve health and wellbeing will benefit members of our NHS and Public Health Networks and should also result in decreased health inequality across the region which we have highlighted as being an issue.

We are a membership organisation and many of our members are active in the field of mobility and transport innovation. Building and growing this sector will benefit existing organisations and allow for the creation of new businesses.

We are pleased to see an action around improving connectivity and that this includes reference to active travel which has great benefits for health, well-being, the environment and the economy.

As a supporting partner to The Innovation Alliance West Midlands we welcome the section relating to innovation on p35 - a comprehensive set of potential actions to support a strengthened and integrated innovation support system. We would suggest that the creation of the West Midlands Foresight programme could also be used as a mechanism to build resilience.

Support to grow Business, Professional and Financial Services (BPFS) should include the gathering of detailed intelligence to identify areas of green export growth 'hidden' within traditional sectors.

3.10 Question 9. What else will help your business and/or community grow and succeed?

- A commitment by the WMCA to provide resources for staff at all levels within the authority to deliver against the agreed commitments and actions related to Clean Growth.
- Agreed budgets to support partners in their delivery of activities related to the agreed commitments and actions.
- Regular external communications from the WMCA on progress against agreed metrics.
- Regular external communications from the WMCA with appropriate and engaging language for diverse audiences including private sector, social enterprise, community etc.

3.11 Question 10. Anything else?

- The list of partners in Figure 2 should include the third sector.
- The list of frameworks for delivery shown in Figure 2 should include:
 - Environment Priorities

- The West Midlands Energy Strategy
- The Low Emissions Strategy
- Energy Innovation Zones
- The 'Metrics by 2030' in Figure 2 must include the CO₂e reduction target of 40% from the 2010 baseline from the SEP if the LIS is to drive Clean Growth.
- There would be benefit in linking the commitments and actions more closely – the way that the document is structured at the moment makes it hard to make the connection between them. This should also be taken into account in the forthcoming sector action plans.
- Embedded within the document are various commitments to fund activities. A list summarising these at the end would be useful so people can see where investment will be made.

END