



UNIVERSITY OF
BIRMINGHAM

REDI- UPDATES

WM
REDI

// GETTING BEHIND THE DATA //

02

After Covid: The Long Recovery

2020

Leading academics outline the long road ahead for the UK's recovery

SKILLS FOR LIFE

Professor Anne Green outlines the threat of mass unemployment and what interventions could help

BUILD, BUILD, BUILD?

Housing Minister, Chris Pincher MP, outlines the Government's housing strategy and its role in the UK's recovery

A WHOLE NEW WORLD?:

Can the region trade its way to recovery? Matthew Lowe from the Black Co

Contents



4 Foreword & Editors' welcome – Ben Brittain

6 Director's welcome – Professor Simon Collinson

8 The Challenge of Mass Unemployment

10 Tackling Worklessness: a focus on young people
Professor Anne Green

12 Lifelong learning: a current and future imperative
Dr Abigail Taylor

16 The Importance of Place

18 An Urban transport recovery plan post Covid-19 in the West Midlands
Dr Magda Cepeda Zorilla

22 A Prescription for the High-Street
Rebecca Riley

26 The REDI Article

The RT Hon Chris Pincher MP



30 REDI to Debate?

32 International Trade is Key to Our Region's Recovery
Matthew Lowe

34 Innovation and Recovery: Unlocking Success through the MIT REAP Programme
Dr Chloe Billing

37 Advisory Board

39 WM Redi staff

Editor's Welcome

Ben Brittain

When the last edition of REDI-Updates was published Covid-19 was an unknown disease.

Now it has changed everything.

The global pandemic and the resulting government-sanctioned lockdowns have caused huge economic damage. The UK saw negative growth of 22.1% in quarter 2 - this will not be clawed back easily.

The pandemic has led to the redundancies of workers across all sectors, from services to construction and manufacturing. The government's Coronavirus Job Retention Scheme appears to have successfully prevented the mass unemployment that the United States experienced, but the CJRS may have simply delayed the inevitable – nobody knows what will happen when the scheme is rolled up.

REDI-Updates is a bi-annual publication which will get behind the data and translate it into understandable terms. WM-REDI staff and guest contributors will discuss various topics, with this second edition focusing on the long-term recovery from the Covid-19 economic crisis.

Here at WM-REDI we have utilised our research and policy skills to support local authorities, the West Midlands combined authority and other key partners in their understanding of the effects of the pandemic. Via the West Midlands Weekly Monitor we have highlighted key trends and data points to partners. Each week the monitor pulls together live and as up-to-date data as possible, from across regional partners.

Where possible it has utilised all forms of quantitative and qualitative intelligence to cover the immediate effect of the Covid-19 pandemic on the economy.

In this edition of REDI-Updates we try to better understand the long-term economic impacts of the pandemic. There are early signs that the pandemic is causing sustained behavioural changes in the labour force and from consumers. Nine in ten UK employees who have worked from home during lockdown would like to continue to do so in some form. The British Independent Retailers Association (BIRA) has resisted calls for workers to move from remote working to office-based work, claiming they are beneficiaries of a more localised home-based work.

The change of many people's location of work is likely to result in reduced commercial property value and demand as well as an acceleration of the decline of the high-street. In this edition, WM-REDI's business director, Rebecca Riley assesses the challenges facing the high street and the importance of place in policy-making. The decline of the high street is not inevitable and Rebecca argues that policy-makers should embrace the crisis to support the high-street evolution.

The challenge to the high-street is not the only major long-term consequence of the pandemic. The labour market may collapse and we may see

1980s-level unemployment. Professor Anne Green and Dr Abigail Taylor analyse the data and discuss what it indicates. Professor Green outlines why the nature of this pandemic and the economic downturn will disproportionately affect the youngest in society.

The UK's economic recovery is linked to how the labour market responds to the stresses of the economic downturn. The Government is acutely aware of that. The government's strategy to 'build, build, build' is in part down to the need to retain jobs and create new ones. REDI-Updates spoke to the Housing Minister, the RT Hon Chris Pincher MP, in July, to discuss the government's strategy and why house-building is a central part of the government's recovery strategy.

The road to a sustained recovery may be long, and the 'new normal' may inhibit the speed and potency of that recovery. The last edition of REDI-Updates covered the importance of inclusive growth and its importance, which given the health crisis may be more important than ever.

SIGN UP

WM-REDI has been tasked with providing an up to date monitor of the current COVID-19 economic impacts to help regional partners to shape responses and interventions to ensure the region continues to thrive. Sign-up to WM-REDI's West Midlands weekly Covid-19 impact monitor, collated by staff across the institute.

Sign-up by emailing cityredi@contacts.bham.ac.uk

Supporting the region's resilience through the pandemic

Professor Simon Collinson



Director's Note

Recovery

City-REDI was established 5 years ago at the University of Birmingham to strengthen regional knowledge exchange and provide analysis and expertise to support policymakers. It was an investment by the University, one of the longest-standing anchor institutions, for the city-region

Like local authorities across the UK, the West Midlands Combined Authority, Local Enterprise Partnerships, the WM Growth Company, GBS Chamber of Commerce and city councils are all dealing with a variety of difficult challenges, threats and opportunities as they develop and implement policies to safeguard businesses, jobs and vulnerable communities from the economic impacts of the Covid-19 lock-down. At the same time they want to invest public funds intelligently, to promote economic growth which is both inclusive (benefitting everyone) and more sustainable in the long term.

Part of our role is to work in partnership with these organisations to help understand these challenges and the kinds of policy interventions that will have specific impacts and effects on industry sectors, businesses, communities and households as we progress through the pandemic and beyond.

Part of the value we bring is to interpret and adapt global and national data, surveys and predictions on the impacts of the pandemic, to the regional context. We are unique, compared to consultants or other research centres, because we have such a detailed, systemic understanding of the regional economy and our

local communities. In order to protect as much of the economy and as many households as possible from the short-term and long-term effects of an economic shut-down, decision-makers want to know, for example:

- Will our regional economy be hit harder than others (and if so, why, how and where)?
- How many job losses are likely, in which industry sectors, with what are the likely impacts on different parts of our region?
- What support should we be providing, to which kinds of businesses to avoid high levels of unemployment?

They also want to understand how we should invest to develop a more innovative, competitive, green and inclusive economy in the future. But also an economy that will be more resilient in the face of future shocks.

- What are the competitive advantages, relative to other UK and global regions, that we should build on, to attract and retain businesses, investment and skilled employees?
- Which assets and infrastructure are worth developing?
- What sectors, technologies, skills should have priority for public funding and business support?

We connect the overall regional economic system and our UK-

Follow the work of WM-REDI at: [@WM_REDI](https://twitter.com/WM_REDI)
[in @WM_REDI](https://www.linkedin.com/company/wm-redi)

SEIM model of this system, with different kinds of interventions and investments to understand how they catalyse different kinds of growth. In particular our impact evaluation seeks to understand trade-offs between productivity, inclusivity and sustainability.

To keep our research relevant we work in close partnership with our stakeholders across the region and nationally, to co-produce analysis and expertise which is directly focused on their challenges. Over the past 3-months City-REDI has devoted a significant amount of time and resources to supporting the Mayor's Covid-19 Economic Impact Group (EIG), producing a weekly Impact Monitor containing 30+ pages of data and analysis to outline how the economic impacts of the pandemic are evolving and what can be done to help firms and households through this period. These are presented to the EIG every week, to senior public and private sector representatives from local and national organisations.

This builds on our past work with the Mayor's office on Brexit, our input into the Midlands Independent Economic Review as a major outcome from the Midlands Engine Observatory, the annual Birmingham Economic Reviews, with our partner, the GBS Chamber of Commerce and many other collaborative projects.

One of the most recent opportunities for all UK regions results from the central government aspiration to 'build, build, build' our way out of recession and

invest in 'levelling up'. The key question is, what should we invest in to achieve the above goals? City-REDI played an important role in supporting the development of a £3.2 billion package of regional investment proposals put forward to government in mid-June. By evaluating the impact of various proposals and developing a narrative with evidence to justify the level and types of regional investment needed, we strengthened our collective offer to government.

While the politics of policy decision-making is complex and unpredictable, the economic and societal evidence is clear. A failure to invest to improve the growth prospects of UK regions like ours and reduce inequality across the country will have much greater, more damaging economic, social and ultimately political impacts over time. emphasising its importance to WMREDI and the need for it to be embedded within UK regional strategies.

Stronger partnerships, brought together by WMREDI can help us better-leverage the region's assets and expertise, boost innovation and connect economic growth to resident wellbeing, ensuring the benefits of local economic expansion for people and place filter to all sections of communities and the region.



“

“What is different about the Covid-19 crisis was the shutdown of sectors such as hospitality and non-food retailing which play an important role in facilitating labour market entry and gaining work experience for young people.”

PROFESSOR ANNE GREEN

youth
unemployment



The Threat of Mass Unemployment

Tackling Worklessness: a focus on young people

PROFESSOR ANNE GREEN

WHY FOCUS ON YOUNG PEOPLE?

Youth unemployment has a long-term impact on jobs, wages and well-being. The 'scarring' costs (Gregg, 2001; Speckesser and Kirchner Sala, 2015) of not addressing unemployment amongst young people merits the costs of a short-term response to crisis.

IT'S NOT NEW TO HAVE A FOCUS ON YOUNG PEOPLE

Over the last forty years a range of mainstream national programmes have sought to support young people into work, alongside local initiatives. From the late 1970s to the mid-1990s the emphasis of youth employability programmes was on work experience and training, in the context of increases in welfare conditionality. This period saw the Youth Opportunities Programme (YOP) and Youth Training Scheme (YTS), which dealt with increases in youth unemployment in the early 1980s recession. In 1998 a New Deal for Young People focused support on

unemployed young people and in 2009 the Future Jobs Fund (FJF) was introduced to combat rising youth unemployment. The FJF created subsidised jobs in the public or third sector for longer-term young people. Subsequently the FJF became part of the Young Person's Guarantee, offering all longer-term unemployed 18-24 year olds a job, training or work experience. Then came the Youth Contract: a package of schemes aimed at helping young people into sustained employment, followed by the Youth Obligation. Simultaneously, other key thrusts of Government policy involve expansion of apprenticeships and traineeships as a means to address the transition to work for young people not taking the higher education route.

The last forty years have witnessed the decline of an identifiable youth labour market. Since the late 1970s, when the norm was entry to work straight from school, there have been ongoing marked sectoral shifts in the structure of employment and a rise in participation in post-com-

pulsory education (Green, 2020). Alongside the shift from manufacturing to services, processes of professionalisation and polarisation in the labour market (Goos and Manning, 2007) have led to fewer labour market opportunities for disadvantaged young people, so making their transitions to work are more difficult. The proportion of young people combining learning and earning has declined over the last two decades (Conlan et al., 2015). Yet the emphasis placed by employers on work experience results in the 'Catch-22' situation for young people: they find it difficult to get a job without experience and without a job they find it difficult to get experience.

WHAT IS DIFFERENT IN THE COVID-19 CRISIS?

While it is not new for young people to bear the brunt of economic downturns, what is different about the Covid-19 crisis was the shutdown of sectors such as hospitality and non-food retailing which

play an important role in facilitating labour market entry and gaining work experience for young people. Yet these sectors where young people are disproportionately concentrated are amongst those most severely hit by the immediate impacts of the Covid-19 lockdown. Analysis in April 2020 showed that employees aged under 25 years were about two and a half times as likely to work in a sector that was shut down as other employees (Joyce and Xu, 2020). At the same time closure of schools and other educational establishments impacted on learning, with associated concerns about the accentuation of existing socio-economic inequalities.

THE NEWLY UNEMPLOYED AND THOSE FACING LONG-TERM WORKLESSNESS

Policies to tackle worklessness often distinguish between the newly unemployed and those facing long-term worklessness. At a time of crisis attention tends to be focused on the newly unemployed and on efforts to stop the short-term unemployed becoming long-term unemployed. Yet young people facing multiple barriers to employment need support in entering and in sustaining employment regardless of the state of the national economy and the level of unemployment.

Policies focusing on the newly unemployed tend to take a 'Work First' approach, prioritising entry to work at the earliest opportunity. The emphasis of this approach is on job search assistance, short-term work preparation activity and targeted short-term work experience. By contrast, 'Human Capital' approaches

seek to increase skills and qualifications to reduce the disadvantages that individuals face before assisting them to find work (Damm et al., 2020a).

LESSONS FROM TALENT MATCH

Of relevance for the second group, the final assessment of the £108million National Lottery-funded Talent Match programme, a five-year initiative to support England's 'hidden' unemployed young people, was published in July 2020. Talent Match was a voluntary programme conceived and designed during a period of peak unemployment in the last recession. It aimed to support young people who were furthest from the labour market through personalised, non-standardised provision, incorporating some of the principles of the 'Human Capital' approach outlined

above. Talent Match involved localised solutions inspired by involvement and co-design with young people and delivered on a 'test and learn' basis through partnership working and coordination at the local level under voluntary sector leadership.

Of the 25,885 young people supported by Talent Match, 11,940 (46 per cent) secured some form of job, including 4,479 (17 per cent) who secured sustained employment or self-employment. The evaluation showed high reported levels of job satisfaction, improved wellbeing and a positive social benefit with at least £3.08 of public value generated for every £1 spent on the programme (Damm et al., 2020b). Young people with multiple needs, often including mental health issues, will continue to face significant barriers in entering



ff Young people bear the brunt of economic downturns



the long term.

LABOUR MARKET POLICIES TO HELP YOUNG PEOPLE IN THE COVID-19 CRISIS

In early July 2020 the Chancellor of the Exchequer set out a package of measures to help young people. The £2 billion Kickstart Scheme (building on evidence from FJF) will directly pay employers to create new jobs, with a minimum of 25 hours per week paid at least the National Minimum Wage, for 16 to 24 year-olds at risk of long-term unemployment. Kickstart jobs are due to last for six months. Another element of the support package for young people is a tripling of Traineeship places, designed to help young people into work. An employer will be paid £1,000 to take on a new trainee. For 18-19 year olds leaving school or college, the Government is providing £100 million to create more places on Level 2 and 3 courses, with particular emphasis on high demand sectors like engineering, construction and social care. There will also be an expansion of careers advice services.

Young people can also benefit from other new initiatives set out in the Plan for Jobs (HM Treasury, 2020). Here the expansion of sector-based work academies, providing training, work placements, and a guaranteed job interview in high-demand sectors, and of apprenticeships, is particularly relevant. Employers will be paid £2,000 for hiring a young apprentice and £1,500 for hiring apprentices aged 25 years and over.

At the time of writing, the Government has said little

about the role for local authorities and their partners in co-ordinating the response locally. Yet devolution may offer the opportunity to build local employment support ecosystems which can help policies address particular local challenges and help provide a longer-term perspective than provided by short-lived initiatives.

OTHER AGE GROUPS?

The focus on young people raises the question: 'What about other groups?' At the opposite end of the spectrum the plight of older workers losing their jobs is a key concern, as they are at particular risk of suffering long-term unemployment (McIvor, 2020). The large cohort of people who were entering the labour market in the early 1980s recession might now be thinking about retirement. With increases in the state pension age some people in the older age groups are looking to work for longer. Yet they are not – to date – the subject of tailored support.



Devolution may offer the opportunity to build local employment support ecosystems which can help policies address particular local challenges.

Prof Anne Green: A.E.Green.1@bham.ac.uk



REFERENCES – FURTHER READING

- Conlon G., Patrignani P. and Mantovani I. (2015) The Death of the Saturday Job: The Decline in Earning and Learning Amongst Young People in the UK, UK Commission for Employment and Skills. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/435285/15.06.15._DOTSJ_Report_design_final_EDIT.pdf
- Damm C., Green A. and Wells P. (2020a) Talent Match Evaluation: Comparative Report, <https://www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/tm-eval-comparative-final-2020.pdf>
- Damm C., Green A., Pearson S., Sanderson E., Wells P. and Wilson I. (2020a) Talent Match Evaluation: A Final Assessment, <https://www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/tm-eval-final-assessment-final-2020.pdf>
- Goos M. and Manning A. (2007) 'Lousy and lovely jobs: the rising polarization of work in Britain', *Review of Economics and Statistics* 89(1), 118-133.
- Gregg P. (2001) 'The impact of youth unemployment on adult unemployment in the NCDS', *The Economic Journal* 111, F626-F653.
- Green A. (2020) Spatial inequalities in access to Good Work, The Work Foundation. <https://www.lancaster.ac.uk/media/lancaster-university/content-assets/documents/lums/work-foundation/reports/AnneGreenFinalPaperspring2020forpublication.pdf>
- HM Treasury (2020) Plan for Jobs , CP 261. <https://www.gov.uk/government/publications/a-plan-for-jobs-documents/a-plan-for-jobs-2020#policy-decisions>
- Joyce R. and Xu X. (2020) 'Sector shutdowns during the coronavirus crisis: which workers are most exposed?', IFS Briefing Note BN278, Institute for Fiscal Studies. <https://www.ifs.org.uk/uploads/BN278-Sector-Shutdowns.pdf>
- McIvor C. (2020) 'The risk older workers face in the wake of COVID-19', *nesta*, 14 July 2020 <https://www.nesta.org.uk/blog/risk-older-workers-face-wake-covid-19/>
- Speckesser S. and Kirchner Sala L. (2015) 'Empirical research on Youth Transitions to, and within, the labour market. Education and labour market trends affecting 16-to-24 year olds and the impact on adult employment trajectories', *BIS Research Paper 255B*. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/471319/BIS-15-612-empirical-research-on-youth-transitions_to-and-within-the-labour-market.pdf



Lifelong Learning: a current and future imperative

DR ABIGAIL TAYLOR

Lifelong Learning: a current and future imperative

In the Summer Statement, as part of the government's Plan for Jobs, the Chancellor of the Exchequer announced various measures to create new jobs, training opportunities and increased tailored support to mitigate the impact of the employment crisis created by Covid-19 on young people. However, how can other age groups be best supported to find employment and develop their skills levels?

What has the Government committed to?

The Plan includes a new bonus for employers to hire apprentices over the next six months as well as a Kickstart scheme designed to create hundreds of thousands of 6-month work placements for Universal Credit claimants at risk of long-term unemployment. The measures have been rightly welcomed. The Social Mobility Commission, has described the announcements as "well-targeted" given how the current recession is likely to have a severe impact on young people's chances

of finding good and secure employment. The Association of Employment and Learning Providers has stressed how the new bonus will be crucial to providing hard-hit employers with the means to hire new apprentices.

The Plan for Jobs also emphasises the importance of supporting people to develop the skills they require to find work. The government plans to improve individualised advice on training and careers through the National Careers Service and provide funding to triple the number of traineeships and sector-based work academy placements. The placements will provide young people with vocational training and guaranteed interviews.

Is the unemployment crisis only affecting young people?

According to the Office for National Statistics, the number of people in work in Britain declined 220,000 between April and June following the start of lockdown. This represents the largest quarterly fall since the 2009 Financial Crisis. There is also a differential impact according to type of job. the differential impact according

to type of job. Higher managerial and professional, lower managerial and professional, and intermediate occupations are increasing steadily while small employers, own account workers, lower supervisory, technical semi-routine and routine jobs have decreased. The biggest decrease was for routine jobs down 325,000 (11.3%) for the year and 195,000 (7.1%) for the quarter. These are the occupations most affected by CV.

Early analysis indicates that in line with evidence from previous recessions young people are being badly affected by the pandemic. However, they are not the only group at risk. Office for National Statistics data from the Labour Force Survey emphasises the impact the crisis is also having on older people. Over the April to June quarter, employment declined by 100,000 to 3.72 million for those aged 16 to 24 years and by a record 161,000 for those aged 65 years and over. Conversely, employment rose for those aged 25 to 64 rose by 41,000 to 27.94 million, Labour Force Survey data may not be the most appropriate data for assessing the impact of COVID-19 as

it measures those in employment, those in work and those temporarily away from work i.e. it doesn't account for those who are furloughed. In June 2020, there were some 7 million people temporarily away from work. The potentially massive future impact on jobs across all age ranges from the ending of the furlough scheme is clear.

Longer-term occupational trends must also be considered. Older people face a particular risk of unemployment since they make up a larger share of the current workforce and also because evidence from past recessions shows that older unemployed people typically spend longer out-of-work than young people and so are more likely to become long-term unemployed (Wilson et al, 2020, George et al, 2015).

How can older workers be supported in the labour market?

A new report by City-REDI and

the Industrial Strategy Council presents evidence on some of the skills challenges facing the UK and how they might be addressed. It emphasises the importance of promoting lifelong learning in terms of both addressing both short-term labour market challenges and longer-term changes in skills needs associated with digitisation. Even before Covid-19 pandemic, the world of work was changing rapidly because of technological developments (including automation, digitisation and AI). Evidence suggests that the UK will face severe under-skilling issues within the next decade. The Industrial Strategy Council and McKinsey predict that by 2030 5 million workers be acutely under-skilled in basic digital skills, with as much as two-thirds of the workforce experiencing some degree of under-skilling. Given that around 80% of the workforce in 2030 is already in employment, reskilling across the generational spectrum, must be a priority.

Unlike in many other countries employee participation in all types of training in the UK has fallen since the financial crisis, particularly for low-skilled employees. Whilst participation in training in the UK is slightly above the EU average in the UK, it is often non-formal. Evidence from employee surveys indicates that only around 50% of employees are currently accessing the training required for their current role. In the Chartered Institute of Personnel and Development (CIPD) annual Working Lives Survey, only 54% of workers agreed or strongly agreed that they received the training and information they need to do their job well.

The Industrial Strategy Council report shows how current participation in learning is limited by financial costs, funding rules, course availability, work and home commitments, low motivation, and poor self-esteem.

Information campaigns, employer and union learning representatives, and managers can all be useful ways of communicating the benefits and necessity of lifelong learning to employees. Local skills providers should also focus on signposting more clearly what different forms of adult funding support can be used for and developing greater guidance on eligibility, can help local skill providers to adapt to local skill needs.

Future skills policy direction

It is clear that the short-term impact of COVID-19 is combining with long-term occupational trends to create an unprecedented situation affecting workers of all ages in which unemployment could hit record highs. Skills policy intervention is needed to mitigate this and help individuals fill roles where new opportunities exist. National and regional policy makers need to ensure that skills policy responds for all ages.

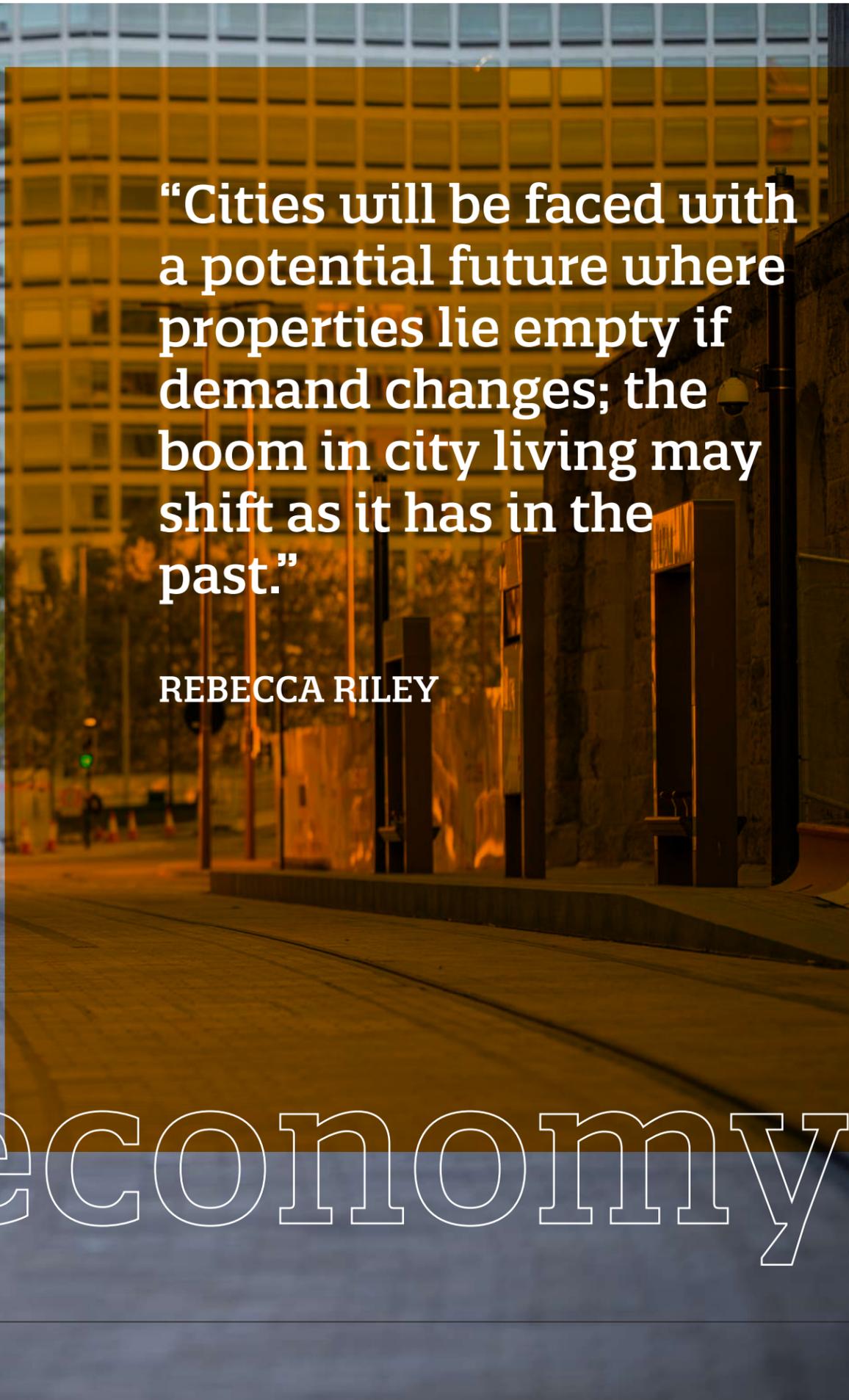
Unlike in many other countries Employee participation in all types of training in the UK has fallen.

Further Reading

Camden, B. (08/07/2020). Chancellor announces 'brand-new bonus for businesses to hire apprentices'. FE Week. <https://feweek.co.uk/2020/07/08/chancellor-announces-brand-new-bonus-for-businesses-to-hire-apprentices/>
CIPD. (2020). CIPD Good Work Index 2020. UK Working Lives Survey. Appendix 1: Tables. https://www.cipd.co.uk/Images/good-work-index-appendix-1-tables-1-2020_tcm18-79212.pdf
Eurostat. (07.08.2020). Participation rate in education and training (last 4 weeks) by type, sex, age and educa-

tional attainment level. https://ec.europa.eu/eurostat/web/products-datasets/product?code=trng_ifs_10
Government Office for Science. (2017). Future of Skills and Lifelong Learning. Foresight. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727776/Foresight-future-of-skills-lifelong-learning_V8.pdf
HM Treasury. (08/08/2020). A Plan for Jobs 2020. <https://www.gov.uk/government/publications/a-plan-for-jobs-documents/a-plan-for-jobs-2020>
Industrial Strategy Council. (2019). UK Skills Mismatch in 2030. <https://industrialstrategy.org/sites/default/>

[files/UK%20Skills%20Mismatch%202030%20-%20Research%20Paper.pdf](https://industrialstrategy.org/sites/default/files/UK%20Skills%20Mismatch%202030%20-%20Research%20Paper.pdf)
Lyons, H., Taylor, A. and Green, A. (2020). Rising to the UK's Skills Challenges. Industrial Strategy Council. <https://industrialstrategy.org/sites/default/files/attachments/Rising%20to%20the%20UK%27s%20skills%20challenges.pdf>
Office for National Statistics. (11/08/2020). Employment in the UK: August 2020. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/employmentintheuk/august2020>



“Cities will be faced with a potential future where properties lie empty if demand changes; the boom in city living may shift as it has in the past.”

REBECCA RILEY

economy

An Urban Transport Recovery Plan Post Covid-19 in the West Midlands

DR MAGDA CEPEDA ZORRILLA

This article, presents the impact of the coronavirus pandemic on the mobility in the West Midlands and provides a series of recommendations on how the transport authorities could approach to the “new normality” particularly, with a recovering plan that covers public transport and walking and cycling in the short, medium and long term. And how this plan can help to address existing problems that COVID-19 brought and old ones related to traffic congestion, air pollution and social inequalities in the region. There are several factors that research had pointed as

relevant in the development of the COVID19. However, the focus of this article is on two main factors that are relevant to the West Midlands and which influence the spread of the virus, the severity of its symptoms and exacerbation of health conditions that might lead to higher rate of mortality. These influential factors are air pollutants (Cole, M. et al. 2020; Sasidharan, M. et al. 2020 ; Xiao, W. et al. 2020 ; Wu, C. et al. 2020) and the contact rate (Ferguson et al. 2020). In the West Midlands, in 2017 the measurement of the air pollutants showed levels above the guidelines set by

the World Health Organization (WHO) (DEFRA and PHE, 2017) which place the region in a risky position with respect to coronavirus. On the other hand, regarding contact rate, in the West Midlands is located Birmingham, the second largest city in UK. The region has also an ageing population, which are more vulnerable to suffer from the coronavirus and “the proportion of people aged over 60 is projected to increase from 20.3% in 2014 to 23.8% by 2039” (TfWM, 2016). This is relevant because research has shown that the “excess deaths rise with age” (Tallack,

C. et al., 2020).

To reduce the contact rate, measures such keeping social distancing should be maintained, however, it seems that some of the areas in the region would face obstacles to do this. For instance, the company ESRI that specialise in mapping software, had produced maps of every footpath width in the UK. The analysis found that “only 30% of Great Britain’s footpaths are at least 3 metres wide, 36% are between 2-3 metres and 34% are less than 2 metres wide” (ESRI, 2020). In the region, the maps of Birmingham which has the highest population density, show that the city does not have the conditions to provide the minimum distance of separation for pedestrians. Therefore, it is critical for the region to carry out particular changes and interventions in the urban environment and in the transport services to be able to respond to the challenges that COVID-19 is bringing. Following there are a series of recommendations proposed to face these challenges. The recommendations are divided into four areas: first is service adjustments, the

second one are the changes in infrastructure and mobility alternatives; third are the behavioural changes required and fourth is the production of further evidence.

1. Service adjustments

In order to keep the transmission of the coronavirus as low as possible it is essential to minimise the risk of contagion in public transport. Therefore, special attention needs to be given to changes such as frequent sanitising, back-door boarding, cashless operations and occupancy limit to allow for physical distancing.

- In the short term, in response to COVID-19, the WHO (2020) had suggested maintaining a cleaning routine that should be done using hospital-grade cleaning and disinfecting agents for frequently touched areas. In the cases of public transport poles and areas to be touched should be wipe down frequently (potentially at the end of the route) but also spraying disinfecting mist for the rest of surfaces. Additionally, the staff should have adequate materials to be safe such as face masks and gloves.
- Back-door boarding

had also been advised by experts (UITP, 2020). However this means also that services adjustments are required in the West Midlands in the short term. For instance, the use of smart card for cashless operation for all public transport and installing machines in the back-door could be used to pay the fee while boarding the transport. Even if the drivers have a protective door, installation of the machines in both doors can be used, and this will help to distribute the people boarding the buses, allowing greater distance between each passenger. This measure can help in the medium and long term to reduce waiting delays at bus stops.

- Increase the frequency of the bus services to allow for social distancing during the trips and to avoid long waiting queues. An example of the difference in capacity maintaining social distancing is shown in Fig.3. To help with this, some operators have already developed a tool to inform travellers which bus is less busy . This is linked to repurposing streets in the short term and infrastructure investment in the medium term. For instance, providing

exclusive corridors to the additional fleet of buses can help reducing the risk of buses caught in congestion at peak times, which is an old problem in Birmingham according to research (Forth, T. 2019) and which increase the exposure risk to coronavirus for the passengers.

2. Changes in infrastructure and mobility alternatives

According to WMCA (2019) pre COVID-19, approximately 41% of journeys in the region made by car were under 2 miles, therefore before the coronavirus outbreak there was potential for cycling in the region. But in order to increase bicycle use different measures and sometimes combined strategies are necessary.

- Wider shared programs allowing the use of bicycle, e-bikes and e-scooters are essential in order to distribute the demand for public transport and to avoid a spike in the use of car to commute. The West Midlands is already planning trials for the e-scooters share system, but other options such as e-bikes and bicycle share systems could be also encouraged in the medium term.





- Infrastructure and shared programs for alternative mobility are equally important. Research show the positive effect of the combining cycling infrastructure and bike-sharing systems in increasing the use of bicycle (Felix, R. et al. 2020).

- Although there are several sociodemographic, attitudinal, and transport characteristics that influence bicycle use (Fyhri, A. 2017) cycle infrastructure is essential. Previous research (Hull, A. and O'Holleran, C., 2014) stated the importance of prioritising cyclists and to provide a safe, comfortable and attractive network to make cycling more attractive than private vehicles.

The authors suggested that government financial policy can help to reinforce this through car taxation and tangible restrictions associated with owning a car, however, for this a strong leadership from the government will be necessary.

- An approach that can be used to implement short term bottom-up interventions is using what is known as "Tactical Urbanism" (TU). TU was defined by the Tactical Urbanism Toolbox in the Tactical Urbanism: Short-Term Action, Long-Term Change (Lydon, M et al. 2012) and is characterised by developing measures in a phased approach, based on local ideas, involving short-term commitment and low risk (potential with a high reward), and the development of social capital and collaborative

partnerships. In the case of the West Midlands, this could translate in the mobilisation of existing resources such as traffic cones and the construction of temporary emergency cycle lanes. It can be used to help repurposing general traffic lanes and streets. Same approach can be used as an alternative to widening the footpaths to help to maintain space between people, whilst other changes in infrastructure for widening the footpaths are carried out in the medium term. Successful examples of this approach can be found for instance in Spain (Besson, R., 2016), USA (Lydon, M. et al. 2012) and New Zealand (Kingham, S. et.al 2020).



Allowing the use of bicycle, e-bikes and e-scooters is essential.

3. Behavioural changes

A recent survey carried out by a Consultancy, found that in the UK people fear the risk of the spread of the COVID19 in the public transport, therefore, they will try to make less public transport journeys. This may potentially increase of the use of private motor vehicles to commute, which in turns will negatively affect the air quality (already poor in the region), cause traffic congestion and consequently

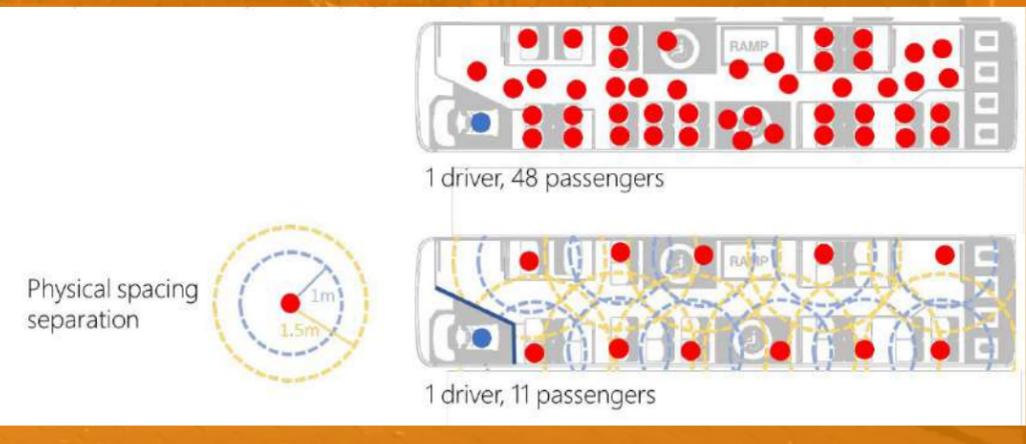
delays for public transport and will ultimately affect climate commitments of the UK Government. Therefore, measures focusing on addressing peoples' fears and questions as well as dealing with negative perception and attitudes is something that is essential in the short and medium term.

- Campaigns communicating the health and safety measures taken by the transport operators could be very important to influence peoples' perception positively.
- The UK Government (GOV.UK. 2020) had already suggested that if possible travel at off-peak times, however, it is essential that government works closely with trade union reps to provide support at negotiating with employers necessary changes in travel behaviour when travelling to work including introducing staggered shifts.

4. Research and further evidence.

Planning for urban mobility especially post COVID-19, requires analysis, creation of models and simulation scenarios. Therefore, it is very important to strengthen collaboration between academia and public sector in order to produce empirical evidence and forecasting tools to inform policy makers and practitioners.

- A recent study carried out, in London (Sasidharan, M. et. al. 2020) investigated how measuring the levels of air pollutants in the city could support transport planners fighting COVID-19. The authors concluded that air pollution could be used as an indicator of vulnerable spots in the city. By identifying these spots, policy makers can decide quickly where to reduce or suspend public transport



nic crisis and the invention of "tactical urbanism" or "precarious urbanism"? Bulletin des professionnels de developpement.org/docman-liste/download/864-104-en-8-pagesvf/bulletins-villes-en-developpement discussion Papers 20-13, Department of Economics, University of Birmingham. Available at: <https://ideas>.

DEFRA and PHE). 2017. Air Quality. A Briefing for Directors of Public Health. Available at: <https://laqm>.

local authorities with social distancing plans". Available at: <https://www.esriuk.com/en-gb/news/press>

oloring the e-bike's role in overcoming barriers to bicycle use with a survey and an intervention study.

come: the effects of cycling infrastructure and bike-sharing system in Lisbon. Case Studies on Transport

ia, S., Boonyasiri, A., Cucunuba Perez, Z.U.L.M.A., Cuomo-Dannenburg, G. and Dighe, A., 2020. Report 9: and healthcare demand.

port explains the UK's productivity puzzle. City Metric. Available at: <https://www.citymetric.com/transport/>

-productivity and financial support during coronavirus. Available at: <https://www.gov.uk/guidance/coronavirus-covid-19>

ge cycling?. Urban, Planning and Transport Research, 2(1), pp.369-406.

our cities for resilience. Available at: <https://www.itf-oecd.org/sites/default/files/respacing-cities-resilience-qecvsPx5CT2M>

opportunity of a temporary road closure for neighbourhood connection, activity and wellbeing. Journal of

ty-based approach to human-mobility reduction for countering COVID-19 transmission in London while

ion) Understanding excess deaths: variation in the impact of COVID-19 between countries, regions and l-infographics/understanding-excess-deaths-countries-regions-localities

urbanism Volume 2: Short Term Action, Long Term Change. Miami and New York: Street Plans Collaborative. l_2_final?e=4528751/2585800

ble at: <https://www.tfwm.org.uk/media/2376/travel-trends-web.pdf>

D-19 Guidelines for public transport operators. Available at: <https://www.uitp.org/sites/default/files/cck>

ds. Available at: <https://governance.wmca.org.uk/documents/s2574/Report.pdf>

nce for long-term care facilities in the context of COVID-19: interim guidance, 21 March 2020 (No.

ang, Y. and Song, J., 2020. Risk factors associated with acute respiratory distress syndrome and death in al medicine.

ID-19 PM2. 5, A national study on long-term exposure to air pollution and COVID-19 mortality in the

The future of Town and Cities post Covid-19



REBECCA RILEY

The success of places are dependent on Government, targeted and specialised investment and support

Post the general election the policy focus shifted from cities to towns. The seismic shift in the political landscape and the notion of the 'red wall turning blue' driven by local dissatisfaction in towns across the north and the midlands shifted government thinking in ways many might have seen as unthinkable. The impact of Covid-19 has seen further unthinkable shifts in the towns and cities. Social distancing and the shift to homeworking has created significant shifts in the way people work and interact. Cities have become the epicentre of outbreaks and proximity has become a friction.

Lockdown has emptied out cities and urban environments and may lead to greater deurbanisation as people seek green space and better home environments. However big tech and personal based service hubs have increased their share of employment in the past and growth generated from intense agglomeration still remains important to these businesses in terms of staff, idea exchange and innovation.

The emptying out of cities could accelerate the wealth divide with those able to afford to move out, moving to towns and suburbs, utilising the flexibility of working from home more, leaving the young and poorer communities concentrated in the urban inner city. This would affect the infrastructure demand in cities and the disparity between

where money is earned and where it is spent. Globally, however, during the last recession cities grew, gaining migrants and millennials unable to find jobs elsewhere. This time round the future of cities relies more on the decisions on Gen-Z. They are more educated and more diverse and already have strong urban roots. They are a generation committed to environmental protection, supporting local businesses and shared assets, less inclined to see home ownership as a necessity and accepting that they will have less than the generations before them.

The Covid-19 experience may accelerate a lot of these traits in wider society. The pandemic may accelerate the decline of the high street, where the number of shops could more than halve in the next two years, but this is a trend that was already in play. High streets which have thrived are the ones which have picked up on and maximised some of the other trends which have accelerated under covid-19 conditions, including, personalised, ethical and local businesses and embracing online sales to diversify markets

Creative and innovative leadership

Reviewing the evidence for and cities, some themes emerge on the challenges facing places (big and small). Reviewing these themes against Covid-19 impacts we can see there are

lessons to be learnt from the trends already developing and how successful places have adapted and changed to revive high streets that many need to be applied post pandemic. There are often institutional failures, where places fail to set a clear vision or agreed goals, and places lack a positive narrative on which to build, so citizens have a lack of engagement and pride in their local areas. Thus there is a need to invest in community leadership invest in capacity to mobilise action and invest and attract good staff that can perform and understand evidence.

Understanding and analysing the reality of the place, using evidence, developing outcomes, creating action and ensuring delivery all become harder if institutions cannot attract and retain good staff to lead thinking. There can also be a tendency to misalign economic, social and environmental goals at a place level, due to silos of activity at a national level, conflicting government policy lands at the local level and can create interventions which act against one another, such as employment goals versus productivity goals. Places have mobilised quickly to deal with covid-19 despite these constraints. Future investment in community leadership which enhances the capacity of political, community and local government leaders is needed. Training and skills development for vision setting, future scoping,

programme and strategy development, implementation and evaluation will all enable good decision making at the local level. Leaders should be given the skills, tools and expertise to drive and embed the approaches such as the United Nations Sustainable Development Goals locally, based on good data and understanding of their place to ensure recovery is long lasting and fair.



Lockdown may lead to greater deurbanisation

Meaningful community engagement

Similarly, there are democratic or information failures where communities are not engaged in decision making. Post pandemic this is particularly important as people need to deal with feelings of powerlessness and mental health impacts. These may be caused by a lack of knowledge on how to engage, lack of routes for engagement, or because it is difficult to get communities engaged and interested in the place because of feelings of disempowerment. Covid-19 has seen the way technology is changing the way people interact with place.

There may also be a lack of knowledge and expertise within communities on how to make a positive change locally.

There is the need to accelerate technological adoption with democracy platforms that engage directly with citizens on key issues; training councillors on engagement and proactively seeking views; reviewing the evidence for technology driven solutions and how they sit alongside face to face engagement.

Understand your Unique Selling Point

A place must understand its unique selling point. It is vital that there is an understanding of the past, present and potential futures of place, and there is a lack of evidence used in identifying uniqueness of place, alongside the basics of what purpose a place has. The smart specialisation approach is poorly adopted in the UK which means places fail to really understand their unique asset base and capitalise on it.

This includes understand what your assets base, technological, people, cultural, environmental, innovative and business and use it to differentiate. Collaborate with neighbours to complement assets and protect and nurture your asset base and build it into your place offer. It is important to ensure the science and innovation assets are built into the thinking around the specialisation of place, as these present business growth opportunities and prospects and investment can then be tailored to meet local needs. This will ensure innovation

supports jobs growth around the assets and opportunities.

Competitive, safe, socialising and experience

There has always been a need to understand the local demand for socialising, the retail, entertainment and liveability offer and what local residents demand and want, alongside attracting those from outside. Post covid19 this is now a difficult balancing act, between keeping people safe and ensuring people can return to the shops, cafes and entertainment offer is essential not just for the economy but for wellbeing. Lack of contact, socialising and engagement with people is taking its toll on mental health.

Let there be light, blue and green infrastructure

Research into the success of towns was already pointing to a lack of good spaces for interaction with place, open green infrastructure was already seen as a disadvantage. Covid-19 has exposed this as a major issue affecting health and wellbeing in a lockdown scenario Underinvestment in green and clean infrastructure and brownfield derelict land (which is now at the hardest to clear levels, as easy areas have already been developed), now makes the costs of investment much higher. Green infrastructure is lacking in post-industrial towns and dense urban cities, parks, waterways and access to clean air and light are at a premium but post pandemic are now seen a core basic needs.

There already was a lack

of good quality housing infrastructure and undersupply. We do not know yet the effect of the pandemic on the boom in city centre living, and whether the demand for outside space will change the way cities and towns need to provide for residents as demand shifts. To ensure places are attractive, to help drive consumer spend and support local businesses, there needs to be investment and adaption in public realm that improves the environment, clean transport, walking and cycle paths, good integrated public transport, investment in green space and waterways to add to the social fabric of places, and engagement with business and communities on the use of space post covid-19.

Create a place for caring and community

Research on successful towns and cities had already highlighted that places which build a sense of community, and invest in the social fabric were more successful. Encouraging the local population to invest, spend time and money on local businesses creates a more resilient local ecosystem, and the points above all add to this. Central to that is create a sense of community.

Developing mixed use, open experience markets, and investment in new infrastructure could support this shift. A review of business rates, compulsory purchase order capabilities of disused shops and bringing them back into usage could accelerate this change. Greater investment in new innovative independent businesses which bring



Green infrastructure is lacking in post-industrial towns and dense urban cities, parks, waterways and access to clean air and light are at a premium but post pandemic are now seen a core basic needs.

Connectivity which enables interaction

A major issue which has emerged in the pandemic is access to safe travel, current social distancing measures restrict the use of most public transport and make them unviable, and for many this is their only means of transport.

The levels of commuter travel may never return – especially for knowledge workers who can deliver their role remotely. This has significant impacts on the system and its use by people who need to still get to work because their role requires face to face interaction or needs to be situated in a specific place.

This means a need for investment in wider forms of transport to enable people to

travel safely and have confidence in the system. Transport needs to be geared towards helping people maintain their health and distributing travellers across a wide range of options, including investment in walking and cycling which maximises safety and the environment.

The boom in technology has exacerbated any issues with digital connectivity, either hard infrastructure or skills. The success of places are dependent on Government, targeted and specialised investment and support, to help stimulate and support business and the market of local regions. The pandemic may have accelerated the change but embracing that change, adapting and evolving is key.

The pandemic has also created a greater understanding and appreciation of how important those people who keep our communities running smoothly are, those that care for us, keep our places running and protect the vulnerable. Developing local approaches that continue this momentum and also invests in the systems which support this sense of community especially can build local pride and grater individual investment in the places they live.

References:

High streets Expert Panel, The high street report, Ministry of Housing, Communities and Local Government 2018
 Petrie, Issy; Coutts, Pippa; Ormston, Hannah; Turnaround towns UKR, Carnegie UK Trust 2019
 Brett, Will; Alakeson, Vidhya; Take back the high street: putting communities in charge of their own town centres Poer to Change Research Institute 2019
 Wicks, Simon Recovery plan (urban design post-COVID-19), IN The Planner, Jun 2020, pp18-22
 Welch, Alastair; Turning of the tide? (reviving coastal towns), IN The Planner, Nov 2019, pp27-29
 McCann, P. and Ortega-Argiles, R. (2019) Perspectives on Smart Specialisation Policies in Lagging Regions, p. 17-28 in: Barzotto, M., Corradini, C., Fai, F.M., Labory, S., and Tomlinson, P.R., (eds.) Revitalising Lagging Regions: Smart Specialisation and Industry 4.0, Regional Studies Policy Impact Books, Routledge, Taylor and Francis Group, New York and London.
 Szerb, L., Ortega-Argiles, R; Acs, Z and Komlosi, E. (2020) "Optimizing entrepreneurial development processes for smart specialization in the European Union", early view in Papers in Regional Science, Davenport, Alex et al The geography of the COVID-19 crisis in England, Institute for Fiscal Studies
 Health on the high street: running on empty; Royal Society for Public Health 2018
 Swinney, Paul; McDonald, Rebecca; Ramuni, Lahari; Talk of the town: the economic links between cities and towns 2018

The REDI Article

THE RT HON CHRIS PINCHER MP



THE REDI UPDATES

www.anniebentonphotography.com

In July, REDI-Updates spoke to the Rt Hon Chris Pincher MP, Housing Minister at the Ministry of Housing, Communities and Local Government, (MHCLG) about the role housebuilding has in the UK's recovery from Covid-19. Here's what he said:

This has been the most testing period in recent history.

But the hard work, perseverance and continued vigilance of all those on our economic front line has allowed us to make significant steps on the road to recovery. Delivery drivers, council workers, shop assistants. Jobs which are the backbone of our economy.

We know how important it is that people's jobs are protected, and that we offer support to people finding them. That's why the Chancellor's economic update was called a 'Plan for Jobs'; a comprehensive package to get our job market back on track.

Our Job Retention Bonus will help firms keep furloughed workers, while our £2 billion

hundreds of thousands of jobs for young people. We're also investing £1.6 billion in scaling up employment support schemes, training and apprenticeships.

It is a serious statement of intent to make sure people across the country – particularly young people, who are among the hardest-hit by the crisis – are assured the Government will never

turn a blind eye to the threat of unemployment.

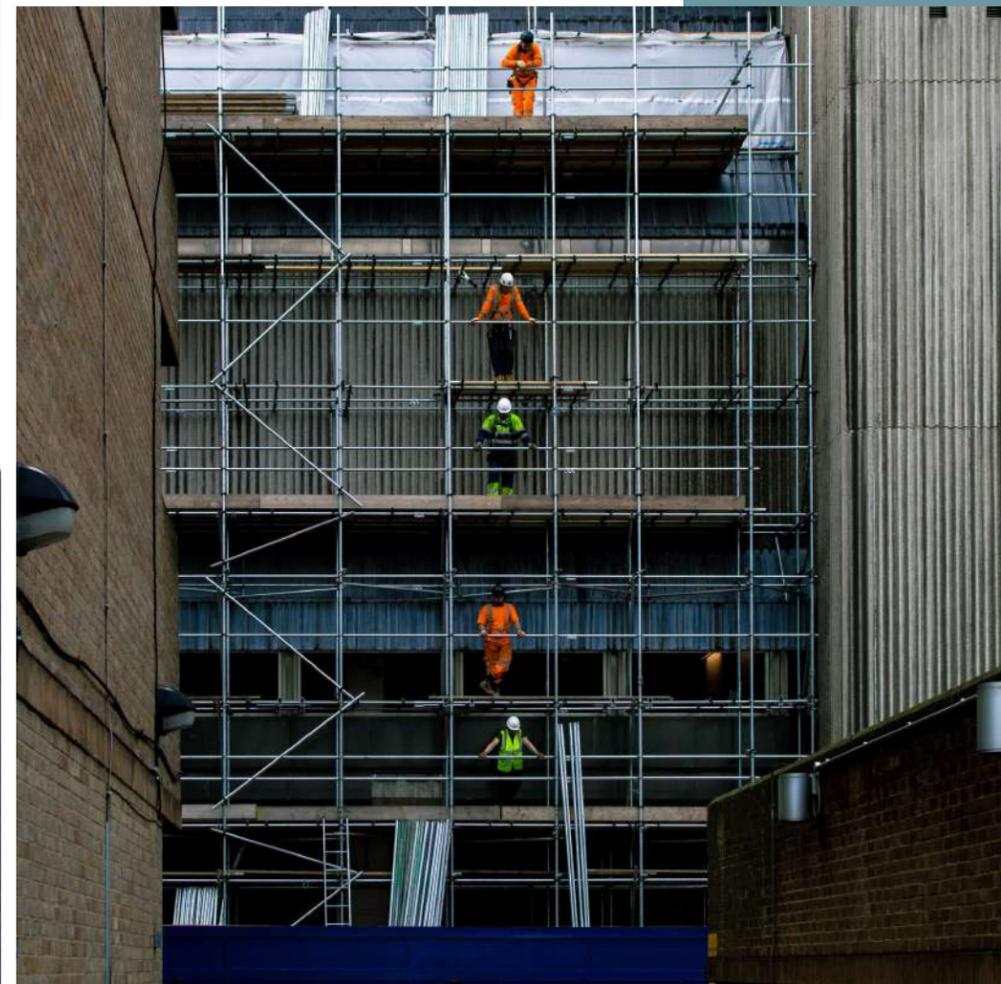
I know many readers of REDI-Updates will be only too aware of this, engaged as you are in teaching, training and employing young people in the West Midlands.

And there will soon come a new phase, one in which we rebuild – something as Housing Minister that's never far from my mind.

Last month, the Prime Minister set out a roadmap for this. Being from Staffordshire myself, and MP for Tamworth, it came as no surprise this map has the West Midlands at its heart.

Speaking in Dudley, he set out our vision to level up and unite the country through an infrastructure and building revolution. This includes £5 billion for investment projects, including £900 million for 'shovel ready' local growth projects over the course of this year and next.

This will enable communities across the country to invest in the development and regeneration of key local sites, improvements in transport and digital connectivity, and innovation and technology centres that build on local strengths.





This includes up to £124 million of funding for projects across the West Midlands, and the Government is agreeing with each area the projects that will be most valuable in boosting the local economy.

This could include schemes such as Superfast Worcestershire, improving the fibre infrastructure to support technologies and applications sought after by businesses across rural Worcestershire, and the i54 business park Western Extension, which could help deliver a business site creating around 1,700 new jobs.

Midlanders are an innovative and inventive people, which is why this is about you putting your plans forward – not Government dictating them. And building the homes we need is absolutely central to this.

Last year we delivered more than 240,000 new homes across England, which is more than at any point in the last 30 years.

But we are not going to rest on our laurels. We are determined to not only build more homes, but to build them in a way that is sustainable, faster. Firstly, sustainability.

The United Kingdom is the first major economy in the world to pass a net zero emissions target into law, and I recognise the important contribution that the energy

efficiency of buildings has to make in meeting it.

Our Future Homes Standard is an important part of our plan to achieve this goal. It means that from 2025, all new homes will have at least 75% lower carbon emissions and very high fabric standards –



Green Homes Grant scheme will fund green improvements such as loft, wall and floor insulation that could save household hundreds of pounds a year on their bills. And will create thousands of jobs for tradespeople.

real action towards a cleaner, greener built environment.

And new homes must fit the character of their local area and help us to preserve and

enhance our natural heritage.

That is why we have announced £360 million of investment through our Brownfield Land Fund, which

will deliver much-needed new homes while protecting greenfield sites from unnecessary development.

This includes £84 million, won by Mayor Andy Street, for the West Midlands Combined Authority, helping to unlock up to 7,500 new homes.

Of course, sustainability is not just about new homes.

The Chancellor's £2 billion Green Homes Grant scheme will fund green improvements such as loft, wall and floor insulation that could save households hundreds of pounds a year on their bills. And it will create thousands of jobs for tradespeople.

Secondly, we must build faster, and cut red tape.

We have already adapted the planning system to massively

boost the hospitality sector – supporting one of the hardest hit sectors to help business adjust to new, safer ways of working.

We have removed the need to make planning applications for outdoor markets and marquees.

And we've also made it easier for businesses to set up outdoor seating, allowing our restaurants, pubs and bars to make the most of summer trading.

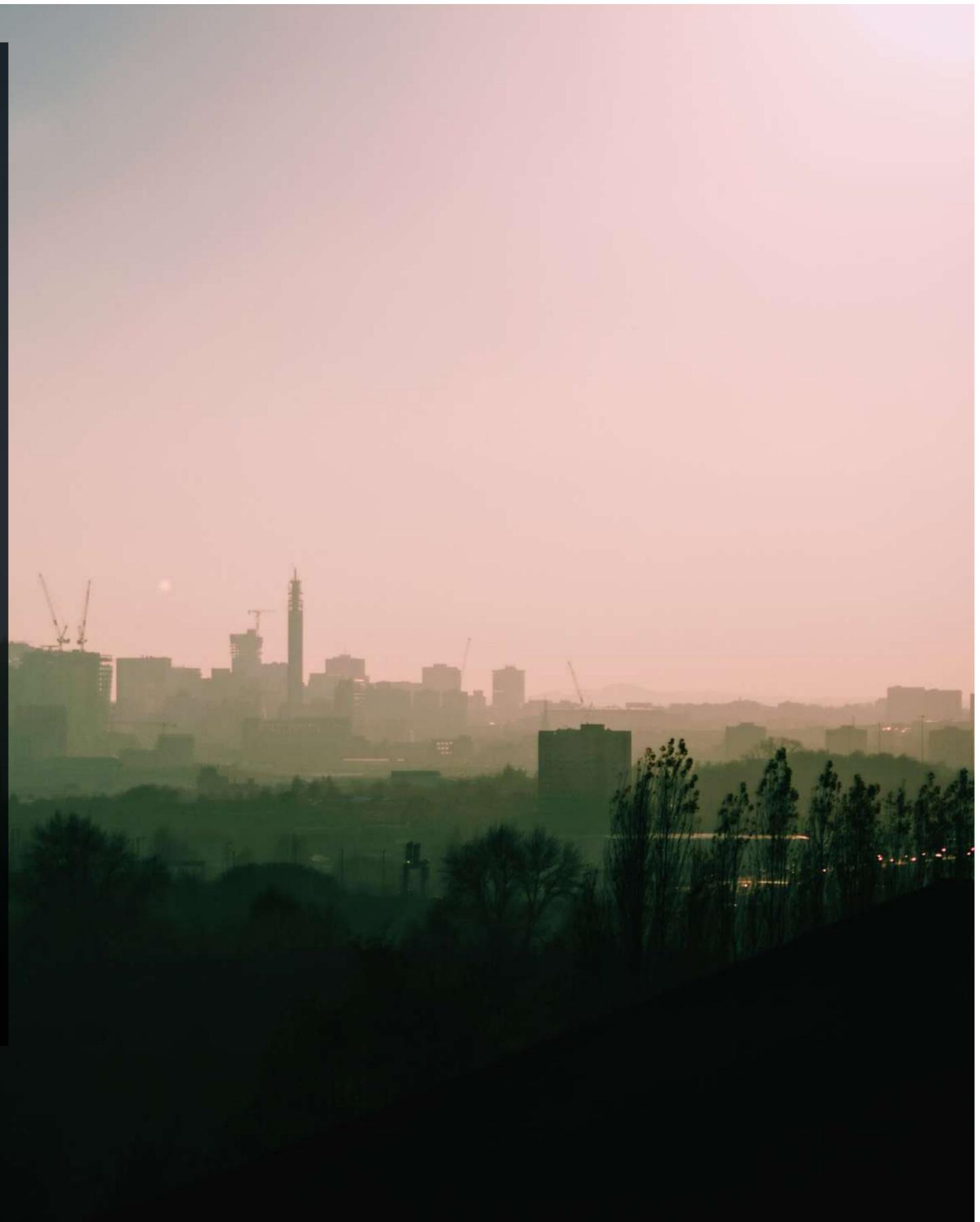
Beyond our immediate recovery, we are reforming planning to accelerate the entire system, while preserving essential checks and balances.

Last month we announced



“With the right conditions in place, West Midlands exporters could provide the shot in the arm for the local economy over the coming years.”

MATTHEW LOWE, BLACK COUNTRY CHAMBER OF COMMERCE



REDI to debate



MATTHEW LOWE



International Trade is the key to our region's economic recovery

There has never been a more critical time for businesses here in the West Midlands to think about trading internationally. While localism may be the new globalism in the post-Covid world, trade – and international cooperation more generally – will be one of the key factors in driving our economic recovery. This pandemic has proven that we need markets and globalisation now more than ever.

As country after country closed non-essential businesses and introduced social distancing measures to curb the spread of the virus, the

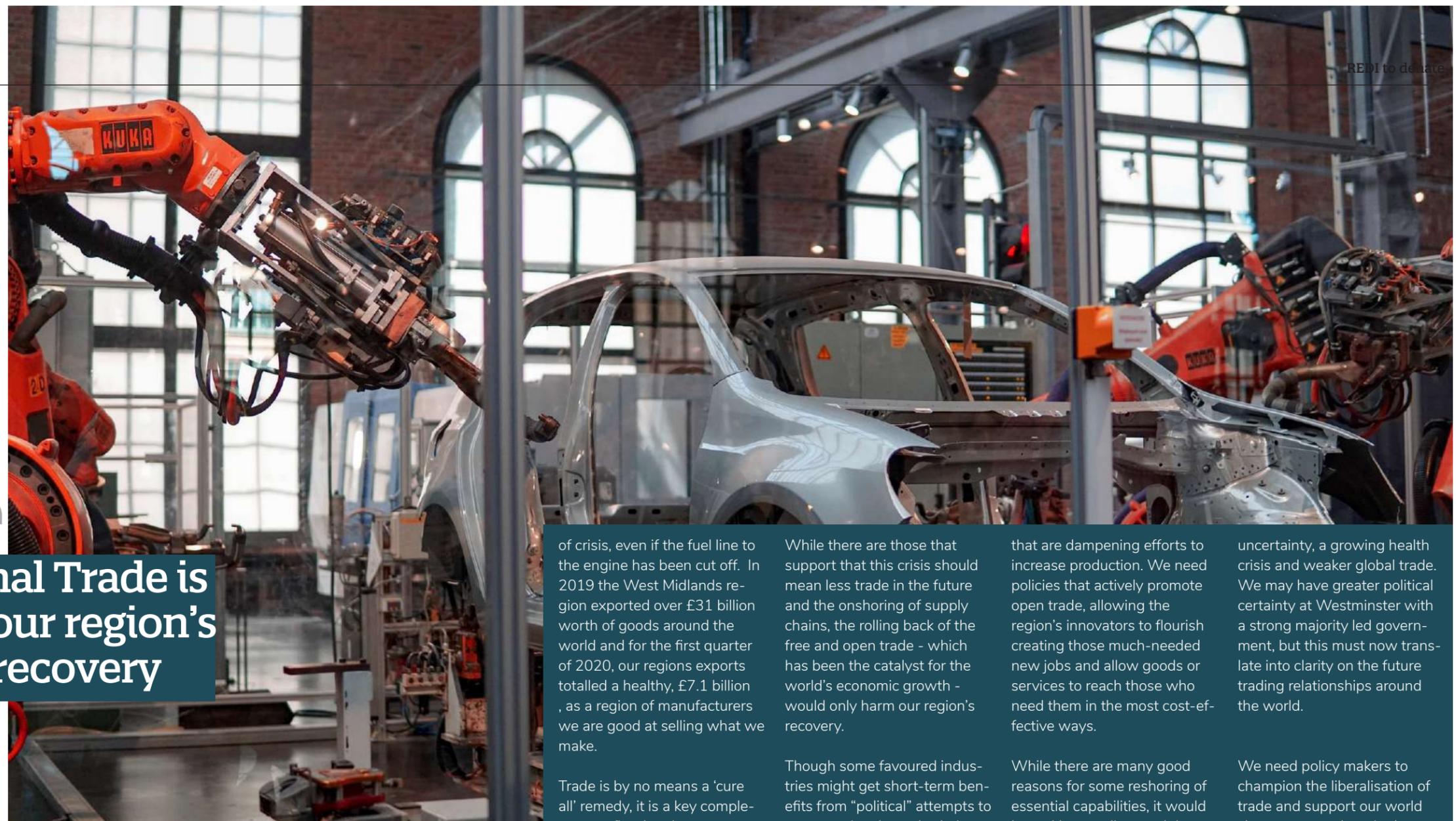
public health emergency evolved rapidly into an economic and social crisis. Covid-19 demonstrates the interconnected and fragile nature of our economy. Countries today are highly interdependent and albeit much wealthier as the result of the global economy however as the world shut down, we are witnessing how much poorer we are in isolation.

As commodity prices and export earnings plummet, foreign investment dries up and remittances from overseas workers decline, both emerging and well-developed trading nations face a growing financial distress.

The World Trade Organisation (WTO) projects that world trade volumes this year will fall by between 13% and 32% subject to the spread of the virus.

Covid-19 demonstrates the interconnected and fragile nature of our economy. Countries today are highly interdependent and albeit much wealthier as the result of the global economy however as the world shut down, we are witnessing how much poorer we are in isolation.

However, there is the possibility for a strong recovery. The tenets of a strong economy are often resilient in times



of crisis, even if the fuel line to the engine has been cut off. In 2019 the West Midlands region exported over £31 billion worth of goods around the world and for the first quarter of 2020, our regions exports totalled a healthy, £7.1 billion, as a region of manufacturers we are good at selling what we make.

Trade is by no means a 'cure all' remedy, it is a key complement to fiscal and monetary policy measures. This pandemic means that all three components -fiscal, monetary and trade- must work together to prevent a deep economic scarring on the West Midlands economy.

The state of the global economy critically depends on how the structure of global trade will be changed as a result of the pandemic. Global trade, however, was not in a strong position to begin with, burdened by protectionism and growing geopolitical tensions, mercantile trade was showing signs of decreasing long before this crisis emerged.

While there are those that support that this crisis should mean less trade in the future and the onshoring of supply chains, the rolling back of the free and open trade - which has been the catalyst for the world's economic growth - would only harm our region's recovery.

Though some favoured industries might get short-term benefits from "political" attempts to create national supply chains, many more would lose out, and so would the consumers already beginning to feel the hit of economic recession. This would effectively hit the brakes on our recovery and governments that look inwards risk exacerbating these pre-existing issues.

Now is the time for the region to look outwards and reach new global markets.

We require policy makers in Whitehall to make good policy decisions, and give businesses, households and entrepreneurs reasons to be confident about the future, removing those engrained barriers to trade including restrictions and tariffs

that are dampening efforts to increase production. We need policies that actively promote open trade, allowing the region's innovators to flourish creating those much-needed new jobs and allow goods or services to reach those who need them in the most cost-effective ways.

While there are many good reasons for some reshoring of essential capabilities, it would be reckless to disregard the ability of our firms to develop resilient global supply chains. Sharing challenges and diversifying where we buy from and sell to can make us all more resilient.

Additional trade barriers would only further erode an already shattered business confidence and slow the much-needed investment to restart our local economy.

With the right conditions in place, West Midlands exporters could provide the shot in the arm for the local economy over the coming years. Yet the evidence suggests that exporters are still suffering from the impacts of prolonged Brexit

uncertainty, a growing health crisis and weaker global trade. We may have greater political certainty at Westminster with a strong majority led government, but this must now translate into clarity on the future trading relationships around the world.

We need policy makers to champion the liberalisation of trade and support our world class exporters here in the region to develop their supply chain resilience and to reach those new overseas markets

Unlocking Innovation and Recovery: Success through the MIT REAP programme



DR CHLOE BILLING

In March 2020, the Massachusetts Institute of Technology (MIT) launched a pilot in the UK of a 'lite' version of its global 'Regional Entrepreneurship Acceleration Programme' (REAP), aimed at helping UK regions with achieving greater productivity, employment and returns from research. In collaboration with the UK Department for Business, Energy & Industrial Strategy (BEIS) and Loughborough University, this programme seeks to deepen the collective efforts and community of practice of entrepreneurship and innovation. MIT's theoretical and practice-based expertise and regional leadership, focused on this new initiative to support productivity growth, is a defining factor in the delivery of the UK's local Industrial Strategies

The West Midlands Combined Authority (WMCA) is one of six regions currently part of the programme. The other regions include:

- Cumbria, Lancashire, and Cheshire & Warrington LEPs
- Heart of the South West LEP
- Leicester and Leicestershire LEP
- North East LEP
- Sheffield City Region LEP

The West Midlands Team 'lite' REAP team is sponsored by the GBSLEP, BCCLEP and the West Midlands Combined Authority (WMCA), whilst also representing the Coventry & Warks LEP area. WM REDI is part of this team, which includes representatives from Government, Academia, Corporates, SMEs, and Risk Capital. Other organisations involved include the WMCA (Innovation Lead), Innovate UK, GBSLEP, Black Country Growth LEP, West Midlands Combined Universities, Aston University, Midlands Aerospace Alliance, KPMG, Greater Birmingham Chambers, Black Country Chamber, Innovation Alliance West Midlands, and the British Business Bank.

Goals and Objectives:

The goal of the MIT REAP-UK Initiative is to support regional teams of leaders representing Entrepreneurs, Risk Capital Providers, Corporates, Academia, and Governments in an evidence-based approach to supporting innovation and entrepreneurship in each team's local region. The initiative draws on the frameworks founded and established through the MIT REAP global program and translates them into the UK context with a cohort composed of entirely UK-based teams.

This pilot builds on MIT REAP's experience with over 50 regions from around the world since its inception in 2012, (including UK-based teams from London, Scotland, Wales and currently Leeds City Region).

Pilot Program Objectives:

- To enable a cohort of UK regional teams to swiftly apply elements of the MIT REAP frameworks to initiatives

in their regions

- To customise frameworks to the UK setting and teams, while at the same time retaining the MIT REAP core frameworks, methods, and elements for success and focusing on insights that support local productivity growth and local Industrial Strategies

- Apply the MIT REAP core frameworks to the UK's objective of enhancing the productivity of small and mid-size enterprises (SMEs) and innovation-driven enterprises (IDEs), including:

- o Applying a key approach to accelerating innovation ecosystems and its emphasis on how regions must build both entrepreneurial capacity (E-Cap) to start and grow businesses, and innovative capacity (I-Cap) to drive new ideas, adopt new technologies, and introduce these solutions into businesses
- o Understanding the role of innovation and technology in local productivity

- o Enabling better investment decisions at both local and national levels from comprehensive networks of stakeholders, including Entrepreneurs, Risk Capital Providers, Corporates, Academia, and Governments

- To provide UK teams with the tools and insights needed to drive collective impact toward change, by:
 - o Building consensus on their region's unique assets, capabilities, and comparative advantages

- o Defining a strategy from MIT REAP frameworks that supports their regional lo-

- cal enterprise partnership (LEP)
 - o Identifying (at least) one initial key strategic intervention for all regional stakeholders to collaborate on and drive forward
 - In partnership with BEIS and Loughborough University, to assess the outcomes and impact of UK teams' strategic interventions on local business productivity growth

Progress to date:

With the current COVID-19 crisis, the MIT REAP West Midlands cohort has recognised the need to support the region in preparing for the 'recovery' stage. The team is currently focussed on delivering the following actions focussed on regional economic recovery:

1. Customer Research – surveying entrepreneurs (SMEs) and Risk capital providers to analyse their view of the innovation ecosystem. We aim to understand our regional portfolio of innovation actors (sector, maturity, profile, etc.) and identify the most vulnerable sectors and those that have the biggest economic impact on the region, so we can match them to appropriate business support.
2. Assessing the ecosystem – developing a set of indicators to assess the capability to support Innovation and Entrepreneurship in the region. These indicators relate to human capital, funding, infrastructure, demand and culture and incentives. WM-REDI have led on matching
3. Mapping Current Business Support – this will let us see if we as a region are supporting the development



The MIT REAP West Midlands Cohort has recognised the need to support the region in preparing for the recovery stage





rand growth of 'innovation-driven enterprises' (IDEs) and if not what areas of business support need to change / gaps need to be addressed. For example, is there appropriate business support available to help firms to build resilience post COVID-19, around the re-purposing, re-positioning, and re-validating of their business?

4. Identification of Innovation Driven Enterprises – these companies pursue global opportunities based on bringing to customers' innovations, which have a clear competitive advantage and high growth potential (Aulet and Murray, 2013).

In summary, the MIT REAP programme has the opportunity to understand the sectoral and innovation specialisms and limitations of the region.

By gathering more granular data on regional assets, we can tailor more specialised interventions to help support firms and industry.

It also provides a solid and extensive evidence base to ground our regional asks when formulating them and submitting them to central government

REFERENCES

Breznitz, S. M. (2011). Improving or impairing? Following technology transfer changes at the University of Cambridge. *Regional Studies*, 45(4), 463-478.

Clarke, E., and Williams, M. (2014) Delivering change: supporting links between universities and high-growth firms in cities, Centre for Cities, Report available: <http://www.centreforcities.org/wp-content/uploads/2014/08/14-04-30-Delivering-change-Supporting-links-between-universities-and-high-growth-firms-in-cities.pdf>

Hewitt-Dundas, N., Gkypali, A., & Roper, S. (2017). Accessibility, utility and learning effects in university-business collaboration. ERC Research Paper, (57).

Narayan, A. K., Northcott, D., & Parker, L. D. (2017). Managing the accountability-autonomy tensions in university research commercialisation. *Financial Accountability & Management*, 33(4), 335-355.

Scandura, A. (2016). University-industry collaboration and firms' R&D effort. *Research Policy*, 45(9), 1907-1922.

Valero, A., & Van Reenen, J. (2016). How universities boost economic growth (No. 488). Centre for Economic Performance, LSE.

Advisory Board



ANDY ARGYLE
HEAD OF DEVOLVED GOVERNMENT AND INFRASTRUCTURE FOR THE MIDLANDS, KPMG



IAN BARNES
DIGITAL TAX PRACTICE FOR UK, DELOITTE



RICHARD BLACK
PRO-VICE-CHANCELLOR AND HEAD OF THE COLLEGE OF SOCIAL SCIENCES, UNIVERSITY OF BIRMINGHAM



TONY BRAY
AREA DIRECTOR, SOUTH WEST ENGLAND AND WEST MIDLANDS, BEIS



ANDREW CARTER
CHIEF EXECUTIVE, CENTRE FOR CITIES



PAUL FAULKNER
CHIEF EXECUTIVE, GREATER BIRMINGHAM CHAMBERS OF COMMERCE



MARIA MACHANCOSES
DIRECTOR, MIDLANDS CONNECT



SIMON MARKS
CITY EXECUTIVE – BIRMINGHAM, ARCADIS



SARAH MIDDLETON
CHIEF EXECUTIVE, BLACK COUNTY CONSORTIUM



TIM PILE
CHAIR, GREATER BIRMINGHAM AND SOLIHULL LOCAL ENTERPRISE PARTNERSHIP



NIGEL ROBINSON
PARTNER, PA CONSULTING



JONATHAN TEW
ASSISTANT CHIEF EXECUTIVE, BIRMINGHAM CITY COUNCIL



COUNCILLOR LISA TRICKETT
BIRMINGHAM CITY COUNCIL



DR HELEN TURNER
DIRECTOR, MIDLANDS INNOVATION



PATRICK WHITE
DIRECTOR, METRO-DYNAMICS

WM-REDI staff



PROFESSOR SIMON COLLINSON
DEPUTY PRO-VICE-CHANCELLOR FOR
REGIONAL ECONOMIC ENGAGEMENT
AND DIRECTOR OF CITY-REDI



ANNE GREEN
PROFESSOR OF REGIONAL
ECONOMIC DEVELOPMENT



RAQUEL ORTEGA-ARGILÉS
PROFESSOR OF REGIONAL
ECONOMIC DEVELOPMENT



SARAH JEFFERY
CENTRE MANAGER



DR TASOS KITSOS
RESEARCH FELLOW



STUART MITCHELL
CENTRE MANAGER



REBECCA RILEY
BUSINESS DEVELOPMENT DIRECTOR



DR CHLOE BILLING
RESEARCH FELLOW



GEORGE BRAMLEY
SENIOR ANALYST



DR FENGJIE PAN
PRODUCTIVITY RESEARCH FELLOW



DR JULIANE SCHWARZ
RESEARCH FELLOW



DR DENIZ SEVINC
RESEARCH FELLOW



BEN BRITTAIN
POLICY AND DATA ANALYST



DR ANDRE CARRASCAL INCERA
RESEARCH FELLOW



DR MAGDA CEPEDA ZORRILLA
RESEARCH FELLOW



MATT PATTERSON
ADMINISTRATIVE ASSISTANT



JOSH SWAN
POLICY AND DATA ANALYST



DR ABIGAIL TAYLOR
POLICY AND DATA ANALYST



DR DIANA GUTIÉRREZ POSADA
RESEARCH FELLOW



DR SARA HASSAN
RESEARCH FELLOW



DR CHARLOTTE HOOLE
RESEARCH FELLOW



UNIVERSITY OF
BIRMINGHAM

WM
REDI

birmingham.ac.uk/wm-redi

University of Birmingham
Edgbaston
Birmingham B15 2TT
United Kingdom



unibirmingham

@WM_RED I

Main Switchboard:
Tel: +44 (0)121 414 3344