



Co-financed by the European Regional Development Fund

Inspire Policy Making with Territorial Evidence

Promoting Sustainable & Inclusive Territorial Development

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The ReSSI Project

- ***Exploring good practice in local & regional development***
- **How do we promote sustainable & inclusive regional strategies?**
 - Changing role of Local Authorities & range of stakeholders
- **What is good practice in delivering economic development policy?**
 - Evolving governance frameworks
- **Case study approach:**
 - Coventry & Warwickshire (UK)
 - Southern Denmark (DK)
 - Piedmont (IT)
 - Oeiras/Lisbon Metropolitan Region (PT)



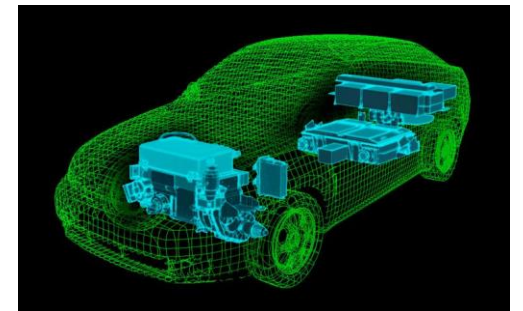
Coventry & Warwickshire - Context

- Central England – West Midlands region
- **Coventry** (England's 9th largest city) and **County of Warwickshire**
- 899,400 residents, 36,000 businesses
- **Key sectors:** Advanced Manufacturing, Digital & Creative, Professional Services, Intelligent Mobility, Tourism
- **Global brands:** Jaguar Land Rover, Aston Martin Lagonda, LEVC, BMW, Holland & Barrett, Royal Shakespeare Company
- **Strong knowledge base:** Coventry University, University of Warwick
- Strong annual GVA growth 3.8% (national average 3%)



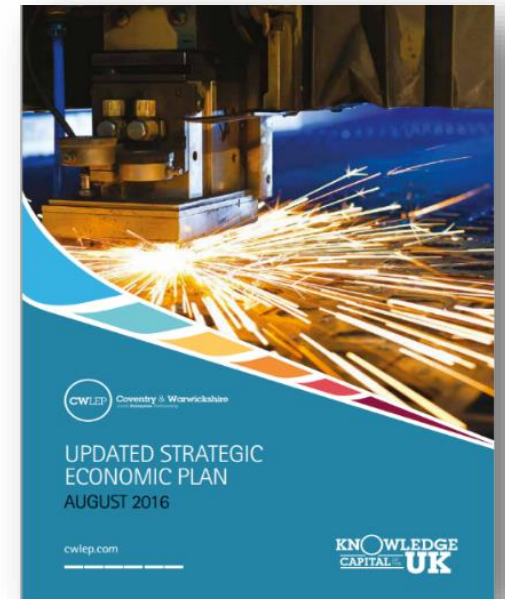
Coventry & Warwickshire – Economic Challenges

- Too low % of businesses engaged in innovation and R&D
- % of businesses that are “fast growing” below UK average
- Skills shortages and labour supply challenges
- Areas of unemployment and deprivation
- Shortage of available development land
- Need enhanced energy and power supply
- Pressure on transport infrastructure



Changing England Political Context

- **1998 – 9 Regional Development Agencies** established
 - Regional Spatial Strategies
 - ERDF & ESF funds allocated & governed regionally up to 2007-2013 period
- **2010 – Regional Development Agencies abolished**
 - 38 private sector led public-private **Local Enterprise Partnerships (LEPs)**
 - Strategic Economic Plans
 - National ESIF Programmes 2014-2020 (notional allocations to LEPs)
- **2016 – West Midlands Combined Authority (WMCA)** established
 - 18 Local Authorities and 3 LEPs working together
 - WMCA region Strategic Economic Plan & Local Industrial Strategy



Key Economic Development Funds

- ERDF Priorities 1, 2, 3 and 4 (€68m notional allocation 2014-2020)
 - ESF (€68m notional allocation) and EAFRD (c€3m notional allocation)
- H2020 to support innovation (c€56m in 2014-2020 programme to date)
- European Territorial Co-operation Programme – key market opportunities
 - International trade support, innovation in transport, digitisation of SMEs
- National Funds – competitive bidding
 - Transport infrastructure
 - Broadband infrastructure
 - R&D facilities (e.g. battery development, UK Mobility Data Institute)
 - Skills facilities



Coventry & Warwickshire Case Study – Key Findings

- **Two cases studies** – smart sustainable growth of automotive sector
 - Developing and testing connected & autonomous vehicles
 - Electric taxis & charging points
- Local authority as major facilitator & broker for co-operation
 - Large automotive manufacturers, SMEs, universities, funders as partners
- Area as “test bed” of new innovative products with export potential
- UK Government main funder
 - Complement ERDF & ESF projects covering supply chains and skills
 - Brought activities forward – enhanced competitive advantage in sector
 - Scope for more regional co-operation – use funding to share knowledge?



Pan-region Collaboration – FEIs

- **Midlands Engine Investment Fund (MEIF)**
 - Provide loan, equity & proof of concept finance using JEREMIE model
 - Improve financial support offer to address SMEs' barriers to growth
- 10 LEPs across East and West Midlands regions collaborated
 - Need for pan-region approach to create necessary scale of fund (c€280m)
 - c€88.5m ERDF from 10 LEPs – matched by EIB and UK Government funds
- LEP areas worked together to lobby UK Government on design of fund
 - Robust evidence base showing SMEs' access to finance challenges
 - British Business Bank managing Fund – LEPs on Fund Project Boards
- MEIF will support almost 2,300 SMEs and create over 3,800 jobs by 2023



Pan-region Collaboration – WMCA Industrial Strategy

- **Strategic framework for developing West Midlands economy (May 2019)**
 - Increasing economic growth rates and raising productivity levels
 - Addressing challenges of economic inclusion
 - Alignment with UK Industrial Strategy
- 3 LEPs in WMCA area worked together on design of Strategy with WMCA
 - Local Authorities, Universities, Chambers of Commerce engaged
- Address some economic challenges and secure/manage funds at WMCA scale
 - Major innovation opportunities facing key sectors
 - Skills and productivity challenges (especially high growth SMEs)
 - Major infrastructure projects (transport and digital infrastructure)



ReSSI Project – Key Findings (1)

- **Common findings** despite range of Case Studies
 - Differing political structures

Sectoral Implementation

- Public investments should realise long-term benefits for regions
 - Develop synergies & co-ordination of key stakeholders
 - Balance economic growth and social inclusion needs
 - Maximise impacts on local economy
- Role of local & regional government as holders of tacit knowledge
 - Ability to align stakeholders and strengthen public-private partnerships



ReSSI Project – Key Findings (2)

Territorial Communication – Alliance Building

- Alignment of strategic planning and funding streams
 - Align local & regional strategies with national & EU strategies
- Knowledge can strengthen regional co-operation & share good practice
- Knowledge creates actions – not reinvent strategies with new funding regimes

Territorial Implementation – Going Beyond Financial & Regulatory Powers

- Maintain & enhance relationships with funders
- Build momentum - “follow-on” projects and by complementary projects networking
- Engage new stakeholders where appropriate
- Stronger integration of funding streams



// Thank you

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