

MIDLANDS ENGINE

THEBUSINESSDESK.COM SPECIAL REPORT
WINTER 2016



MIDLANDS ENGINE

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Lockside, 5 Scotland Street,
Birmingham, B1 2RR.

Tel: 0121 237 3628

Commercial director: Lee-J Walker
leej.walker@thebusinessdesk.com

THE TIME FOR ACTION

BUSINESS WANTS - AND NEEDS - MIDLANDS ENGINE TO SUCCEED



SOMEWHERE among the post-austerity, pre-Brexit economic uncertainty, there is a chance for the Midlands to make great strides forward.

George Osborne's move out of Downing Street has weakened the Northern Powerhouse and the Government seem to be keener

on ensuring the devolution agenda delivers benefits to all parts of the country and not just Manchester.

The Midlands could be accelerating its momentum at just the right time. The strength of its manufacturing base, the development of HS2, the increased partnerships across local authorities and across the east and west of the region are all providing fuel to drive the Midlands Engine forward.

TheBusinessDesk.com and EY have been working together to examine the Midlands Engine and what it needs to deliver.

This report includes the results from key questions answered by business leaders from across the region about their demands - identifying the gaps, priorities and benefits in order to map out the direction this hard-to-define concept needs to take.

Business does have its concerns. It doesn't want another short-lived programme that turns out to be an empty shell. It doesn't want another layer of bureaucracy. And it doesn't want an idea that does not get the financial backing that is needed to make it work.

But there is something about the Midlands Engine that feels different. The phrase is gaining traction, but more importantly there is a willingness to work together to make it succeed. Already a united front has been presented in China, as it will be next March at the annual international property exhibition MIPIM.

While politicians will always have one eye on artificial constituency boundaries, business leaders know that a win for one part of the Midlands can be shared by the whole region.

The macro-economic picture suggests a bumpy ride ahead, but that might just be beneficial. It is a time for action as the UK reshapes its trading relationship with the world. The Midlands Engine can be at the heart of that change. ■

Alex Turner,
Editor, TheBusinessDesk.com

DEVOLUTION DEMANDS DELIVERY

LOTS OF AMBITION, BUT SOME WAY TO GO



Sara Fowler,
EY senior partner in the Midlands

THE government's ambition for the Midlands Engine to reach economic growth of £34billion by 2030 will no doubt bring excitement and huge economic benefits to the region, but also some uncertainty.

The West Midlands Combined Authority (WMCA) brings together seven urban councils and three local enterprise partnerships that represent four million people and an £80billion economy. The devolution deal will unlock an £8billion investment plan funded from a 30 year revenue stream which will mean that the West Midlands will get the power to make its own decisions on local investment priorities.

The Midlands Engine Devolution Survey was conducted to find out the views of executives across the East and West Midlands. We wanted to hear what devolution means to local businesses and what should be the region's focus areas.

It was interesting to see that almost 22% felt that more clarification is required on what the term 'Midlands Engine' actually means. Many suggesting that the breadth of the geographical areas and how the diverse areas within the Midlands Engine will benefit from investment need to be made clearer. 84% respondents said inward investment should be a top priority and almost

42% felt that much more is needed to help local businesses expand globally by promoting overseas trade. Yet the EY's Midlands Engine Attractiveness Survey indicates a 40% increase in the number of foreign direct investment projects in 2015.

The shortage of skills is not a new dilemma; the skills gap has been an issue for many years and more needs to be done to help bridge this. It's clear from the response to the survey that more emphasis should be placed on improving links between schools, universities and industry. 88% felt that Infrastructure requires focus and, in particular, roads is where 'urgent' improvement is needed.

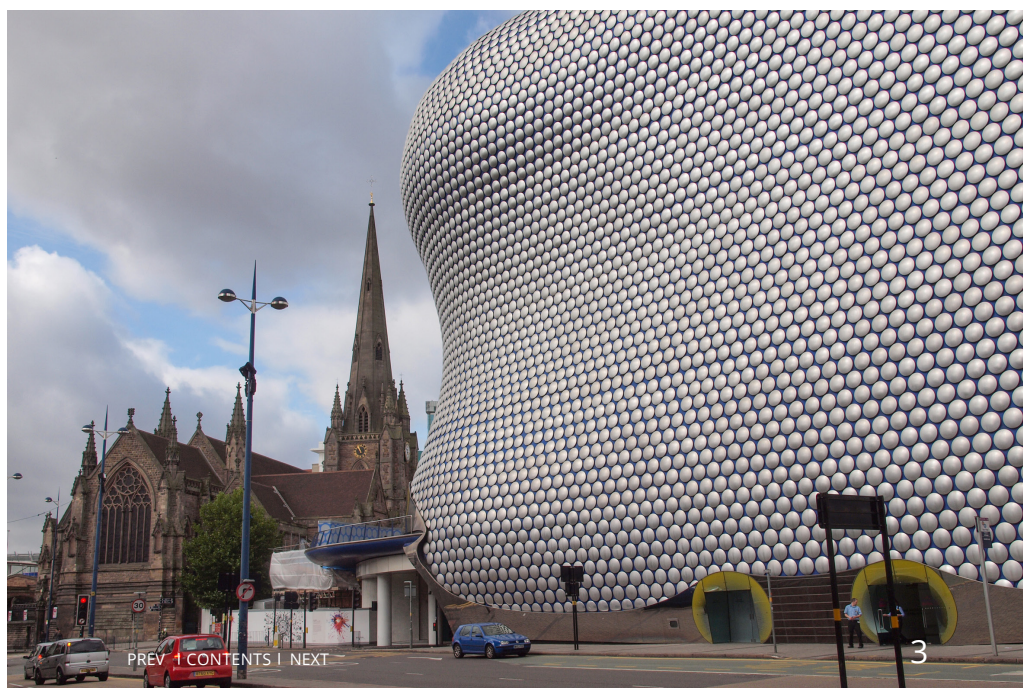
The survey suggests that engagement with the private sector is minimal and businesses should have a 'voice' and opportunity to be involved and shape strategic plans – not considered as an 'after-thought'.

It's also clear from the survey results that we have some way to go to ensure the structure of local authorities are streamlined and well-organised. The new authorities will have to prioritise focus areas and ensure the levels of power and integration between cities and towns is strong. For devolution to

work effectively, local authorities and government need to work with businesses to understand their needs and to truly set the Midlands region on a global stage.

With Brexit on the horizon, we are operating in a period of prolonged and uncertain change: to regulations, migration and trade, also to global social and geo-political factors. In such a landscape, it is necessary to emphasise that the Midlands Engine is not only open for business; it remains attractive, competitive and connected and Government and business should work together to ensure this continues.

The UK will continue to be an integral piece of the global jigsaw. New trade deals will provide access to key markets and create opportunities which will benefit UK businesses. EY is working around the world with businesses, government and industry bodies to help them answer their most challenging questions in order to shape a successful and prosperous future for the UK in the global economy. ■



OPPORTUNITIES AND CHALLENGES

TheBusinessDesk.com and EY hosted a round table discussion to bring together business leaders to discuss the opportunities the Midlands Engine can bring - and the challenges it faces.



Mark Gregory
EY chief economist

"What local authorities and planners struggle with is prioritisation – that's where business can help. Knowledgeable business, it doesn't have to be all business, but it has to be some people who can explain, if we want to drive productivity, and opportunity, we want to make the labour supply more effective, these are the things that will really do that.

"It's much better if business can be the voice for that rather than economists trying to build models that are driven by assumptions. There is a place for business to play."

Matthew Smith
head of the East Midlands office of JLL

"For whatever historical legacy reasons we don't play to our strengths. We have got to put the strongest potential team together.

"We are not just competing in a national arena for investment we are competing in an international arena for it. It might be a relatively modest scheme in the East Midlands but it could well be international money funding it and they are looking at the UK and Germany and wherever.

"The opportunity is all around that creating the brand the perception for those investors and playing the best individual locations."



Stuart Fisher
group finance director, Accord Group

"For too long Birmingham and the surrounding areas have been happy to be quite humble and apologetic, to be the poor relation while Liverpool and Bristol and Manchester really kicked on. It is time to step out of the shadows and I think the Midlands Engine is a really good vehicle to do it, not just for Birmingham but the wider Midlands.

"A new landscape to invent something that is different and exciting to what we have seen before. It is not just a reinvention of city challenges, for example, and things that have faltered and fell away in the past."



BUSINESS ENGAGEMENT

Getting the 5% to drive the Midlands Engine

Business engagement is crucial to its success, but not everyone needs to be involved

BUSINESS rarely speaks with one voice on any issue, but there is unanimity about the foundation stones of the Midlands Engine.

It can't be left to politicians to sort out and business can't wait to be invited around the table.

It is already more than a year since the then-Chancellor George Osborne visited the Midlands – naturally making visits to the East and West in fear of being seen to favour one over the other – to launch the Midlands Engine.

Basking in the glow of an unexpected General Election triumph, he sketched the outline of how the Government was going to create the counterweight to the Northern Powerhouse, which has a year's head start in the Chancellor's big devolution plan.

"Our plan to rebalance the whole of the UK economy involves making the Midlands an engine of growth," he told an audience in Derby.

"We will support its key strengths in

manufacturing, science and energy. We will make major investments to improve transport connections and improve skills. By creating jobs and allowing people to keep more of the money they earn, we will ensure the Midlands shares in a truly national recovery."

"OUR PLAN TO REBALANCE THE WHOLE OF THE UK ECONOMY INVOLVES MAKING THE MIDLANDS AN ENGINE OF GROWTH"

Fast forward little more than a year and Mr Osborne is out of 11 Downing Street, having followed his neighbour David Cameron out of office. But the Midlands Engine concept is only just starting to go through the low gears, as it looks to build momentum.

A week may be a long time in politics, but in economic regeneration terms it is barely a heartbeat.

Despite that there are already murmurings – currently only being expressed in private – asking "what has the Midlands Engine actually achieved?".



Sara Fowler
EY senior partner in the Midlands

But Sara Fowler, EY's senior partner in the Midlands and chair of the CBI, believes now is the time for business to take action.

She said: "I was struck by the potential lack of progress in terms of what the Midlands Engine is saying and doing.

"But at the same time it is quite easy to be critical to stand on the sidelines whereas it's incumbent on us as business leaders to really begin

to look at how we can contribute to this and ask what more can we add collectively.”

Engaging business is often difficult, especially when trying to mobilise support for a politically-led concept, but it is not something that improves with repetition.

“Business engagement has been tokenistic in some areas,” said Chris Hobson, director of policy at East Midlands Chamber of Commerce.”

“The trouble is if you try and engage businesses and you don’t do it meaningfully - or you do it when you’re too early to engage - you go back a second, a third, a fourth time and they are not going to be interested because they have businesses to run.”

This is not a Midlands-only problem, he added, with there being “no blueprint” for business engagement in devolution projects.



Ninder Johal

Nachural Group chief executive and board member of the Black Country LEP

He said: “It’s not happened anywhere

else. The Northern Powerhouse doesn’t have great business engagement, and I don’t think we should wait for Government to tell us ‘these are the structures, this is the blueprint’ for how business should be engaged.

“We should perhaps as a group of businesses and business leaders be taking it upon ourselves to come forward with structures that go beyond just the Local Enterprise Partnerships. Not that they are not an important player in this but they’re certainly not representative.”

Local Enterprise Partnerships (LEPs), which replaced the regional development agencies in the bonfire of the quangos that followed the 2010 General Election, have had mixed success, with many struggling to establish genuine public-private partnerships that were originally envisaged.

But Ninder Johal, chief executive of Nachural Group and a board member on the Black Country LEP believes the problem goes much further.

“95% of businesses are disengaged,” he said. “95% of businesses don’t belong to the FSB [Federation of Small Businesses], the IoD [Institute of Directors], the Chamber of Commerce, the CBI. You could argue maybe we are engaging with the right 5%. But I can tell you the guy who runs a little workshop on a little industrial estate doesn’t even care.”

However, Marketing Derby’s chief

executive John Forkin doesn’t believe that’s the crux of the problem.

He said: “Is it important for the guy who runs a little tooling company on the back streets of Stoke or Derby or Birmingham to understand the Midlands Engine? No, it’s not, because you’re going to spend all of your life trying to converse with these guys.

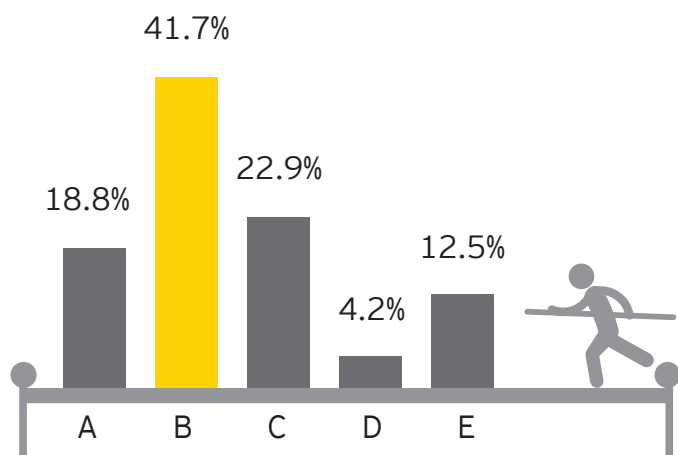
“They are not interested and they are adults, they are educated, it they want to get involved, they’ll get involved. There are mechanisms for them to do that.”

His view was echoed by Andy Pearson, chief executive of Midland Expressway, the company which runs the M6 Toll road, who argued that business will get involved and become engaged when there is something in it for them.

“Why are Rolls-Royce engaged up in the East Midlands? Because they are employing 15,000 people. Why would Jaguar Land Rover be engaged in the West Midlands? Because they are a huge employer. You don’t need to get them to be engaged, they’ll engage when it matters.

“There has to be a very good, clear reason to get involved, and if that’s about them developing skills, that’s fabulous. That’s the real issue for the Midlands Engine, it’s the issue for the mayor. If businesses can make a difference, then they will get engaged.” ■

DOES THE REGION HAVE A ROBUST AND BALANCED ECONOMY?



- A Yes
- B More emphasis should be placed on the manufacturing sector
- C More emphasis should be placed on the service sector
- D More help should be given to social enterprises
- E Don’t have view

SUCCESSFUL BUSINESS ENGAGEMENT ADDS UP TO INFINITY

A BUSINESS park with Enterprise Zone status is leading the way on how business can help shape regional economic development.

Infinity Park Derby is a 100-acre development to the south of the city that is intended to create thousands of jobs in the high-tech sector. It is located next to the world headquarters of Rolls-Royce Civil Aerospace and close to key manufacturing sites, including Toyota, Bombardier and JCB.

It was officially launched in July and the IHub welcomed its first tenants shortly afterwards. It will also be home to the £11.8m Centre for Supply Chain Innovation in Transport Engineering, a collaboration between Universities to provide access to cutting edge research and technology transfer to supply chain companies in the aerospace, automotive and rail sectors.

The park is a joint venture between Derby City Council, the Harpur Crewe Estate, Rolls-Royce and developers Cedar House, Wilson Bowden and Peveril Securities.

Marketing Derby's John Forkin highlighted the network of companies and organisations which have worked together to create tangible outputs.

"In Derby we have the Derby Renaissance Board, which effectively holds the ring for the economic development of the Greater Derby area," he said. "Sitting on that is Rolls-Royce, Bombardier, Toyota, the big employers, the city leadership, the university, and so on.

"One of the products that came out of that is an example of a public-private partnership which is Infinity Park Derby.

"That then acts as a lobby, and through the Renaissance board we had a meeting with the Transport Secretary a couple of weeks ago, for the types of infrastructure investments that are required to open it up further in terms of employment land and housing.

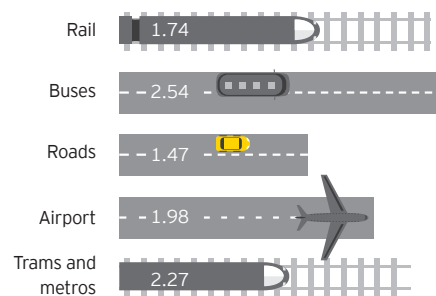
"We are going to get a new roundabout on to the A50, south of Derby. To me that's an example of when it's working right.

"Businesses like Rolls-Royce have access to Government that we simply don't have, so if they are engaged - and it doesn't have to be on committees and structures, but if they are engaged in the strategy, and helping shape the strategy - then they have got the ear of Government and can get to Government where local government or the mayor or whoever can't get.

"If you are joining up your message, and identifying your priorities, then at a local level thing can happen." ■

WHICH MIDLANDS TRANSPORT SECTORS ARE IN MOST NEED OF IMPROVEMENT?

- 1 Urgent improvements required
- 2 Some improvements required
- 3 Review at a later stage
- 4 Of least importance
- 5 OK as it is



OPPORTUNITIES AND CHALLENGES



Paul Brown

EY director, Government and Public Sector

"It's all about delivery for me. I see lots of people involved with the various strategy documents, we've got SEPs [Strategic Economic Plans], we've got super-SEPs, and we have got the Midlands Engine document.

"Now we are in the position where we need project managers and project directors to deliver on this. Otherwise we'll end up with nice discussions, we've got some great glossy documents, but now is the time for delivery."

"We need some wins. The best way to get the Midlands Engine name out there is to show that it is making a difference. We need to deliver outcomes that actually demonstrate that the Midlands Engine has done something that is different above and beyond what could have been achieved by individual organisations, that's the key."

Chris Hobson

director of policy at East Midlands Chamber of Commerce

"One of the other challenges across the area is about strong leadership. I think the public sector leaders across the whole area, there are a number of them and they need to join together and pull together effectively.

"We also need strong business leaders and the challenge for me as someone who comes from the business community and others in the business community is to make sure we are putting forward those strong business leaders. I think we have two or three very good, strong, high profile individuals but I think when you go past the initial usual suspects...we've got great businesses, but the individuals we have to start to scrape around."



Andy Pearson

chief executive of Midland Expressway

"What local authorities and planners struggle with is prioritisation – that's where business can help. Knowledgeable business, it doesn't have to be all business, but it has to be some people who can explain, if we want to drive productivity, and opportunity, we want to make the labour supply more effective, these are the things that will really do that.

"It's much better if business can be the voice for that rather than economists trying to build models that are driven by assumptions. There is a place for business to play."

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Building a better
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EFFECT OF DEVOLUTION

Finding an answer to Henry Kissinger's question

Devolution to mayors could be a double-edged sword for Midlands Engine

AMERICAN politician Henry Kissinger famously once said "Who do I call if I want to call Europe?".

No matter that there is no evidence that he ever actually uttered the phrase, the point remained – who could America's leaders speak to when they wanted to resolve an issue that affected Europe.

The UK's cities and regions must also answer that question, for the calls that are wanting to be made in Westminster and Whitehall and by potential investors from around the world. It is particularly pressing in those areas which don't overlap with the boundaries of the elected mayors who will be dotted across the North and Midlands from next May.

It is a question that Manchester has long had a clear answer to. Sir Howard Bernstein became Manchester City Council's chief executive in 1998 and formed a partnership with Sir Richard Leese, who by that stage had been the political leader of the council for two years. Over the last two decades the duo have become the envy of just

about every other regional city in the country, who have longed for the united front and success they have delivered.

"There is a go-to person in Manchester," said EY's chief economist Mark Gregory. "If business have a problem in Manchester they will go and see Howard.

"He generally will fix it and that really is appreciated. I would say, differentiate Manchester from the Northern Powerhouse, that there is definitely something there."

"IT'S IN THE INTEREST OF THE COMBINED AUTHORITY TO MAKE THE WHOLE MIDLANDS REGION WORK."

The West Midlands will soon have their own "go-to person", with the Labour politician Sion Simon and former John Lewis managing director and Conservative candidate Andy Street expected to be the front

runners in next May's election.

But that adds more confusion rather than less when it comes to the Midlands Engine.



Paul Brown

EY director, Government and Public Sector

"If we take the West Midlands Combined Authority, it will be owned by the mayor," said Nachural Group chief executive Ninder Johal. "Who will own Midlands Engine, who's the person you go to? Otherwise it will just be a concept that no-one can actually grab at it."

Paul Brown, EY's government and public sector director in the Midlands, said: "The West Midlands Combined Authority is likely to take

priority over the Midlands Engine going forward. It is possible that the broader Midlands Engine may serve as a distraction to devolution in the West Midlands. Ideally you manage both going forward."

He added: "The West Midlands will have its own challenges with the introduction of a mayor as part of devolution, but it also has a pivotal role with the all-important challenge of the Midlands Engine. It is in the interest of the Combined Authority to make the whole Midlands region work."

"Eventually you might start seeing some additional devolution deals come along to the East Midlands, when perhaps the local authorities do find common ground to work together on.. But as it stands it is likely that there will more focus on the West Midlands because of the implementation of the devolution deal and introduction of a mayor whereas there will not be a mayor, as things stand, in the East Midlands. I think this could be the issue - you could possibly see some tension of one versus the other still."

Sir John Peace was appointed chairman of the Midlands Engine in June, replacing the interim chairman David Frost. He will have the job of trying to produce the unified approach across east and west that is required,

Sir John, who is also chairman of Standard Chartered and Burberry, said he wanted to make "this very exciting vision become a reality" with a target of creating 300,000 jobs and generating £34bn of

economic activity by 2030.

That can only be achieved by making tough decisions that are for the benefit of the entire region, though some parts of it may bear a greater burden of the impact of the work.

Mr Gregory said: "The purpose of the Midlands Engine is this joined-up view starting from what sectors are prominent in the region and what infrastructure drives those sectors."

"For example, the more manufacturing there is, I would argue the more that roads are important."

The UK's biggest planned infrastructure project, HS2, is scheduled to be completed as far as Birmingham in 2026, although the East Midlands is only expected to get its first trains four years after that.

Already the planning for the disruption it will cause has begun.

Andy Pearson of Midland Expressway said: "We are engaged with Transport for the West Midlands looking at things like HS2 and the impact on the region and how we can work together to minimise the impact. There will be an impact - a negative impact in spades when the construction is underway - and that will bring problems. So how do we think about that now?"

"A mayor and the executive decision-making which is best for the region is crucially important."

"There's a huge amount of work

going to go on at junction 6 of the M42 that's part of HS2. Good luck with that, is what I say, it's one of the busiest junctions in the country and it's going to be completely remodelled.

"If we don't have some serious thinking about how the hell that's going to happen without bringing the airport, the train station, the NEC and the surroundings to its knees - it's just not going to do itself. Having a good look at how we do it, and how we manage it, is crucially important."

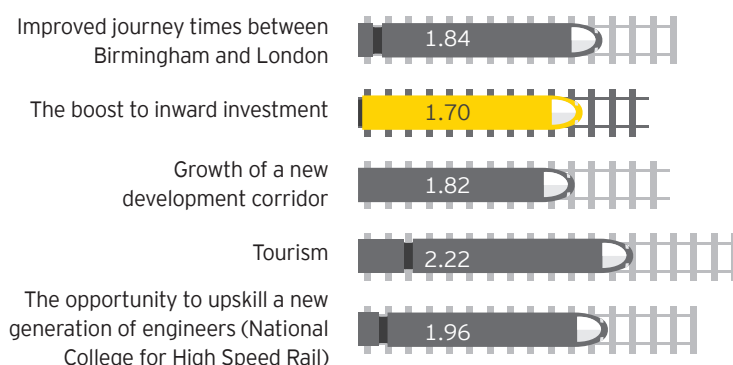
While the region can sometimes struggle because of its lack of leadership, it can also be hampered by the power to veto schemes that is held by small areas, when nimbyism trumps regional need.

Matthew Smith, the East Midlands office head of property firm JLL, said: "As a region we don't have sufficient employment land to facilitate all this growth we are all trying to generate, whether it's city centre offices or for manufacturing, distribution and logistics."

"A lot of that is down to the parochial, political arenas of districts and city councils which determine where the growth will be."

"I have been involved in lots of projects where that local agenda is holding a location back and the bottom line is the investors and occupiers don't see those local boundaries yet they are impacted by them. Stronger, single leadership in the regions takes away those boundaries."

WHAT DO YOU SEE AS THE MOST IMPORTANT BENEFITS TO THE REGION OF HS2?



1= Of most benefit

2=Of some benefit

3=Of no benefit

4=Don't have a view



THE VIEW FROM THE EAST

The East Midlands can be viewed as the West Midlands' little brother, lacking the big city and the profile that Birmingham brings.

BUT for many businesses and business leaders in Derby, Nottingham, Leicester and elsewhere in the region, the benefits of being associated with the country's second city outweighs the downsides of being seen to be in its shadow.

"We are quite happy for the Midlands to be seen as a sort-of trans-region with a capital city which is Birmingham, with an almost hub and spoke model where you have cities with their specialisms," said John Forkin, of Marketing Derby.

"In Derby it is advanced manufacturing, because of aerospace, nuclear and rail, because that's what we have got, in Nottingham it might be biomedical. I'm quite happy with that, it doesn't mean that every advanced manufacturing company has to come to Derby, some can go to Nottingham or Wolverhampton, it doesn't really matter. But it's just knowing what they stand for."

Chris Hobson, director of policy and external affairs at East Midlands

Chamber of Commerce, agreed. He said: "For a long time in the East Midlands we have been talking about how do we have an identity on the largest scale and I am getting to the point with that is the wrong question to be asking.

"It is not about identity because sometimes it can be impossible to have a joint identity over an area. What it is about is joining up the economic assets across the whole area, of which we have an abundance of major economic assets."

"WHAT IT IS ABOUT IS JOINING UP THE ECONOMIC ASSETS ACROSS THE WHOLE AREA, OF WHICH WE HAVE AN ABUNDANCE OF MAJOR ECONOMIC ASSETS."

Already the Midlands Engine is being used as the brand internationally. In November, a

Midlands Engine delegation went to China for a major conference and twin city visits – "when we're in the city where we have economic relations, we're Derby and Derbyshire, but when we go to Shanghai we are Midlands Engine", said Mr Forkin – where the strengths of the region as a whole will be presented.

That trip will be followed by MIPIM 2017, the annual international property exhibition held in Cannes, France, each March, where the Midlands Engine will be putting on a united show in one pavilion.

Mr Forkin added: "The government didn't ask us to do that, we have decided to do that anyway. That will give a very strong message to investors to international investors in particular – and we are right next to the London Pavilion – so there is the opportunity around identity.

"There is an opportunity that if they give us the identity of Midlands and Midlands Engine to use it to our own ends." ■

OPPORTUNITIES AND CHALLENGES



Ninder Johal

Nachural Group chief executive and board member of the Black Country LEP

"What would be positive for the Midlands Engine? Critical mass. In other words we have a region that people can recognise and understand what it is for, so scale matters.

"Challenge? Relevance. Most businesses, certainly most of the electorate, have never understood the term LEP or West Midlands Combined Authority. So what they will make of the Midlands Engine is something else. Communication which explains the relevance of the Midlands Engine is the biggest challenge if they want people to be on side."

John Forkin

managing director, Marketing Derby

"I don't think there is such thing as a Midlands Engine at the moment, there might be two or three of them. So you have got the Government initiative, who are very controlling about what they want to happen and not to happen. Almost in parallel, you have got a local authority and LEP-led one, which sometimes appears unified, who probably want something different. And there may be a third one emerging on the wings, which is more of a business-led one, who want something different again.

"If the Midlands Engine is to mean anything and achieve anything, it can't be left to the local authorities and the quangos. Businesses must be engaged in a way they are not engaged generally in LEPs."



Sara Fowler

EY senior partner in the Midlands

"The biggest opportunity is to re-base the West Midlands in terms of it being an apology for being an area of economic activity to being a centre that is really proud to be driving economic activity...being at the heart of industrial revolution in the new digital era.

"The challenge will be bringing together very disparate parts of not only the region but also the sectors and interests and actually finding a way for business to purposely engage with the authorities the bodies behind both the West Midlands Combined Authority and the Midlands Engine."

POLITICAL WINDS OF CHANGE COULD POWER MIDLANDS ENGINE

Business leaders are looking for the new Government to deliver “the Heineken effect”

THERE was a pamphlet published in 2012 about one of Birmingham's most important political figures called Our Joe about Joseph Chamberlain.

Winston Churchill described the late 19th-century Liberal Unionist politician, and mayor of Birmingham, as “the one who made the weather”.

The pamphlet's author, Birmingham-born Nick Timothy worked as a political adviser when he wrote it before going to run an education body. Earlier this year he returned to politics to once again advise the same Tory MP. Only now his official title is joint chief of staff to the Prime Minister. The well-connected political website Conservative Home has given him the unofficial title of Theresa May's “thinker-in-chief”.

After feeling left behind by Cheshire MP and Chancellor George Osborne's passion for the Northern Powerhouse, the political winds of change that swept through Downing Street in the summer could now help to power the Midlands Engine.

Marketing Derby's John Forkin senses a change has already occurred, with the Northern Powerhouse weaker without its political sponsor, but is hesitant that the opportunity will just land in the Midlands' lap.

“I think the Northern Powerhouse has probably had its day, to a certain extent, because it was the love-child of George Osborne, and it was really about Manchester,” he said.

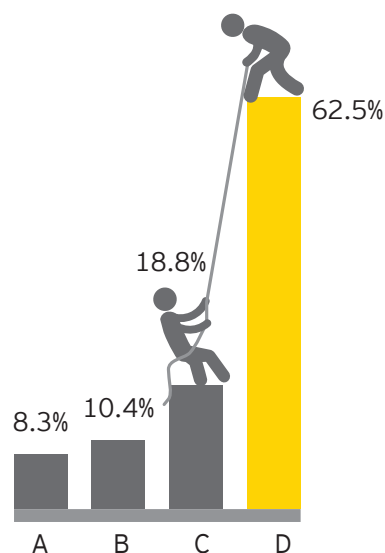
“I'm not the first person to say this, but driving out of London I saw the infamous sign ‘The North/M1’. The Midlands doesn't exist. It actually does appear somewhere just before Northampton, the first sign which says Midlands. In a sense that anecdote illustrates the problem.

“Almost fundamental to what we need to do around here is – and it may be simple to say but difficult to do – is just get in on the political radar.”

The first test of that will come when Mr Osborne's replacement at the Treasury, Philip Hammond, delivers his first Autumn Statement.

IS THERE ENOUGH SUPPORT AVAILABLE TO BUSINESS IN REGION?

- A No, firms are really struggling
- B Yes
- C Don't have view
- D More support would be welcome - especially given the demise of Growth Accelerator and the Manufacturing Advisory Service



Black Country LEP board member Ninder Johal said: “It's so galling each time there's an Autumn Statement, or a Budget statement, they'll mention the Northern Powerhouse, they will never mention anything in this neck of the woods.

“I was at the LEP network recently and the itinerary was drawn up and they said ‘we have the minister of this, and the minister of that, and they want to meet all of the LEPs in the Northern Powerhouse and the rest of you, goodbye.’”

Mr Forkin will be keeping his ears pricked for a significant sign that the Midlands star is in the ascendancy.

“The Autumn Statement should have some Midlands Engine-badged cash and it might be £100m fund or a £1bn fund for SME growth in the Midlands,” he said.

“The most successful fund we have had in the city of Derby came out of Regional Growth Funding and it was called the DEGF - the Derby Enterprise Growth Fund - it was £20m, it's a revolving fund and essentially it's soft loans into businesses, SMEs, who are looking to grow.

“It's probably retreaded once or twice already and if you are talking to an SME in Derby and they are aware of that, they'll say ‘that was great because that allowed me to take the decision to move into new premises’, or they took the decision to grow the company.

“It's that Heineken effect - so something that comes out on November 23, a couple of things that have Midlands Engine written on the top of it. Then you start to answer, because people start to see the benefits straight away. That is short term stuff but it is important.” ■

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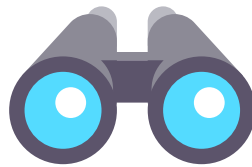
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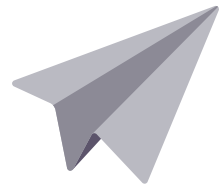
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