



Sir John Peace – Chairman, Midlands Engine

## Levelling up isn't the process, it's the prize

# INSIGHTS

Since the 2019 General Election, levelling up has been offered as a solution for everything, from providing more jobs in our automotive industry to reimagining the function of our local high streets. However, the vast majority of the discussion around levelling up is missing a crucial element – levelling up is not in itself a political process or solution; it is the desired economic outcome and impact on society. And if levelling up is what we're aiming for, then the question remains how do we get there?

I believe the answer is collaboration. Many of the challenges that are at present impeding economic growth and inward investment in our region – from lack of adequate transport to energy security – can only be solved by bringing together dynamic voices and ideas from across industry, academia and local government. Only by connecting the dots through real, proactive collaboration can we deliver on the promise of levelling up – a fairer, more balanced society in terms of demography and geography for the eleven million people in our region, and indeed across the country.

Coming from Nottinghamshire, I'm a proud Midlander. Throughout my business career spanning fifty years and multiple sectors, and now in my role as Chairman of the Midlands Engine Partnership and Midlands Connect, I've seen first-hand the transformative effect true collaboration is already having in our communities. And I also understand just how much more is possible. There are so many opportunities to drive inclusive economic growth and a wealth of talent to make that happen, if the necessary equitable conditions can be established.

One of the most fertile sectors for collaborative opportunities is green growth. The Midlands Engine Partnership has a clear focus on the green growth agenda and supporting businesses to take advantage of these opportunities that are so crucial to boosting our regional economy. Central to this is optimising the region's supply chains and getting more freight off our roads and onto our railways. **80% of all freight in the UK travels through the Midlands** – shifting this onto rail will cut emissions, reduce road congestion, and provide a more efficient gateway for businesses to access the wider world.

*Collaborating to realise the potential of green energy would also help our region take a huge step towards the goal of levelling up.*

In the wake of price rises and the conflict in Ukraine, energy security is a key issue for businesses across the country, particularly in the Midlands as a central manufacturing hub. Investing in low carbon energy will not only reduce energy bills for businesses and consumers but open up opportunities for business innovation and global exports.

Midlands Engine partners from across our region are already responding with speed and purpose in this arena, establishing an ambitious **Ten Point Plan for Green Growth in 2021** and co-authoring a unified **Hydrogen Technologies Strategy in 2022**. And this concerted approach can be seen to be helping deliver tangible progress, such as the decision to site the UK Atomic Energy Authority (UKAEA)'s pioneering prototype

fusion power station at West Burton. In Birmingham, Transport for West Midlands recently succeeded in acquiring **ZEBRA funding** for a further **124 hydrogen buses to come on line in 2024**, adding to an **existing fleet of 20**, making the city home to **Western Europe's largest hydrogen bus fleet**.

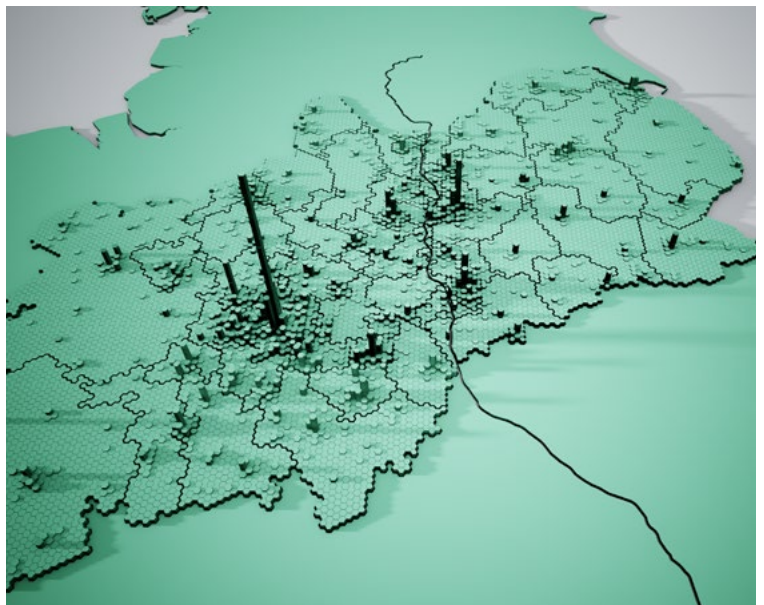
Our region has also seen the **UK's first hydrogen-powered train developed by the University of Birmingham** in collaboration with **Porterbrook** as part of the **HydroFLEX project**.

Of course, large-scale collaboration in industries such as energy and transport is not possible without investment. In 2022, the Midlands Engine Partnership was part of a large-scale collaborative effort to quite literally put the region's investment opportunities on the map. Thanks to the work of local and combined authorities, local enterprise partnerships, investment promotion agencies and the UK Government, the exceptional breadth of our region's investment potential is now showcased in one place, the Midlands Investment Portfolio. The online portal focuses on our core sector strengths of **health and life sciences, energy, transport and future mobility, cyber and data science, materials and products, and agri-food**. Taken together, these opportunities could support or create a staggering **220,000 jobs** and deliver more than **£33bn in Gross Development Value**.

Another essential piece of the puzzle if we are to reach achieve the goal of levelling up is addressing the skills shortage.



HydroFLEX project



Midlands Map



In a recent survey by Deloitte, 41% of businesses identified attracting and competing for talent as a key priority for the future. In the Midlands, the latest State of the Region report found that the most sought-after specialised skills across our region are primarily found in three sectors: business and professional services, the health and social care sector, and transport and logistics. Reflecting this demand, the biggest skills gaps are around warehousing, nursing and mental health and digital programming skills.



# INSIGHTS

Anyone who spends any time really talking and listening to businesses and educational institutions in the Midlands – and beyond – knows that they're already taking an innovative approach to tackling the skills shortage and preparing the workforce for the jobs of the future. In Dudley, the Black Country and Marches Institute of Technology – built as one of only 12 Institutes of Technology nationally – is proving the power of employer-led collaborative education and training with clear pathways to skilled jobs. Its future-focused higher-level technical programmes and apprenticeships prepare students for today's and tomorrow's careers in advanced engineering, modern methods of construction, medical engineering and healthcare, and digital technologies.

In Newark, the Air and Space Institute, which provides a world-class platform for aspiring

aviation students and workers focused on filling real-world job roles, is a standout example of the kind of targeted skills training that can be achieved through true cross-sector co-design and collaboration. But the truth is, not all businesses have the resources to invest in programmes of this scale. If this kind of innovation is to underpin substantial growth in the business sector, the Government must incentivise and support companies to invest in training.

A huge step towards levelling up could also be taken by opening up opportunities for the hidden workforce of people who want to work, who can work, but who are facing barriers to the workplace. At the time of the most recent data, the disabled employment rate in our region is 54.4%, while the non-disabled employment rate is 80.3%. That's a disability employment gap of 25.9 percentage points.

**MIDLANDS  
ENGINE**  
**OBSERVATORY**



The **flagship Portland College**, delivering empowering programmes from its specialist college in Mansfield and the West Midlands Combined Authority's Equity and Inclusion Scheme, is an example of the excellent work already underway in the Midlands to support people with disabilities to get into secure employment.

*But imagine the transformative effect on people's lives if more businesses were enabled to reduce the barriers to work.*

Imagine the benefit to our communities. Imagine the benefit to our businesses – not only those facing serious skills shortages – from gaining access to a passionate, resourceful workforce willing to do as much as they can to succeed.

What we stand to gain if we work to, and are enabled to, collaborate effectively demonstrates why the prize of levelling up is worth striving for. We could live in a Midlands where people in Sutton-in-Ashfield can expect to live as long as those living in London, instead of having an average life expectancy ten years lower. Where students graduating from our universities – some of the best in the country – find meaningful, well-paid employment and an attractive place to build their life right here in the region where they gained their qualifications. Where businesses

thrive and become even greater hubs for innovation, trade and export than they already are.

I am hopeful that the upcoming **Midlands Economic Summit** in June will provide the perfect opportunity to build on existing collaboration and demonstrate the effectiveness of our **pan-regional partnership**. It's a chance for us to showcase the willingness of business in the Midlands to work together. And to fully recognise what is possible when we do.

We do need to achieve a levelled-up country, but first, we must shift our thinking from seeing levelling up as the solution in itself, to seeing it as the end goal. Actions need to be taken to achieve it. **Only by working together, attracting investment and addressing our skills shortage can we drive the economic growth necessary to successfully level up our communities and provide opportunities for people across the UK.** ▲

**Sir John Peace**  
**Chairman, Midlands Engine**