Rebecca Riley
Business Development Director

@CityREDI
@RileyResearch
#analystFEST
Welcome!

9.35  The Combined Authority and the role of data, research and intelligence
      Martin Reeves

9.50  Political mandate, public policy and data and analysis - Tony Bray

10.15 Evidence supporting WMCA Strategic Economic Plan - Delma Dwight

10.30 Panel Q&A on research demand

10.45 Coffee break

11.00 Meet the research project session 1

11.45 Lunch and networking

12.45 Meet the research project session 2

13.30 How the universities are supporting decision making in the West Midlands
      Richard Kenny

13.45 LARIA – promoting collaboration - Andy Davis

14.00 Team West Midlands – the research capacity across the region - Andy Baker

14.15 Panel Q&A on research supply

14.30 First steps to collaboration – getting Data Ducks in a row - Rebecca Riley

14.45 Closing remarks – Simon Collinson
AnalystFEST Event Programme

Tuesday 24 January 2017

Dr Martin Reeves
Chief Executive, Coventry City Council
Chief Executive, WMCA
Political mandate, public policy and data and analysis

AnalystFest: Tuesday 24th Jan 2017, Birmingham

Tony Bray
Area Director – West Midlands, Cities and Local Growth Unit
Department for Communities and Local Government and Department for Business, Energy and Industrial Strategy
What will I say...

- Context – a changing world?
- A public policy framework
- Analysis making a difference – some case studies
- Wrap up
A public policy framework

**LEGITIMACY**
Political mandate based on public confidence.
Counter views can be ignored or managed by stakeholder engagement.
How much ‘political capital’ is a policy worth?

**POLICY**
Legitimate policy clearly links to the political mandate.
Evidence informs choices – rarely just one way of doing something.
And evidence informs how to implement a policy.

**ACTION**
Delivery is king
Political mandate, policy and analysis

**POLITICAL MANDATE**
Provides headline legitimacy for policy intent
Constantly tested by opposition views, media and public
Balance between political philosophy, complexity of delivery and other priorities

**POLICY**
Converting policy intent into firm, agreed and adopted policies
Evidence and analysis is critical.

**ACTION**
Performance management critical to demonstrating impact.
Benefits and value for money.
Lessons learned – evaluation.

Source: ONS
**Policy intent 2010: Abolish Regional Development Agencies** – develop a more localist solution. Subsequently further deepened through devolution deals.

**Analytical approach:** Choice: devote a lot of resource to thinking about functional economic areas or establish principles based on evaluation

- **The importance of developing a local strategy rather than rushing to specific interventions:** City Challenge Fund evaluation underlined the need to develop a clear, robust and realistic strategy that targets local needs. Then easier to make difficult decisions on prioritising limited resources. **Early focus on Strategic Economic Plans.**

- **Organising at the appropriate spatial scale:** Growing evidence that local growth institutions reflect real economic geography (Functional Economic Areas). The latest economic evidence suggests growth penalty c.5-6% for each doubling in the number of administrative units in a city region. **This is one of the key rationales for LEPs and MCAs.**

- **The value of co-ordinating efforts:** Factors found to make good partnerships work in the SRB context included the need to avoid ‘arranged marriages’ no matter how convenient and instead building on what already exists. **Bottom-up approach to LEP partnerships.**

- **Clear accountability and incentives:** Multiple evaluations highlight being clear who does what and the tools they have leads to successful delivery and impacts. **Develop role of LEPs, with MCAs where areas choose.**

- **The importance of better monitoring and evaluation at the right time:** The evidence shows that many ineffectual schemes have been recycled and rebranded through a revolving door of area-based initiatives. **Established the What Works Centre and the Gainshare evaluation panel.**

**We continue to work very closely with analysts and academic experts as we develop our policy.**
Case study: Delivering more homes

- **Policy intent 2016**: Increase scale and pace of house building to increase supply, mix of tenures and improve affordability.

- **Analytical approach**: What are the barriers to investment and how could it be incentivised?

  - Three primary barriers to commercial viability:
    - prohibitive up front costs (land acquisition, remediation etc.);
    - uncertainty over long-term income generation;
    - and a lack of ability to capture wider value (e.g. from proximate land price growth).

  - Existing funding tools (e.g. CIL, Gainshare, New Homes Bonus, Local Growth Fund) have individual merits but are difficult to align locally around strategic infrastructure priorities and to present as a compelling offer to investors, and so are less than the sum of their parts.

  - Value uplift created through larger-scale site-enabling infrastructure is not captured by those paying for it, meaning sites that offer development potential but require expensive up front infrastructure investment cannot be unlocked.

  - Local leadership and capability is a critical enabler to identify strategic infrastructure projects and unlock sites and schemes. Local areas are not sufficiently incentivised or equipped with the tools or capabilities to realise these opportunities.

  - Investors care about place and will act differently depending on local conditions. Using intelligence from major investors we can categorise local market conditions. This analysis should be the starting point for efforts to drive local infrastructure investment.

*Source: DCLG*
Investability

Index of Local Market Performance Using Private Investor ‘Investability’ Criteria

What private investors look for in a local market

Major investors shared their criteria for ‘area investability’ with us. We used 12 metrics to create an index covering market demand, the potential for land value uplift and the likelihood of planning approval.

We used this analysis to derive 3 primary market typologies (these are intended to be illustrative rather than conclusive about which intervention is needed in which place).

1. Strong market conditions

Characterised by: High land value and value uplift as well as strong, relatively certain demand. Private sector investment heavily favours these market conditions. Strong possibilities to recoup public finance through uplift and income generation.

2. Mid market conditions

Characterised by: Lower land values and uplift with variable demand. Private sector investment is project specific due to reduced certainty. Opportunities to recoup public investment since viability gap can be marginal.

3. Weak market conditions

Characterised by: Low land values and uplift with weak local demand. Little private sector investment with the greatest uncertainty in long-term demand.

Who we interviewed

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Tees*
• **Autumn Statement 2016:** £2.3 Bn Housing Infrastructure Fund announced

• “We will focus local infrastructure investment to unlock land for housing with a new £2.3bn Housing Infrastructure Fund to deliver infrastructure for up to 100,000 new homes in areas of high demand”

• Funding to local authorities – projects must demonstrate strong VFM

• Wide definition of infrastructure

• Place-based approach – HIF on its own will not be the solution (local leadership and capacity, planning, public land, alignment of different funds, co-investment, portfolio/pipeline of projects etc.)
To wrap up...

Analysis remains central to good public policy

But, analysts inform, politicians decide

Need to be aware of ‘legitimacy’ – including public sentiment and behaviours

Analysis is central to turning policy intent into actual policies, which can be implemented and deliver impact

Good analysis is changing the way the Government works, especially central/local relationships

More collaboration/joint working between HMG and areas to promote better ‘local delivery’ policy
Tony Bray
Area Director – West Midlands, Cities and Local Growth Unit
Department for Communities and Local Government and
Department for Business, Energy and Industrial Strategy

tony.bray@beis.gov.uk
Evidence Supporting WMCA Strategic Economic Plan

Delma Dwight
Head of Intelligence
Black Country Economic Intelligence Unit
Black Country Consortium
Delma_Dwight@blackcountryconsortium.co.uk
## A Family of SEPs – Collective Ambitions

<table>
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<th>BCLEP SEP Ambitions</th>
<th>Economy+</th>
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<td>GVA £19bn</td>
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<td>JOBS 459k</td>
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<th>WMCAS SEP Ambitions</th>
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<td>+£75bn (+£7bn)</td>
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<td>Homes TBA</td>
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GVA per head – UK & WMCA Trend
Performance Management Framework
WMCA Performance Management Framework

Increasing GVA & Productivity
- Improve GVA per head in line with National Average by 2026 (KPI1)
- Double total GVA by 2030 (KPI2)

Raising Productivity and Eradicating the £14bn Output Gap

Growing WMCA Population 4m → 4.5m

Growing 132,000 Business Base – Innovation & Enterprise Growth (KPI3)

Increasing GVA & Productivity - Improve GVA per head in line with National Average by 2026 (KPI11)

Current GVA per Head

Raising Productivity and Eradicating the £14bn Output Gap
Double total GVA by 2030 (KPI12)

Reduce Health Inequalities and raise Healthy Life Expectancy (KPI19)

Healthy life expectancy will rise to:
- Ambition 62.3 years
- Current 61.5 Men, 62.3 Women

High Quality, Connected, Readily available development sites (KPI14)
- 1.9M Homes
- 1,600 ha Industrial Land
- 100% Premises with Superfast Broadband

40% Reduction in CO² by 2030 (KPI11)

By 2030 Reduction of 11,172 kilo tonnes CO²

Increase Incomes and Reducing Expenditure Reducing £3.9bn Fiscal Deficit (KPI10)
A Dynamic Economic Impact Model

- A best in class model to inform strategy delivery to maximise economic impact.
- A tool for proposition development to maximize economic impact.
- Tool to aid assessment of Outline Business Cases on the economic impact of the proposal.
## Business Competitiveness & Productivity (Economic Impact)

### Policy Aims

**To improve the productivity (as measured by Gross Value Added) of our businesses focusing on our growth sectors**

### Inputs / Activities

**Inputs**
- Resources (£x, people, staff and volunteers, estates, technology, policy levers, e.g. Tax / business rate incentives)

**Activities**
- Specific schemes to address 5 drivers of productivity (innovation, investment, skills, enterprise, competition) e.g. barriers to growth, shortages of skills, funding, infrastructure etc.
- Focus on SEP Growth Sectors
- Reduce administrative burdens / “red tape”
- Build on existing LEP programmes where appropriate, considering the ‘added value’
- Address competitive disadvantage of manufacturing businesses due to (for example) energy costs.
- Increased collaboration both public-private and private-private
- Innovation and R&D activities (link to Innovation Audit)
- Work with UKTI to encourage Foreign Direct Investment through information campaigns
- Clear links to the work of WMCA Productivity & Skills Commission

### Outputs

- Target number of businesses assisted
- Target number of businesses created
- Target number of new jobs created (by sector)
- Increase in FDI
- New technology and intellectual property developed
- New and lasting collaborations

### Outcomes

- Creating an environment in which businesses wish to invest
- Reduced barriers to growth for businesses
- Increased levels of research and development or innovation in business
- Increased employment rate in target growth sectors
- Increased levels of business growth
- Reduced energy and waste costs
- Increased exports
- Use of automation and technology in targeted, evidence based interventions to unlock economic growth

### Impacts

- Increase in GVA
- Increase in employment (esp in targeted sectors)
- Increased productivity resulting in increased public funds through tax revenue
- Improved survival rates of businesses
- A higher paid workforce

### Value of impacts / Metrics

- B1. Increase in GVA per worker
- B2. Increase GVA in Transformational sectors
- B4. Jobs in growth sectors (+307k by 2030)
- B5. Increase in total number of jobs (+505k by 2030)
- B6. Employment rate increase (to 80% by 2030)
- P3. Earnings increase
- B9. Increased number of business births (+2,825 births p.a. until 2030) and greater longevity of businesses
- F1. Reduce the fiscal deficit of £3.9bn

*Impact pathways developed by Black Country Consortium, in association with PwC*. 
Panel Q&A

Research demand in the region

Martin Reeves
Tony Bray
Delma Dwight
Coffee
Meet the Research Project

- Urban Living Birmingham – John Bryson
- City-REDI – Rebecca Riley
- USE-IT! – Charlotte Hoole
- SKillUP – Mariachiara Barzotto
- Dynamic Economic Impact Model (DEIM) – Manjit Galsinh
- Using evaluation to support local authority decision-making – George Bramley
Lunch
Meet the Research Project

- Urban Living Birmingham – John Bryson
- City-REDI – Rebecca Riley
- USE-IT! – Charlotte Hoole
- LARIA West Midlands – Andy Baker & Andy Davis
- The 21st Public Servant – Catherine Mangan
Richard Kenny

Interim Director of Partnerships (Universities)
West Midlands Combined Authority
Tel: 0121 414 9666
Mob: 07885 733 862
E-mail R.Kenny@Bham.ac.uk
@RichardKenny9
How are the universities supporting decision-making across the West Midlands

- Short answer somewhere between not at all and at the margins – the existing model
- And look how well we have been doing over recent years
- A new model - combined authorities and combined universities
- Why now is a once in a life time opportunity
- Breaking through and embedding
- How far can we go – science v complexity, geeks and sense-makers
- A new democratic legitimacy, draw-down, scale and place.
LARIA – Promoting Collaboration

Andy Davis, LARIA Treasurer

24th January 2017

www.laria.org.uk  @laria
40 Years of LARIA 1974-2014
About LARIA

- Our work improves lives and local areas through the use of local research, intelligence and policy.

- We promote continuous improvements in the quality and impact of local research and intelligence.

- By promoting high standards and excellence in research, analysis and insight we ensure maximum impact in the delivery of high quality public service.
We welcome local researchers from the following sectors to join as members:

- Local government
- Government departments and other national representative bodies
- Education and universities
- Fire & rescue authorities and services
- Freelance researchers
- Health and NHS
- Housing
- Police & Crime Commissioners and police forces
- Private companies
- Voluntary and community sector organisations
- Any other bodies engaged in local research
We want to create a supportive network of researchers.....

**Corporate:** *For just £80 a year everyone in your organisation gets our full range of membership benefits*

- **Full:** *Joining LARIA as an individual Full member for just £10 a year - sign up to the LARIA Charter and have voting rights for the LARIA council*

- **Associate:** *We depend on the subscriptions that our Full and Corporate members pay but if you just wish to stay in touch and receive invites to some LARIA networking events and subscribe to our newsletter you can register for free as an Associate member.*

Join now (you can do it online at [www.laria.org.uk](http://www.laria.org.uk))
Have you visited our website?  www.laria.org.uk

Knowledge Hub?  https://khub.net/web/lariagroup
Skills:
Intelligence
Business planning
Desk research
JSNA
Geodemographics
Financial modelling
Ethnography
Statistics
Consultation
Performance
Engagement
Market research
Predicting future demand
Stakeholder management
Question: Which, if any, of the following are barriers to your local authority making robust evidence based decisions?

Source: 97 SOLACE members who responded to the survey online between September and October 2012
Focus for research, intelligence & policy resources over next 12 months...

- Reducing costs in organisation
- Improving customer journey/delivering customer insight
- Service performance monitoring/managing
- Corporate and business/service level transformation
- Supporting integration of social care and health services
Most useful issues for professional bodies working in local research, intelligence and policy to focus on

- Convincing senior decision makers of the value of the work being done
- Encouraging partnership/collaborative working between organisations
- Delivering better sharing of data within and between local organisations, where appropriate
- Getting the most out of new and emerging technology
- Improving professional development/skills
Skills/Professional development; What do you want to improve most over next 12 months?

- Predictive modelling
- Customer insight/big data analysis
- Networking with other professionals in sector
- Statistical analysis
- Understanding the impact of new govt. policies
We keep our fees low through the work of volunteers. Do you want to join us?

Could you help us organise more free local networking events in the West Midlands? Could you write something for our website?

Could you join the LARIA Council and help set the agenda for the work we do? Do you represent an organisation that could work more closely with LARIA?

Meet us at our stand to find out more, or get in touch.
LARIA National Contacts:

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https://khub.net/web/lariagroup
Andy Baker
Insight Manager (Intelligence)
Andy.baker@coventry.gov.uk;
024 7683 2175
Local networks

Doing – Sharing - Developing
Common themes

Continual journey

Trust – Mutuality - Complexity
National links

Office for National Statistics

NHS Digital

Solace

Laria
Actions

- Visit [http://laria.org.uk/](http://laria.org.uk/) and see if your organisation is already a member

- Get West Midlands on the map – Enter LARIA Research Impact Awards

- Get in touch to help navigate the networks [andy.baker@coventry.gov.uk](mailto:andy.baker@coventry.gov.uk)
Panel Q&A

Research Supply in the region

Richard Kenny
Andy Davies
Andy Baker
Rebecca Riley
Business Development Director
CityREDI University of Birmingham

@CityREDI
@RileyResearch
#analystFEST
First steps to collaboration

Why?

1. Understanding policymakers aims and beliefs
2. Gain wider commitment to your research and explore cross boundary links
3. Understand which decisions are needed and when
4. Bring in other expertise when you need it
5. Ensure work is well timed and appropriate
6. Get others to invest time in the best outcome, when they are needed
7. Develop understanding to ensure a wide range of support for any decisions based on your research
8. Explore and accept alternative views
Opportunities

• Share, analyse and improve data
• Identify specialist academics to work with through the network
• Identify gaps and look for ways to fill them
• Collaborative funding bids to fulfil needs regionally
• Have a point of call for specific data themes
• Work with national partners to develop collaborations
First Steps to Collaboration

- Education & Skills
- Productivity
- Health & Social Care
- Housing
- Business
- Demography
- Productivity
- Transport
- Sustainability
Professor Simon Collinson
The Department of Strategy and International Business

Deputy Pro-Vice-Chancellor for Regional Economic Engagement
Director of the City-Region Economic Development Institute (City-REDI)
Professor of International Business and Innovation

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