

Podcast: Megatrends in the West Midlands- Urban responses to pandemics and economic shocks

Music followed by introduction by Rebecca Riley, Associate Professor at City-REDI and WMREDI, University of Birmingham:

Rebecca Riley:

Welcome to the Redi podcast. I'm Rebecca Riley, Associate Professor at City-REDI and WMREDI, University of Birmingham. In our first series of podcasts, we'll be looking at megatrends in the West Midlands. WMREDI has developed evidence examining the impacts of COVID 19 on the West Midlands region by producing economic impact monitors and a state of the region report with policy partners.

The WMCA commissioned further work to look at the megatrends identified in the state of the Region 2020 Report. This process has highlighted potential for the acceleration of existing trends by the COVID 19 crisis, culminating in new scenarios for future economic activity, life and places.

Some examples of megatrends we explored include business models and operations, work and training, future health and greenspaces local living, changing city centre business districts, just cities, Generational conflict, urban responses and economic shocks, future mobility and tactical urbanism.

There is a gap in policymakers understanding of whether these trends will continue altering the structure of society and businesses in the longer term. These podcasts and the larger program of work it's part of will help us explore selected trends and scenarios with policymakers locally and nationally in more depth, helping them formulate economic recovery policy, which takes account of these changes.

The scenarios identified could have significant economic consequences and scarring effects of vulnerable groups and places as a result of impacts on human, social, physical and natural capital. This research examines these impacts and trends, developing future scenarios in greater depth in order to identify, along with policymakers, those policies which may be more effective in restarting the economy, encouraging recovery, and creating long term renewal by encouraging positive trends and mitigating negative effects.

I hope you enjoy the series and for a more detailed look at megatrends, please download and read the associated provocations and report on the topic - Megatrends in the West Midlands.

More music followed by a discussion between Liam O'Farrell, a researcher at the University of Sheffield and Claire Spencer, senior program manager for Inclusive Growth, the West Midlands Combined Authority.

Liam O'Farrell:

Welcome to the City-REDI Podcast. In a series of podcasts, we'll be examining megatrends in the West Midlands megatrends on major movements, patterns or trends that have a transformative impact on business, economy, society, cultures and personal lives. This episode will be looking at

historical performance in the West Midlands. We'll be discussing key trends, impacts and opportunities for West Midlands cities only.

I'm Liam O'Farrell, a researcher at the University of Sheffield and today we'll be talking to Claire Spencer, Senior Program Manager for Inclusive Growth, the West Midlands Combined Authority. Claire, could you tell us a little bit about yourself?

Claire Spencer:

Sure thing. So, I've been working for the West Midlands Combined Authority since 2018 and my role is all about how we can embed the principles of inclusive growth into all of our policy and investment. And our definition of inclusive growth is an economy that delivers the same social and environmental outcomes that our citizens want and does that in a way which is thoughtful and redistributive by nature.

Liam O'Farrell

Okay, that's quite interesting because inclusive growth is a kind of term that gets thrown around a lot and hearing that you're embedding it in your policy. So, what does that mean in practice?

Claire Spencer:

So, we like to talk about it as being about the dark matter and the in the light sides of inclusive growth. So, the dark matter elements are all about, you know, there are ways that local authorities combined authorities, parts of public services, businesses, there are ways we make decisions about where resources do and do not go. So, City-REDI, for example, I know has done a lot of work on the Treasury Green Book.

That is a Bible of how resources do and don't go to places. So actually, looking at how we do project and program assurance, how we write our strategic documents, how we put papers through our Board, there are opportunities in all of these processes to think about the other types of value we can achieve through our investment investments and who we do those investments with.

So that's the dark matter. And then in the light, it's about how we work with our partners out there in the region, like local authorities, to test some of these things in practice. So, we've done quite a lot of work with Solihull with that investment into Kingshurst and a lot of work with Birmingham through the East Birmingham Board and its inclusive growth strategy.

So essentially trying to show that it is worth people's effort doing these things.

Liam O'Farrell:

Well, inequality across Birmingham, across the UK and across the world really has been increasing during especially during the pandemic. And we've seen that that economic inequality has a health dimension with the impacts of COVID disproportionately falling on poor people and members of minority groups and looking to the future, you know, we're looking at high inflation, the risk of possibly recession.

So, it seems like inclusive growth, it's important. But how do you feel that it's going to look in the future? Do you say that you're trying to get people on board with that? Do you feel that you're changing mindsets?

Claire Spencer:

Yeah. So, I think when we look at the impact of COVID 19 on all communities in Birmingham in the wider West Midlands, as you know, the jobs people do, poverty, low pay explains a really substantial amount about why certain communities have shoulder so much of the burden of COVID 19, including about how overrepresented some minorities groups are in professions that fall into that frontline key worker category, who also do tend to attract some of the lowest salaries as well.

Now, the fact that some minoritized communities are overrepresented is about more than poverty and absolutely is about prejudice and racism as well. And I think it's really important to name those things, not because I think it's important to dwell on it, but because I think it's part of addressing how it looks in the future.

So, if you look at our principles of inclusive growth, it's all about saying we need to create a city, we need to create a region in a world where people are able to work in concert to achieve a set of outcomes that benefit everybody. And that's both through work and the other efforts we put into life. You know, care is one that gets cited a lot.

It's massively important to how everything works, but it may not earn people a wage to do it. But I think in order to allow that to happen and to allow inclusive growth to flourish, there are some basics that need to be hit. So, I'm going to use one fundamental of inclusive growth as an example here. So, we've got one area that's called affordable and safe places.

It's all about we've got designing out homelessness as the headline outcome of that part of the framework. So if you are one of the three and a half thousand families we currently have in all region living in temporary accommodation in the combined authority area, so that might mean you're living in a B&B, that might mean that you're living in the Travelodge at Frankly Services you are not benefiting from economic activity in any substantive way and you're very unlikely to be contributing to it in any substantive way, particularly if you've also got children to look after to get to school, which is obviously really, really tough. If you have just been housed somewhere that is miles away from where your children are at school.

So, we absolutely know a supply of affordable, decent homes is absolutely critical to ensure that we don't have thousands of people. And that probably is around 11, 12,000 people in this region who are actually inhibited by the way that life is working through an under-supply of affordable homes. They are inhibited from contributing or benefiting from inclusive growth. And then thinking about the sort of public services that wrap around the availability of homes.

So again, picking on this same group of people as an example, a lot of those women and a lot of them are women and they are women from minoritized communities are overrepresented in that group again. You've got a situation where if we had the public service sufficiency to be able to prevent the domestic abuse that drives a lot of those women into temporary accommodation, we would be able to design out homelessness in a really meaningful way and we'd be able to avoid that disruption to the lives of those women, those children.

And again, that would be really good for the economy. Absolutely the right thing to do. But because public services are not where they should be. We are in a position where inclusive growth becomes less possible. So, there's that kind of blob of it. The other half I would point to and we can you can press me on this if you like. So that's also looking at policies and investments that hit the sweet spots in the inclusive growth framework. So, I'm going to use one example of this from a different bit of the framework, which is around climate resilience. So, we're talking about retrofit a lot at the

moment as something that absolutely needs to be done in order for us to achieve our climate objectives. We know that about a third of our emissions are associated with how we live in our homes. But actually, the wonderful thing about the retrofit challenge, even though it is so intensely serious as the cost-of-living crisis that you've alluded to means that so many homes are also unaffordable at the moment.

But we know it would create jobs and it wouldn't just create jobs in one bit of the economy. It would create a multiplicity of jobs at different skills levels. We know the demand is there. We know how many existing homes we need to retrofit and over what period of time. And we know that the benefits of doing that will not only accrue to the present, but they'll accrue to the future because of what we will have done to prevent some of the worst aspects of climate change.

So, in the context of the inclusive growth framework, which is set out in Kate Raworth Donut Model, we are doing things for the social needs of people and the social aspirations of people. But we're doing that whilst also being regenerative of the environment, which I think is quite an exciting way to look at it.

Liam O'Farrell:

Well, the very big objectives in the sort of climate change and inclusion are and they cost money and they require competencies to be devolved maybe. And do you feel that the combined authority or the city councils in the West Midlands have the kind of funds and powers that they need to actually take on these challenges?

Claire Spencer:

So, we have some of the powers, but they are not strong enough is the answer to that. So certainly, you know, we live in a very centralized country. So we certainly know that the fiscal levers, I think 91 pence out of every pound is both raised and controlled by central government. So what we can actually do regional and local tiers of government to actually shape our own destiny and to shape our own economy and society is definitely inhibited by the fact that government holds so many of the cards and in the retrofit space in particular, obviously, there is a particular frustration about the stop start nature of funding, which makes it very hard to shape supply chains and demand, because if you have to keep picking up and putting down this particular set of asks, it's never going to be a core part of your business as an architect or a builders company or anything else.

So, I think we need to think quite hard about the positive role that devolution could play to creating some consistency for markets like retrofit. And this is not to be contemptuous of central government, it is simply to think logically about what things are better suited to be led by regional and local governments and indeed in neighbourhoods as well.

Liam O'Farrell:

I think what's really interesting about retrofitting is as an idea is that local people can actually tangibly see local government doing something for them and inclusion is an economic agenda, but it's also a political and social agenda. And we see in, in the UK or even in the West Midlands areas that are more unequal, they tend to have this kind of label attached, being left behind places in the whole kind of political effects of that.

So, do you see other kinds of elements of the inclusive growth agenda as being able to overcome this divergence between left behind places and the others?

Claire Spencer:

Yeah. And I'm always yeah, I'm always cautious about that term. I guess I can see very carefully what local trust have tried to do by. Yeah, no problematising the places but making it clear that something has been done to them. And I think ultimately what people need in all places is to be able to feel that they've got some agency in their own lives.

They want to see that people around them have agency in their own lives and that they have some ability to change the shape of the world around them in a way that is predictable. And I don't think this is necessarily limited to one socioeconomic group or one community, but I do think there is a particular risk for people who are constantly talked over, people who are looked past, people who are treated with indifference.

I think they are much more likely to look for solutions which are unusual or extreme. Now unusual does not have to be a bad thing. Some of the best, most innovative social movements have born out of unusual approaches to grinding poverty and this sort of thing. But actually, extremity is not good. And looking for kind of that is where charismatic charlatans can really clean up because being able to give a simple but incorrect solution to something that is causing people true pain is really seductive, you know?

And I do not blame people for wanting that simple solution. So I think, you know, and not to be very predictable on the matter of devolution, but this is probably going to be a theme, I think, ensuring these people have influence and are heard. And I think local government is the tier of government where if you as a citizen reach out and say something is not right, there's a pothole in my road, I need my bins collected, my, the property I rent from you is not up to scratch. There is a notionally, the inability for those things to change when you vote different ways and when you reach out to your institution, to your local councillors, to your officials. And I think that's really, really important. I obviously think that it goes beyond actual municipal government. I think it goes to all anchor institutions of the both kind of regional and very hyper local kind of state as well.

But we're in a really difficult position for that, you know, so after many years of reducing budgets in local government, the ability of local government to be that kind of responsive, citizen focused bit of government, that is not stopped. But actually, if you don't have enough people to do all of the statutory obligations that have been tangled up into you, the ability to think really kind of expansively about what devolution and local partnership looks like, it can sometimes be very, very hard to achieve.

So I think devolution absolutely is part of the answer to that. But I also think a broader conversation needs to be had in our country, in the United Kingdom, about what power should sit, where and why. And let's at least make sure that even if nobody we don't all get there at the same time. I'm very chill about that, but let's at least get everybody on the same journey so that we can really make things work for this group.

I'd only add one thing to that actually, because I've been thinking about this quite a lot. So, if you look at Finland, this is about critical thinking. Now, I think one thing that it's increasingly important in this really kind of we live in such a noisy world of information and having the kind of critical thinking skills to really be able to sift through that is something that all citizens really deserve.

And I think Finland is interesting. I think there was an article in The Guardian on this a few years ago because they're on the front line with, you know, the misinformation, disinformation wars with Russia. They have seen it as a really important thing to furnish their citizens with critical thinking

skills to ensure that everybody is able to ask sensible questions about who gives them information and what motivates them to do it and to kind of lightly interrogate what comes across you.

And I genuinely think in the world that we're in, this is a matter of survival and quality of life for people. You know, this is absolutely a skill that everybody needs. And in my more politically naive moments, I sit there thinking, well, it's got to be popular with everybody because this isn't about pushing an ideology. This is about saying, let's create people who are capable of independent thought, who are able to decide based on good information what they think and what they do.

Of course, there are people who would think that that sort of thing would not help them at all. They probably wouldn't back that. But but I think I think it's a really important piece of the puzzle.

Liam O'Farrell:

Well, I guess we're quite lucky that we don't we don't have that experience of charismatic charlatans that you mentioned a moment ago.

Claire Spencer:

No, I've never I've never met even a single one of those.

Liam O'Farrell:

So, I notice that you mentioned several times about citizens having a voice, citizens and citizens being able to contact their local council or local government and and be heard. And so that has to go beyond voting. And so what kind of strategies or mechanisms do you think that that looks like in practice?

Claire Spencer:

Yeah, it's a really good question and it's a really good question for regional as well as local government. So we in the West Midlands Combined Authority, the challenge we obviously have is that WMCA is not a place like I don't think you would ever meet a human that they said, I live in the WMCA, but you absolutely do have humans who, you know, I would say I live in Kings Heath, I live in Birmingham, I might say I live in the West Midlands, but I probably wouldn't actually. So it's kind of thinking, what do people identify with? And if I've got a bigger conversation to have that kind of spans place but is also connected to what's the best way to engage people in that discussion.

So we have at WMCA, I level use some things like citizens panels. So we did this in the what we thought was the aftermath of the pandemic, but definitely wasn't because it still happened in 2020. But we brought together a citizens panel to really discuss what that what they had really valued, what helped them to be resilient through the pandemic, what are the things they found really difficult about that and what are the sort of things we should learn as we move on from there. And it felt really important to do that because I think none of our politicians, whether the mayor himself or local leaders who are obviously elected to their wards and to the lead of their councils, none of them were elected on a platform of doing something about this pandemic.

This was a new thing that occurred in the middle of a political term, and it feels like some of these deliberative democratic exercises, even though they can be used in a multiplicity of ways, one of the really important ways they can be used is when unexpected things happen, and therefore you can use them as a way to kind of really include citizens in the Democratic process of creating a response in as much as that is possible.

I'd say another really important way of using them is about things that span political terms. So nationally there was a really interesting citizen's assembly on climate change, which came up with some really interesting results. And I think the most heartening thing about it was that if you give people of all walks of life the space to think about the issues around climate change, they largely land in approximately the same place, which is, alright, we probably need to do something about that. This is quite serious, which is great. You know, as much as you can feel incredibly confident then as someone in public services or in business about what you should do, knowing that you have this, if I just take the time to explain what I do properly, people will join me on this, you know. So, I think that these are really important exercises to use.

Of course, when you are an institution, a place like a council or lower than a council, you have other options available to you as well, including three really involving citizens in the co-design of policies and services, which is also a really kind of exciting area to get into because then you can really tailor things to the needs of local communities.

Liam O'Farrell:

Yes. And I think that in terms of achieving inclusion, it's how the results of these kinds of civic engagement processes actually impact on decisions, because it can often feel as though and I've spoken to people in Birmingham who've taken part in in civic engagement repeatedly in consultations, and they say there's no point telling my story. Nothing happens, almost fatigued because they don't see anything changing. So how the results of something like a citizens panel or citizen's assembly actually impact decision making? It's the difficult part.

Claire Spencer:

Yeah. And I think it depends on a lot of things. So, I would say, to be fair to political leaders, I think this movement around deliberative democracy is quite a new one in England, relatively speaking. And I think how representative democracy intersects with deliberative democracy is not a tidy thing. You know, people have a multiplicity of views about what the legitimacy of both are.

And I think that I'm reasonably chill about things being messy because life is messy and asymmetric and you can't make everything tidy. I think what you have to be able to do and again, this is where having institutions that have the space and headroom to do this is that actually if you're taking on a massive amount of insight from human stories that you have heard in your communities, there actually needs to be some time and capacity and space to actually properly absorb the implications of those and also to be able to go back to people.

So, this is not about saying that humans who respond to consultations should get everything they want, not least because people will say completely opposite things that cannot be achieved in the same effort. But what you can absolutely do is show what the passage of that person's insight has been. So, you can show that it actually it was not just ignored, it was considered, it was weighed up. But there are a set of reasons why the eventual outcome was as it was, and they are thus. And I think there was an awful lot of mileage. You know, I'm speaking as someone who has been in my past, a local councillor, and I'm not saying that people are massively enthusiastic when you tell them they can't have a thing because they definitely aren't.

But if you are polite enough and respectful enough to go back and say, I can't do this for you or we can't do this for you, and this is why, your relationship with them does not end there. You know, they might be cross with you, but they at least know that you respected them enough to understand what they were saying and to properly engage with it.

And I think that is really important. People are grown-ups. People do know they can't have everything they want. They just wanted want to be treated with due respect.

Liam O'Farrell:

So it sounds like putting human beings back into these massive systems, economics and politics is what inclusive growth is all about in your opinion.

Claire Spencer:

It would certainly help.

Liam O'Farrell:

So thank you very much for taking part in the podcast today. Claire.

Claire Spencer:

Thank you so much for having me. I enjoyed it massively.

Liam O'Farrell:

It was very interesting. Thank you.

Music plays and podcast ends.