



Midlands Connect

How better connectivity
will maximise growth for the
Midlands and the nation





Midlands Connect Vision

The Midlands contribute over £178 billion annually to the UK economy, driven by a network of industries such as automotive and aerospace.

These industries are supported by a dynamic service sector, by emerging knowledge-intensive clusters and by world-class universities. As an important engine of national growth, the Midlands capitalises on good transport connections. But we face the challenge of providing the necessary capacity, speed and further connections required to accommodate predicted growth over the next 30 years.

The delivery of High Speed 2 will place the Midlands at the centre of a new national high-speed rail network. It will provide much needed rail capacity and enhanced connectivity between Britain's major cities. As the first region to benefit from HS2, effective plans to make the most of it need to be in place across the Midlands.

Our strategic priorities for transport connectivity are to:

- Make the most of HS2 – 'HS2 ready'
- Link to international gateways
- Improve East-West connectivity across the Midlands
- Strengthen freight corridors
- Make the strategic transport network more resilient
- Open up land for commercial and residential development
- Connect our urban centres providing capacity for growth

Midlands Connect

Will reinforce the Midlands' strengths internationally – its location at the heart of the UK providing unparalleled opportunities for connections to existing and new markets



One third of all UK manufacturing jobs are in the Midlands. Companies located in the Midlands, such as Jaguar Land Rover, JCB, Thales, Toyota, Bombardier and Rolls Royce compete on a global scale



Midlands Connect brings together a cross-LEP partnership to develop the strongest possible case for strategic transport investment in the Midlands

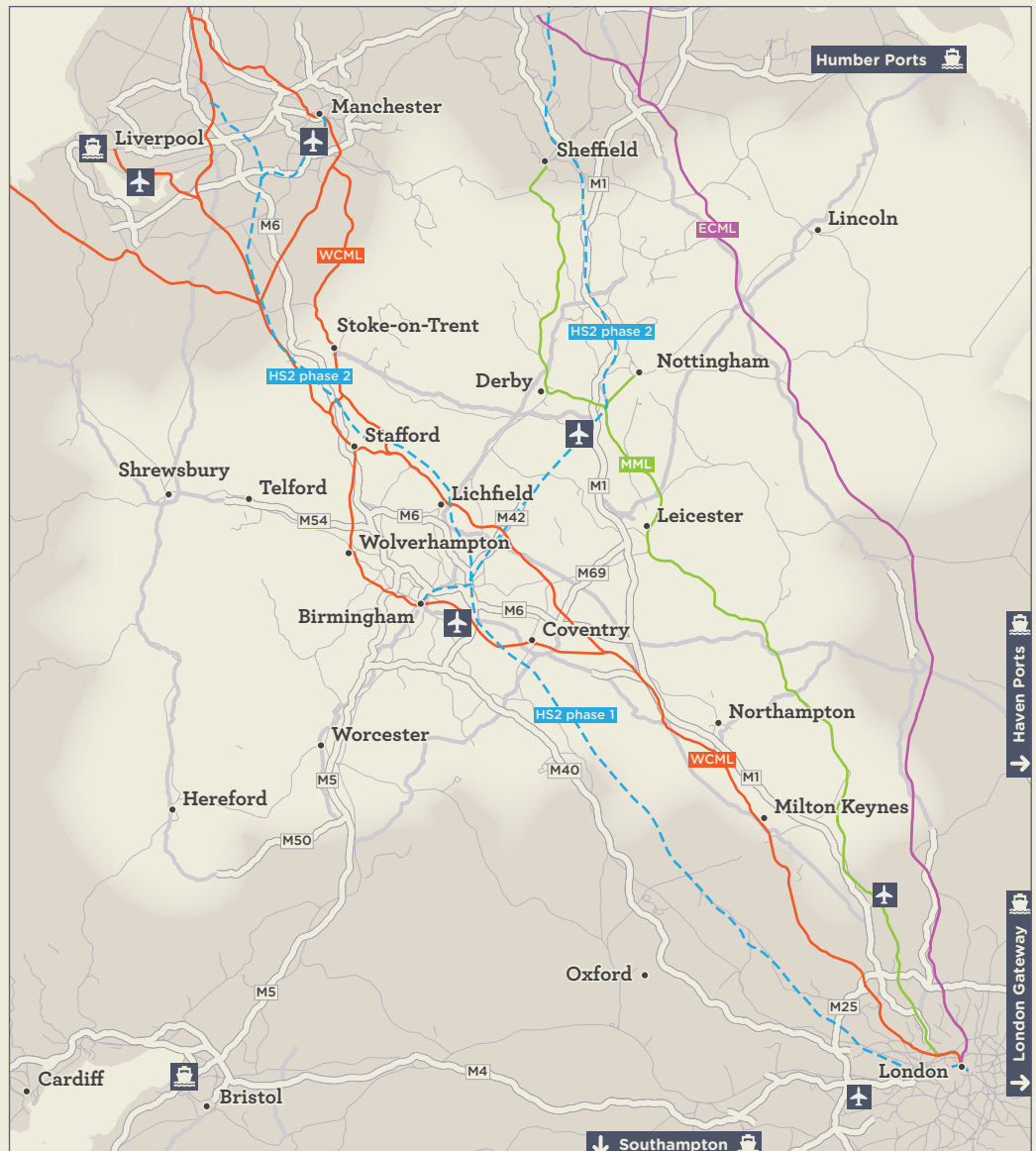
With this in mind a collaboration of Local Enterprise Partnerships and Local Authorities across the Midlands have committed to work together under Midlands Connect so as to reach a unified position on what strategic transport interventions are required to maximise the growth potential of the area and of the UK as a whole.

Midlands Connect will act as a platform for engagement with Government, taking forward both Sir David Higgins’ recommendation to develop a joint HS2/ Network Rail Integrated Plan, the work by Lord Deighton’s Growth Task Force and the emerging HS2 Growth Strategies. It will also act as a vehicle for the delivery of emerging proposals for a devolved local rail network in the Midlands.

The Midlands is located at the heart of the UK



- Key**
- West Coast Main Line
 - Midland Main Line
 - East Coast Main Line
 - Strategic Road network
 - HS2





Our economic strengths

Many of the country's nationally-significant enterprises and world-class research and innovation institutions are located in the Midlands. Strategic industrial sites with an export vocation include automotive, aerospace and other advanced engineering sectors. Service industries ranging from banking to insurance, and a dynamic network of emerging knowledge-intensive and creative businesses all contribute to the region's annual Gross Value Added of around £178 billion – the largest regional GVA outside London and the South East.

The concentration of specialised manufacturing is a key strength of the Midlands' economy as the sector employs 12% of the workforce, above the national average of 9%. The clustering of Jaguar Land Rover, JCB, Thales and Rolls Royce along key corridors fosters specialisation, reduces supply chain costs and makes for a more dynamic labour market.

With 90% of all UK businesses located within four hours, the Midlands is a prime location for logistics sites, corridors and interchanges. The presence of freight infrastructure benefits local business by providing access to national and international markets. Exports from the Midlands increased by 38% between 2010 and 2013, outperforming the 15% increase in UK exports as a whole. The value of those exports was over £50 billion in 2013, or 16% of the total for the UK, and mid-year statistics for 2014 indicate that this trend is continuing.



The Midlands hosts a growing number of professional services companies. While Birmingham is the largest employment market in the Midlands, specialised private-sector services have developed across our metropolitan areas: Nottingham and Coventry in the financial and insurance sector, Northampton in real estate, Warwick and Solihull in information and communication and Herefordshire in defence and security. Sustained employment growth in these sectors has been strong during the economic recovery, supported by office space development in local city and town centres.

We are committed to future-proofing our economic growth by supporting the expansion of emerging businesses, such as knowledge-intensive and high-tech activities.

These industries include research & innovation for advanced manufacturing in Coventry and Warwickshire and rail engineering companies in Derbyshire. These high-value businesses drive innovation across the rest of the economy and benefit from being close to each other, often working in partnership with one of our world-class universities.

Connectivity is vital for enabling the sustained growth of these economic assets. Businesses in the Midlands rely on good connectivity which affords them the ability to access skilled workers, develop large-scale supply chains and access export markets. Enhanced connectivity is necessary to secure the Midlands' long-term contribution to the UK economy in its dual role of both engine and conduit between the North and the South of the country.



Investing in innovation

The 20 universities of the Midlands are increasing their links to business in emerging sectors such as advanced engineering, agri-tech and transport technologies



The Midlands outperformed national export growth between 2010 and 2013, with a total export value of £50 billion in 2013 - 16% of all UK exports



Our Growth Ambition

The Midlands will soon be home to more people, more jobs and higher levels of economic activity. Our growth ambition is to: support the creation of more than 500,000 jobs over the next 10 to 15 years; to link our economic networks; and to develop our assets.

The Strategic Economic Plans submitted to Government by our Local Enterprise Partnerships in March 2014 set out the common themes for economic growth across the region. They put forward our ambition for the Midlands to be the home of British industries, our thriving network of cities and towns as centres of highly skilled labour and innovation, and our transport networks an essential conduit for national movements of people, freight and logistics. This ambition relies on investment in the strategic transport network – only through a joint connectivity plan can we provide sufficient answers to these challenges.

Overall, our economic growth strategies are devised to increase investment and to continue the growth of Midlands-based companies and their export markets. Against a background of economic recovery led by national consumer demand, the Midlands can contribute to more sustainable export-led growth by making businesses more competitive internationally.

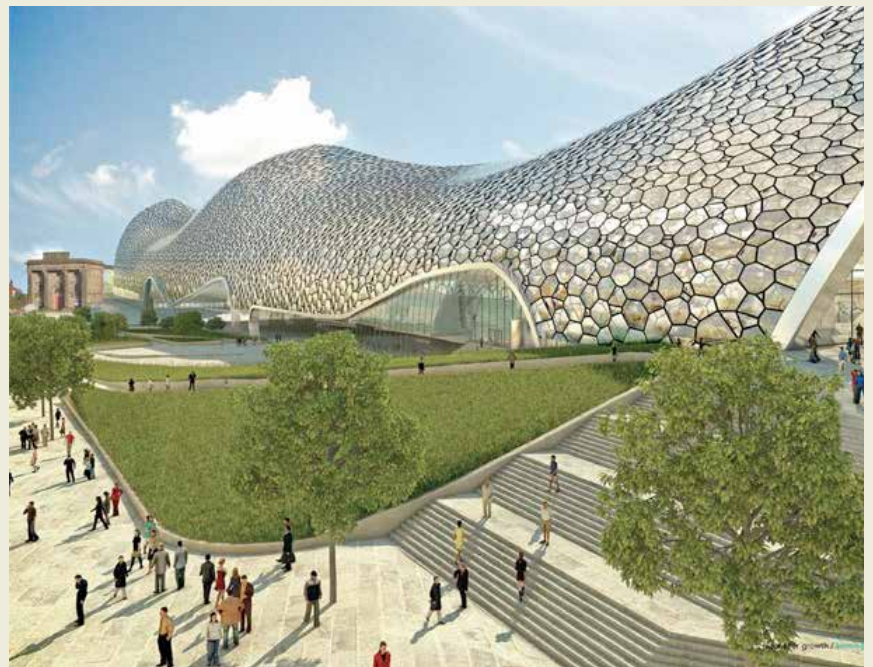
Continued growth is supported by:

- Unlocking sites for residential and commercial development
- Connecting these to our cities and to our strategic transport network
- Supporting our academic and training institutions in partnership with businesses to increase skill levels and employment opportunities
- Strengthening connections between our residents and jobs, and between businesses both in the Midlands and the rest of the country

A rail capacity challenge

Birmingham is expected to experience the largest growth in commuting rail journeys in the UK by 2023. Journeys to Leicester and Nottingham will also grow above national average posing capacity challenges¹

¹Network Rail Market Study 2013



Over 10 million people currently live in the Midlands; the population will grow by more than 10% in the next 20 years

Birmingham Airport and East Midlands Airport plan to double passenger numbers and freight flows by 2040



Improving connectivity is a shared primary goal across our Local Enterprise Partnerships. Some much needed investment in our transport network is planned for the coming years, including along the M1, M6, at key stations like Coventry, Wolverhampton, Northampton and Nottingham, and on busy commuter routes.

However, in order to maximise the benefits of planned investment in the growth of our transport hubs, including Birmingham Airport and East Midlands Airport, further investment is required in surface access and in strengthening our network for intermodal freight terminals. The investment currently secured will not be sufficient to provide for future connectivity demand as identified by Network Rail and the Highways Agency.

Our ambitions are supported by the arrival of HS2 Phase 1 in 2026 and Phase 2 in 2033. The economic benefits of HS2 can result in an increase of the Midlands city regions' GDP by more than 4% per year by 2037. We are working across geographic and political boundaries to maximise the benefits of HS2, with the development proposals for the Curzon Masterplan and UK Central Masterplan demonstrating vision and commitment to growth.

In delivering HS2, the Midlands recognises that the full potential of **High Speed Rail** will only be realised by:

- Providing excellent connectivity from across the Midlands to proposed HS2 stations in the area
- Ensuring the delivery of a fully integrated network between HS2 and the classic rail network (e.g. through the proposed Handsacre Link between HS2 and the WCML facilitating direct HS2 classic-compatible services to Stafford and Stoke-on-Trent)
- Maximising the released capacity HS2 will provide on the conventional network and therefore optimising the Midlands' local rail and road networks in preparation for, and post, HS2
- Catering for direct international services via an effective, fast and seamless HS1-HS2 Link

Midlands Connect therefore acts as a platform for engagement with Government as it takes forward both, David Higgins' HS2 Plus report's recommendation to develop a joint HS2/Network Rail Integrated Plan and the work by Lord Deighton's Growth Task Force and the emerging HS2 Growth Strategies.



Employment growth

Collectively, the Midlands Local Enterprise Partnerships aspire to create more than 500,000 jobs over the next 10 to 15 years

Our connectivity challenge

Located at the heart of the country, the Midlands acts as the engine and the conduit of local and national economic activity and transport flows.

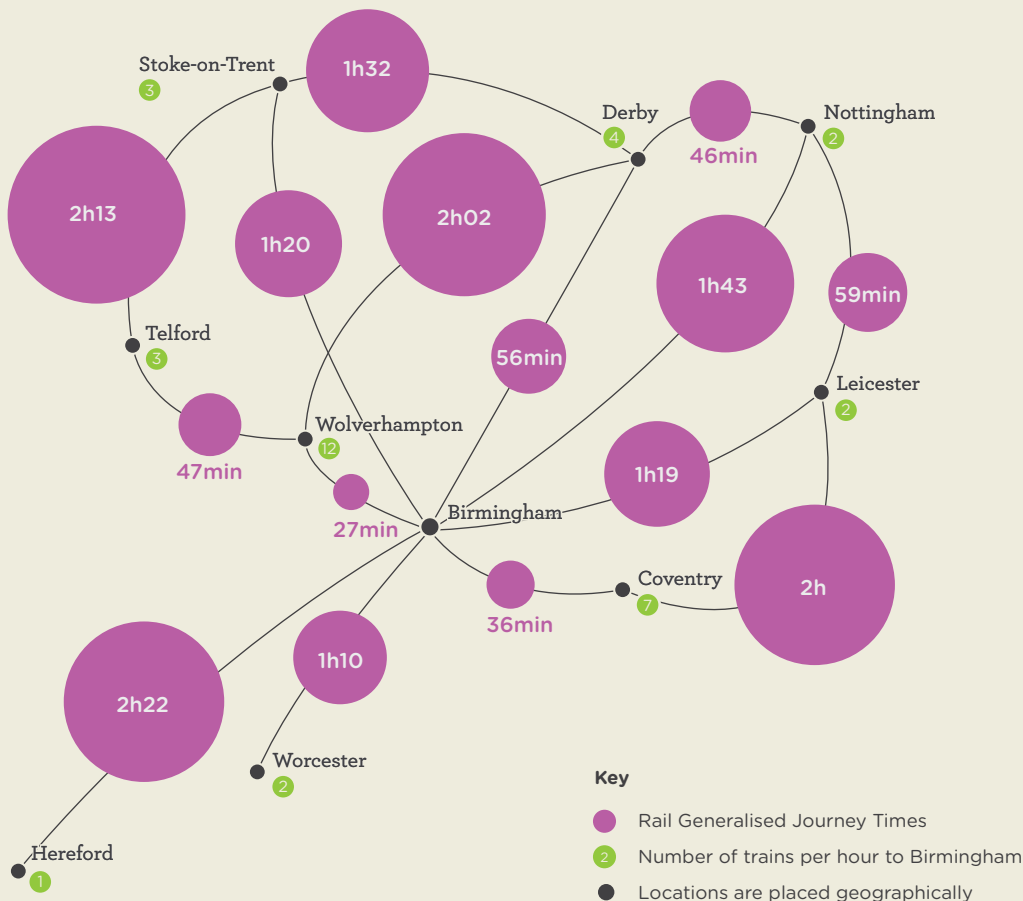
Our strategic road and rail networks include arteries of national importance such as the M6, the M1, the West Coast Mainline, the East Coast Mainline and the Midlands Mainline, which are used to transport people and goods across the Midlands as well as across the country. The Midlands also links the UK to the rest of the world through Birmingham

Airport (handling more than 9 million passengers in 2013), East Midlands Airport (the second largest freight airport in the country and carrying 4.3 million passengers in 2013), and strategic links to deep-sea ports.

However we face severe connectivity challenges across our strategic transport network. The West and East Midlands lack frequent, reliable, high-capacity links both by rail and road. This creates a barrier to further economic agglomeration and freight movements East-West.

Travel to work
More than 100,000 workers travel to Birmingham every day. Carrying over 30 million passengers a year, New Street is the busiest station outside London

Examples of current (generalised) journey times and frequencies of rail services in the Midlands



Linking our cities
Faster and more frequent rail services will enhance productivity and stimulate further GVA growth

Congestion on our rail and road arteries impacts on national trade and productivity through disruptions to North-South connections via the Midlands.

Crucially, and in contrast with other recessions, the decline in economic activity between 2008 and 2011 has not been accompanied by a comparable decline in car and rail trips in the Midlands. As the economy expands, growth in rail passenger numbers and traffic on the strategic road network is anticipated and, without intervention, this will increase train loadings and add to congestion, which in turn will act as a brake on growth.

In addition to network congestion, rail journey times between many of our cities and towns are often not competitive. For example, journey time comparisons of the relatively well served Birmingham-Coventry connection and other east-west links show the latter to be either slow (Stoke-Derby) or infrequent (Coventry-Leicester) or both (Birmingham-Nottingham).

In the future, road and rail networks must be able to accommodate growing demand and ensure resilience to better reflect the patterns of movement and trading hours of a 21st century economy. They need to connect the growing firms located in our cities to each other, provide faster connections between our urban areas to maximise agglomeration benefits and provide access for these businesses to new customers.

Freight movements, a large share of which take place between the industrial sites of the West and East Midlands, need to be catered for through greater capability for intermodal transfer of freight, enhanced connectivity to international gateways, and improved journey time reliability.

As a result, we recognise the need to invest in faster, higher-capacity, and more resilient transport connectivity, complementing national projects such as HS2 while addressing the gaps in our transport network.

Enterprise Zones

The M6 and M5 act as key gateways to strategic investment locations, including the 2 sites within the Black Country Enterprise Zone



Freight originating in the West Midlands has the East Midlands (60%) and the East of England (25%) as its principal destinations



Midlands Connect - Next Steps

Midlands Connect is being developed in close collaboration with Local Authorities, LEPs and the transport industry (Network Rail, Highways Agency, transport operators). As part of the initial stages of the programme, in January 2014 Steer Davies Gleave was commissioned to undertake a study¹ aimed at capturing the socio-economic baseline and growth outlook (i.e. from the SEPs) and identifying key strategic transport barriers to growth in the Midlands area. The study was completed in July 2014 and forms a solid foundation for the next stages of the programme.

During the coming months, Midlands Connect, in close dialogue with Government, will develop a joint investment plan for the area. A number of technical studies will be undertaken to ensure the Midlands is well placed to influence and benefit from future funding programmes such as those currently being developed by the rail industry (e.g. HS2, Long Term Planning Process) and the Highways Agency (e.g. Route Strategies) for the period post-2019.

Better connectivity will make the Midlands' cities, industries and businesses more competitive in the global economy

Midlands Connect's ultimate goal is to enhance connectivity within, to and from the Midlands by developing the strongest possible case for strategic transport investment to maximise growth for the Midlands and the nation.

In doing so, it will reinforce the Midlands' strengths internationally - its location at the heart of the UK providing unparalleled opportunities for connections to existing and new markets.



HS2 economic dividend

The economic impact of HS2 could be more than doubled with strategic interventions in local connectivity enhancements



¹ www.wmita.org.uk



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