

# RS2010

**REGIONAL STRATEGY FOR  
ENGLAND'S NORTHWEST**

## Principles and Issues Paper



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## 1 Introduction

**1.1** The Northwest region has made significant progress in the last 20 years. Skills levels have risen and overall prosperity has increased. But important challenges remain such as ill health, worklessness, productivity, and social inclusion. On environmental sustainability we have made limited progress relative to the rest of the UK or some of our global competitors. Regeneration in our city centres has been impressive, but we still have areas of considerable deprivation. As part of the world economy the region has the opportunity of rapidly emerging markets in Brazil, Russia, India and China. It also faces the global challenges of ever scarcer natural resources including food and energy security, improving sustainable consumption and production patterns, and adapting to climate change.

**1.2** The UK and Northwest economies are in recession. This is affecting the different parts of the region in varying ways. Working with national Government, the region has put in place immediate actions to enable businesses, communities and individuals to manage the effects of an economic downturn. But it is also important to position the region for future sustainable recovery and long term resilience and success. It is therefore the right time to think about the future drivers of the regional economy.

**1.3** There will be many lessons we will need to learn from this recession, as well as dealing with the aftermath of it. We will need to think carefully about the nature of future growth. Big questions include the importance of the retail sector and the high street in the future, if financial services will drive growth again, a possible rapid shift in consumption patterns, and identifying the opportunities arising from the recession. We do know that the future is very uncertain, with the likelihood of rapid technological and social changes, which themselves could drive growth.

**1.4** We also know that there will be increasing, and sometimes competing, land-use pressures on the countryside, urban fringe, open spaces and brownfield land. All will be needed to deliver economic growth, infrastructure, housing, energy, adaptation to increased flood risk and climate change, recreation, less intensive farming, food and a valued landscape. The amount of land available could also be reducing due to climate change. Indeed climate change may be the single most important issue facing the region, country and world at this time, so developing a low carbon economy will therefore be essential to delivering sustainable growth and remaining competitive.

**1.5** All these issues mean that we must ask ourselves fundamental questions about how our economy and society work. We will need to be radical in considering how we can integrate environmental, economic and social issues to achieve economic prosperity without unsustainable use of resources. We will need to address what sustainable models of business look like post recession, where the jobs of the future will come from and any fundamental long term changes in the world economy. For example, future models of growth may rely less on consumerism and credit and be based on more efficient use of natural resources.

**1.6** Despite being in a global economy some of these pressures on resources could lead to increasing "localism" with stronger clustering of activities, increased home working and increased focus on local communities. We need to understand how we can develop alternative models and measures of growth that reflect the importance of quality of life, culture and quality of experiences. All of these are potential long term trends and this paper suggests a number of specific assumptions about how they might affect the region over the next 20 years.

### Question A

**Do you believe that things will have fundamentally changed as a result of this recession and that issues of climate change, low carbon economy, competing land use pressures and the nature of future growth are important to consider?**

## 2 What is the Regional Strategy and how will it be produced?

**2.1** Responding to the need to integrate work on related issues, the Government has recently published draft legislation to enable all regions to produce a Single Integrated Regional Strategy, to replace the Regional Economic Strategy (RES), Regional Spatial Strategy (RSS) and Regional Housing Strategy (RHS). The Northwest has agreed to begin work on this immediately, in advance of legislation which has been welcomed by Ministers. However we need to ensure that our work maintains the flexibility to comply with the legislation when it is enacted.

**2.2** Our strategy will set out a 20 year vision/goals and 3-5 year investment/implementation plan, all based on clear evidence. It will ensure that all decisions and investment, locally, regionally and by central Government are helping the region move towards these goals. It will build upon the principles in the Regional Economic Strategy (improving productivity and growing the market; growing the size and capability of the workforce; creating the right conditions for sustainable growth and private sector investment) and the Regional Spatial Strategy (promoting sustainable communities and economic development; making the best use of existing resources and infrastructure; managing travel demand, reducing the need to travel and increase accessibility; marrying opportunity and need; promoting environmental quality; mainstreaming rural issues; reducing emissions and adapting to climate change) and work already undertaken in connection with the recent review of the Regional Housing Strategy.

**2.3** However, people must be at the heart of our Regional Strategy as ultimately it is the people of the region, their health, talents and quality of life who will define our region, our businesses and our communities.

**2.4** The initial Regional Strategy will be a high level strategic document, which will not seek to replicate national policy. We therefore envisage that there will be a role alongside the strategy and investment plan for supporting documents which expand on the policy set out in the Regional Strategy. The Government has indicated that the format of the regional strategy should be for each region to decide, but the aim should be to produce a concise and succinct document, which broadly covers:

- an overview of the key regional challenges;
- how sustainable economic growth can best be delivered;
- a distribution of increased housing supply figures consistent with the Government's long term housing supply, affordability and quality targets;
- how the region will tackle climate change;
- areas within the region identified as priorities for regeneration, investment and intervention;
- strategic requirements and provision for transport, waste, water, minerals, culture, energy and environmental infrastructure.

**2.5** The strategy development work is being jointly led, on behalf of the region by the NWDA and 4NW - the Regional Leaders Forum. It is being assisted by an Advisory Group of 50 regional organisations. This Principles and Issues paper outlines some of the major underlying considerations for the Regional Strategy. It also suggests major issues to be considered in developing the strategy, drawing on an independent assessment of the issues and challenges facing the region from the evidence base to date and national/regional policy context.

**2.6** We are publishing this document to stimulate a wide ranging discussion in the region about the issues we face and the principles that will be needed to underpin our strategy. We know that none of the issues we are considering are easy and this is the starting point for the debate which we will not have entirely correct. So your views and input to help answer some of these challenges is vital. This initial debate will take the form of a 12 week consultation on this paper, before a draft strategy can be prepared to address these challenges and opportunities. Consultation on this paper continues to 30 April 2009. Subsequently a draft strategy will be prepared over the summer and be subject to consultation at the end of 2009, with the aim of agreeing a strategy in mid 2010. The exact timings will be subject to change if legislation is passed which enables this strategy development work to become the formal Single Integrated Regional Strategy for the region. Throughout this time further evidence will be gathered to shape and support the strategy.

**2.7** The Regional Strategy preparation will also take into account a series of appraisals, including a Sustainability Appraisal, Strategic Environmental Assessment (SEA), a Habitat Regulation Assessment, an Equality Impact Assessment, a Health Impact Assessment and Rural Proofing. Throughout this document sustainable growth refers

to economic growth that can be sustained and is within environmental limits, but also enhances the environment and social welfare, and avoids greater extremes in future economic cycles. The Regional Strategy will cover the whole of the North West, except those parts of the Yorkshire Dales and Peak District National Parks that fall within the North West Region.

### 3 Assumptions

**3.1** Previous strategies have not been explicit in terms of the assumptions that have been made in their development. However we can set out with some certainty a number of major issues which will affect our society and environment in the years ahead, as below:

1. The Northwest is likely to become increasingly integrated into the European and wider world economy (which is potentially good for the region) and will need to compete harder to generate sustainable economic growth.
2. The imperative for the region to compete on quality, rather than just price, will increase, at the same time as the need for the region to differentiate what it does.
3. Climate change is happening and will fundamentally affect the way we live our lives and run our businesses. We will have to innovate in order to adapt and find solutions, not least to deliver against a Government target of 80% carbon reductions by 2050.
4. Gas and Oil prices are likely to increase in the long term, and display increasing volatility. There will be issues surrounding availability of supply - prompting a need and incentive to reduce consumption, increase efficiency of use and develop alternative and local sources of energy.
5. Some natural resources will become scarcer and this may lead to fluctuations in food & commodity prices - to counteract this we will need to manage natural resources sustainably and reduce consumption. These natural resources, including air, water, soils, landscapes and bio-diversity provide services which both directly and indirectly benefit the region, its economy and its communities.
6. People will still need to commute and travel round, and in/out of, the region (not necessarily by car) for work and leisure. Work/life balance and ICT, new technology and digital infrastructure will become increasingly important though and will continue to influence the way in which we live and work.
7. Cities/large towns will remain a major focus for living (residential development), economic activity and growth. Pressure on the green belt and ageing infrastructure services will increase.
8. There will be an ageing population, declining cohort of school leavers and lower levels of inward migration unless we specifically set out to attract talent. However there is an expected growth in intermediate and higher level occupations. We will therefore need to make better use of our existing population by valuing equality and diversity, up-skilling and releasing the potential of the whole workforce. People will have to work longer to accumulate a pension. Older people will have higher expectations and contributions to make. The region will become more ethnically diverse.

**3.2** Whilst current economic conditions are developing fast, the region is looking to develop a single consistent base forecast of future sustainable growth for the region and each sub-region. This will guide the strategy and provide a basis for planning a wide range of services and investment, including utilities and infrastructure.

#### Question B

**Do you agree with the assumptions above? If not what alternative assumptions would you make? Are there any assumptions missing?**

### 4 Strategy Development

**4.1** Any successful strategy will need to set out a clear ultimate vision, showing how the region can achieve that vision and succeed on a long term basis, competing with other places in the UK and, crucially, the rest of the world. To be successful in the long term we cannot compete simply by doing the same thing as other people only cheaper.

We need to differentiate ourselves and focus on our combination of strengths, showing how what the Northwest has to offer as a place to live, work and succeed is unique and how the various elements of the region are complementary and can better support each other to benefit from the different competitive advantages within the region.

**4.2** The strategy will not set out everything that will need to be done by all organisations over the next 3-5 years. For its long term success, we need to be clear about our ultimate goal and the assets, opportunities and challenges which face the region. We will build on the RES approach of a small number of "Transformational Actions" which have then been performance managed. The final strategy may set out **a set of objective principles against which future investment decisions are made**, to ensure they are all consistent with delivering the Regional Strategy, rather than setting out all actions in detail. Subject to legislation the strategy may ultimately form a statutory part of the development plan system, therefore also needs to set out a strategic prioritised spatial investment framework.

**4.3** One of the opportunities of producing a Regional Strategy as opposed to a RES or RSS is the opportunity to join issues up in strategy development - ensuring a cohesiveness and connectivity of the region as a whole. Given the level of uncertainty about the future and the likely technological and social changes the strategy must offer the region flexibility and resilience to future events.

## 5 Ultimate Aim/Goals

**5.1** 4NW and NWDA agree with the Government aspirations that the outcome of the strategy should be sustainable economic growth and that the strategy must contribute to sustainable development. The strategy will also need to contribute to the mitigation of, and adaptation to, climate change.

**5.2** Previous strategies have had a number of focuses, particularly Gross Value Added (GVA) from an economic context. Although GVA and wealth creation are clearly important in the long term, our social and environmental goals mean we must not only generate economic success in the future, but also use that success to achieve longer term "sustainable and equitable social, economic and environmental wellbeing" integrating social, economic and environmental issues, rather than just focusing on GVA. A major task for the strategy development is to set out what this will mean in practice, in terms of actions and specific priorities, and how this should be defined and measured. We suggest it means that people who live in this region want:

1. Good levels of health
2. Affordable, appropriate, good quality, well designed, energy efficient housing
3. High standards of education available both for children and adults, and training which enables people to participate in society and in work
4. A broad range, depth and attractive choice of quality employment opportunities, which reflect and recognise everyone's potential and inspire and enable ambition to be realised
5. Excellent sustainable connectivity within and to/from the region
6. Sustained and sustainable consumption, production, economic growth and investment
7. High levels of productivity, investment and enterprise, driven by innovation/research, leadership excellence and high skills
8. High employment rates and few concentrations of low employment rates with decent work in sustainable workplaces
9. Vibrant (cultural offer, activities, lifestyle choices) cities, towns, coastal and rural areas
10. Communities and places in which people feel safe and proud, have a sense of belonging and get on well together with people from different backgrounds
11. A regionally distinctive natural and marine environment which has rich biodiversity
12. Good quality green infrastructure and public open space/parks accessible to all
13. Low levels of carbon emissions

**5.3** The strategy will have to set defined outcomes and targets for these issues/aspirations and recognise that there may be clear trade offs and choices to be made. They may not all be achieved in full in 20 years within the Northwest. These things are also not unique to the Northwest. It will be important for the strategy to set out more specifically what kind of Northwest we want in the future.

**5.4** Once there is general consensus about the ultimate aim/goals of this strategy and on the major issues which the Northwest will need to focus on to deliver these goals, it will be possible to develop a specific vision statement for the Regional Strategy. This will be done as part of the ongoing strategy development process during 2009.

### Question C

**Do you agree that the focus of this strategy should be on sustainable economic growth and contribute to sustainable development?**

### Question D

**In the delivery of this, do you agree with the elements outlined above? Are there elements missing? How would you prioritise them?**

### Question E

**How do you believe these aims / goals should best be measured?**

## 6 The role of the Northwest - what makes the region unique?

**6.1** The new regional strategy will cover issues such as climate change, sustainable economic growth, housing, land use, skills, business sectors, transport, waste, water, minerals, culture, energy and environmental infrastructure. All these things come together in our towns, cities and rural communities. The way they combine determines how different places look and feel. Places have developed based on a range of strengths and prosper most if they have a clear sense of purpose. It is important to understand the past and present strengths and challenges faced by places and communities in order to develop a strategy to create the conditions for long term success. It will also be important to understand the inter-relationships between places and the extent to which they are complementary, rather than competitive. This paper focuses on regional issues but the strategy itself will need to be spatially specific and consider strengths, challenges and inter-relationships of the different places in the region that are most important for future regional success. This will need to build on the current spatial priorities for development set out in the Regional Spatial Strategy.

**6.2** The Northwest developed due to its access to energy, raw materials, its climate and its location, particularly in relation to the Americas, its wider trading links internationally, technical innovation and access to capital funds. Looking at the region's current and potential strengths, we suggest the following elements may define its unique contribution to the future UK, European and World economy:

1. The people, diverse culture, sport, positive external image and trading heritage with a critical mass of activity (from Liverpool and Manchester brands through to the Lake District - a juxtaposition of huge metropolitan areas and high quality landscapes). A welcoming and attractive place to live, work, invest and visit.
2. Relatively high skill, low cost location able to service the world due to connectivity and time zones.
3. Quality, diversity and character of natural and coastal environmental assets, including sustainable land management and food production, and availability of brownfield and employment land providing the potential for growth with minimal environmental impact.
4. Potential renewables and nuclear energy offer.
5. Advanced Engineering/Materials strengths.
6. Small, but highly productive bio-medical strengths and, potentially, an emerging digital and creative sector.

7. History in, and critical mass of, innovation, science, research and university assets.
8. International Port and Airports.

**6.3** Any one of these elements would not make the Northwest unique, but it is the combination of them that potentially offers our uniqueness. Together these strengths may also give us the opportunities to create the low carbon economy we want. We will have to think carefully about the location of assets and how they could be used to support future sustainable growth. It may also be that the region could develop other unique strengths over the coming years which are not currently captured in the list above, such as leadership around sustainable transport or releasing the potential of the region's workforce.

### Question F

**Do you agree that these elements adequately summarise the Northwest's unique offer in a world economy?  
Are there any current or future potential elements missing?**

### Question G

**Do you disagree with any of these statements?**

### Question H

**Do you believe these elements will still be unique about the Northwest in 20 years time?**

## 7 Challenges

**7.1** The region also has a number of persistent challenges which must be addressed if our social, environmental and economic goals are to be met. Many of these are well-documented in previous strategies. Evidence suggests that the following challenges are ones that the Northwest will have to face, although they vary considerably across the region:

1. Ill-Health, including mental health, and the economic/social impacts of this. The Northwest has over 400,000 incapacity claimants.
2. Relatively poor quality, ageing house stock and limited choice in parts of the region and the need to increase the new build supply (across tenure, type, and affordability). The Northwest has a higher rate of dwelling stock deemed unfit than the England average.
3. Areas of entrenched (and often intergenerational) deprivation and inequality and poor levels of social cohesion in some areas. Fifteen out of the top twenty most deprived lower super output areas in the 2007 Indices of Multiple Deprivation are in the Northwest.
4. External perceptions of the region and some evidence of low expectations or aspirations within some of our communities.
5. Attraction and retention of highly skilled and talented people.
6. Low education and skills levels, including leadership, in parts of the region. In 2007 nearly 10% of 16-18 year-olds in the Northwest were understood to be Not in Education, Employment, or Training, the third highest level amongst English regions.
7. Low employment rates. Only 12 local authorities in the Northwest have an employment rate of more than 70%.

8. Lower levels of enterprise, enterprise culture & entrepreneurship, with the Northwest performing below national averages on surveys and recorded business starts.
9. Growing congestion on the transport networks in parts of the region, and constraints in other places from poor connectivity and poor public transport.
10. High levels of energy use & relatively poor utility infrastructure.
11. Integration of urban areas more effectively with their rural hinterlands to tackle remoteness from growth and deliver sustainable markets for rural businesses.
12. Volume and management of waste.
13. Dealing with threats to and protection, management and enhancement of environmental, cultural and historic assets.
14. Risks to markets and sectors of global climate change and to businesses, homes and places from flooding.
15. Productivity and competitiveness relative to other international economies and emergence of BRIC countries (Brazil, Russia, India, China).

### Question I

**Do you agree with the challenges outlined above for the Northwest over the coming 20 years? Are there any missing?**

## 8 Issues

**8.1** A separate paper examines the evidence that has been assembled to date in relation to the regional strategy. Further evidence will need to be assembled during 2009. The evidence has been looked at from two perspectives - firstly the themes that the Regional Strategy will have to address in integrating economic, social and environmental issues and secondly how these issues play out in places, thinking about the strengths of particular places and their inter-relationships.

**8.2** In preparing this paper, NWDA and 4NW believe that the following points are particularly pertinent from the evidence base to date, thinking about some of these issues in relation to some of the principles above. It is also important to recognise that many of these issues below are inter-linked:

1. Low Carbon Economy, Resource Use and Water: We will need to improve efficiency of energy and resource use, reduce waste generation and manage waste, and define what sustainable consumption and production mean for the Northwest in order to achieve a sustainable growth. The region needs to reduce its carbon emissions and develop a low carbon economy whilst maintaining sustainable economic growth - which is a tough challenge. We will require both mitigation and adaptation to climate change. Government carbon reduction targets are likely to mean that we need to "de-carbon" electricity production and all/most rail and road transport. This region could have an ability to become a **net exporter of electricity from low carbon sources** given its potential nuclear, wind and tidal resources. Although this is a challenge it is also a potentially significant opportunity and driver of growth. The region's innovation, R & D and science assets will be essential in maximising this opportunity and gaining competitive advantage in the energy and environmental sectors.
2. Urban Growth: Growth will continue to be driven on by our **cities and towns**. Manchester is, and will continue to be central to the Northwest and the North as a major driver of growth and the largest urban conurbation outside London. Similarly Liverpool is a significant driver of growth and together these cities offer huge assets and opportunities for the region, including a quality and depth of employment opportunities not found elsewhere outside London. Preston also has potential for stronger growth, particularly if urban growth takes place in a complementary way, which each of our cities and towns having different strengths. The cultural, sporting, built heritage, living environment and education/higher education offer of our major cities will determine the extent to which they become places in which people continue to want to live, work, visit and invest and themselves can drive growth. However there are still serious deprivation in some of our urban areas and in some places inequalities and deprivation have worsened. Issues of housing, transport/congestion, flood risk and lack of capacity in **critical**

**utilities (or grey) infrastructure** could also potentially seriously limit growth in some parts of the region. Summer heating of cities could also become an issue. It is essential that our cities develop in order to create the breadth and depth of opportunity that will attract and retain talent in the region. In this regard we will also need to think carefully about the relationship between where people live and work and ensure an adequate supply of **employment and housing land** in sustainable locations - this may require us to undertake a strategic review of the green belt.

3. **Connectivity:** An increase in knowledge workers could lead to greater levels of longer distance travelling. However reducing the need to travel will also increasingly be a priority, which will require a significant shift in mindsets and behaviours. In order to support the continued growth of our major cities, the region will need to make better use of its existing transport assets and significantly improve its **sustainable transport infrastructure and wider connectivity** (since 1996 traffic on major NW roads has increased 16%). This will be vital for movement of both people and goods not only within the region but beyond, particularly to London, Europe and the wider international community, given our westerly location at a time when the centre of world economic activity is moving eastwards. The region is well-placed to achieve this, with assets such as the Port of Liverpool, the Manchester Ship Canal and one of the most extensive rail networks outside London and the South East. However, the quality of many local rail services and infrastructure is poor, so significant further development in the region's light and heavy rail infrastructure would appear essential. The role of Manchester Airport is also vital in terms of international connectivity of the region. Connectivity is not just about transport links. The importance of strong **digital connectivity** cannot be underestimated, in a future which is likely to see continued rapid technological change. This digital connectivity itself should help to reduce the need to travel.
4. **Places and Communities:** Places thrive when they have a clear sense of purpose, combined with strong communities and local leadership. The role of places can change over time as they develop their assets. The Regional Strategy will need to be clear about the potential **future strengths of places and their inter-relationships** in order to create the conditions to succeed and enable communities and businesses to thrive as well as ensuring growth in various parts of the region to be complementary and not competitive. Several places in the region appear to be changing fast - the unique opportunities and challenges of West Cumbria, Blackpool, East Lancashire and Crewe will all need to be carefully considered in the strategy. There are many ways to analyse places - and many of these have a statutory basis - local authorities and local area agreements, sub regions with statutory sub regions and multi area agreements, travel to work areas, housing market areas, and functional, rather than administrative economic geographies. Many communities are disadvantaged because of where they are, rather than what they do and the regional strategy will have to address issues to do with spatial disadvantage. It will also have to consider the changing nature of communities and the way people inter-relate, often now associating more with other people across the world, via the internet, rather than in the physical place in which they live.
5. **Natural Environment and Rural Areas:** Not all growth will take place in our cities and other urban areas however, with currently over twenty percent of the region's economic activity taking place in rural areas. The quality of life benefits that sustainable rural communities can bring could be considerable for the region. The outstanding **natural environment** (including the coast) and the **rural economy** are clearly very important part of the region and its attractiveness, not least being essential parts of the success of our towns and cities. They will need active and sensitive management to ensure their future survival and enhancement and maximise the social and economic benefits of these natural assets for the region as a whole. The natural environment, including air, water, soils, landscapes and bio-diversity, provide crucial "ecosystem" services to the region and therefore we need to manage these to achieve sustainable growth. For example, a strong agricultural and forestry sector could help to protect our landscape and could offer other benefits such as food security, reduced "food miles", improved health from fresher food and renewable energy via biomass. We will face increasing pressure on land, environmental landscapes, biodiversity, air, soil and water quality. We will also need to address the twin track nature of our rural economy.
6. **Skills and Talent:** The people of the region ultimately determine what type of region it is and how successful it is. The region needs to develop, retain and attract **talent** if it is to achieve sustainable growth and increased productivity. The region therefore needs to ensure that it supports and develops the skills of all parts of the current, future and potential workforce to meet the needs of a growing economy. This will mean: supporting

people to gain sustainable and rewarding employment, especially those from the groups and communities most adversely affected by unemployment, a lack of work or underemployment; raising aspirations and attainment amongst young people, especially amongst 16-19 year olds, and stimulating an interest in and progression towards higher skills; ensuring a commitment amongst adults to the skills and qualification they need for employment, with a focus on Skills for Life and Level 2 attainment, as well as attainment at Level 3 and higher skills; and stimulating employers to invest more in workforce development at all levels, including innovation, leadership and management, and entrepreneurial skills. All of this will require and appropriate educational infrastructure. Ensuring access to high quality education/training, supporting sustainable, vibrant and safe **communities** across the region and ensuring a balanced **housing** offer (which supports economic growth, strengthens economic inclusion and ensures that everyone has access to good quality, affordable housing in sustainable communities) will also be essential to retaining and attracting talent. Success in attracting and retaining a "world best" talent pool would act as a very significant driver of future economic growth in the region. The region also needs to develop its enterprise culture by supporting people of all ages to be more enterprising and to use these "can do" attitudes to achieve personal fulfilment, to start more businesses or, as employees, to enable businesses to innovate and grow.

7. Health and Worklessness: Ill-Health, health inequalities and worklessness have not improved significantly in the region over the last 20-30 years, with, for example, a Northwest rate of nearly 20% for people of working age with a disability. We must therefore ask some fundamental questions about these issues, such as have we been trying to tackle the symptoms rather than the cause. The Regional Strategy provides an opportunity to have a fundamental debate about these issues and to take an integrated and fresh approach to ensure that their causes are tackled in the long term. We need to think about how we continue to change the culture and **raise people's aspirations** in the region. We must also ensure in times of recession that people are able to access employment opportunities in order to avoid a new generation of long term unemployed.
8. Innovation: The region has strengths in **science, R & D and the size of its Higher Education base**, and a long history of innovation. The Northwest spends £1.6bn on research and development, with 15,000 fulltime employees in business R&D. It will be essential to retain and exploit these strengths, linked to business, if we are able to tackle some of the challenges above, such as climate change and attracting talent. We will need, amongst other things, to encourage more people to study "STEM" (Science, Technology, Engineering and Maths) subjects if we are to maintain the importance of these sectors, and keep people with these skills, in the region. The region has a strong concentration of Higher Education Institutions (HEI's), essential not only for attracting and retaining talent, but also as important businesses with large number of foreign students studying in the region.
9. Advanced Manufacturing: The region is operating within a world economy and the importance of "making" (and exporting) products and services (including things such as digital content) cannot be under-estimated, as has been seen in the current recession. The region has clear strengths in **advanced manufacturing** and it will be important that we take account of the changing nature of manufacturing and capitalise on this strength via the Regional Strategy as well as supporting companies to reduce their resource use and capitalise on markets for low carbon goods. This in itself will require high levels of talent, innovation and leadership/management in the region, as well as robust and properly resourced supply chains.
10. Nature of Growth and role of public sector: We will need to think carefully about the nature of economic growth in the future, for example: what sustainable models of business look like post recession; energy and food security; future demands from individuals in terms of work/life balance and homeworking; and sectors we would wish to attract and develop within the region.

The public sector has an important role to play in setting the conditions to enable sustainable growth and in the "place shaping" agenda. This will require appropriate governance arrangements. The role of public services, such as health and care (however delivered) will become more important in the future due to the ageing population. The region has a large scale public sector, and it will be important to maximise the effectiveness of this, and consider how it can best support growth in more prosperous as well as harder times. **Sustainable public sector procurement** is vital to the Northwest economy (to both public, private and voluntary/community sectors) in terms of purchasing, locational and employment decisions made by the sector. We need to make the most of this opportunity.

**8.3** Addressing the issues above and taking the tough decisions needed will require strong civic leadership and clear models of public sector governance, developing a sense of regional pride and promoting the region as a place where big things happen (such as the Commonwealth Games and Capital of Culture).

**Question J**

**Do you agree that the list of major issues for the region to address via the Regional Strategy are correct and will lead to sustainable and equitable economic, social and environmental wellbeing? Are there any issues you would remove? Are there any issues missing from your perspective? How would you prioritise these issues?**

**Question K**

**Do you agree with the assertions made in these issues? Have you got any specific comments on the issues raised or the inter-relationships between them?**





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