

**Stoke-on-Trent and Staffordshire LEP Annual Conference 20th October
2017**

Speech by LEP chairman David Frost CBE

Good morning and welcome to this Annual Meeting of the SSLEP. Year on year we continue to attract more people to this event and indeed this year we have a waiting list, so watch out for another venue in 2018.

We also have a number of distinguished guests including two Lord Lieutenants - Welcome

It is also a personal pleasure to be standing in front of you today. Last year I was approaching the end of my term of office and I gave an appraisal of my three year term. I was honored to be asked to serve a second and final three year term in the spring and this I agreed to do. I did not hesitate - why?

Because it is a huge privilege to work in a place where the civic leaders both from the public and private sectors have such a “can do” attitude and are determined to make things happen for the benefit of the local communities that combined form the economic powerhouse that is Staffordshire and Stoke on Trent.

Our economy continues to perform well. The number of people claiming JSA in Staffordshire is a mere 5,000 or 0.9% - In essence zero unemployment. In Stoke, unemployment has similarly been plummeting, with new developments at Smithfield, the Ceramics Valley Enterprise Zone and with existing companies like Michelin creating new employment.

We are undoubtedly benefiting from confidence in the UK economy, our location in the centre of the UK and a balanced economy that is not overly

reliant upon any single sector. These are not just small business but of household names: JCB/JLR/BET365/Michelin/GE/Dudson//Portmeirion to name but a few. Or powerful leisure brands like The National Memorial Arboretum/ Stoke City FC/ Cannock Chase/ Uttoxeter racecourse, Alton Towers and Drayton Manor Park, all of which make a huge economic contribution to the contribute to the economy.

Our mantra as a LEP is “more jobs/better jobs and higher paid jobs”

50/50/10 - 50,000 additional jobs , a 50% rise in GVA over the 10 years starting in 2011.

There is no question that we are helping and enabling the private sector to create jobs - some 35,000 in the first 5 years of our ten year plan. The challenge is to help create a landscape where higher value jobs are attracted to and can grow. A challenge that many parts of the country outside the south east also face.

Why is this important? Simply because if we want prosperous towns, high quality housing and a dynamic environment we need individuals and families with spending power.

There is no silver bullet. We need high quality schools which will attract young aspirational families to move into the catchment area of.

We need employers with a demand for skilled employees to want to locate here. We want a range of jobs where the partners of those perhaps re-locating to the area feel are relevant. We need good FE facilities to complement the two universities we have. We have to sell ourselves. To me the biggest thing to come out of the Stoke Bid for City of Culture is how it is already being used to change perceptions of the wider Stoke area.

It is encouraging that we are already thinking about how HS2 can transform the fortunes of the Stoke and Staffordshire. Not just in terms of being part of the Constellation Partnership and how a hub at Crewe could be used to boost growth, but significantly how Stafford could develop into a major Growth point for the UK. Thinking ahead to an even more connected world where the boundaries between work and home become even more blurred. A world where entrepreneurs could set up home in Stafford within easy commuting of London and Manchester. A world where they could conduct their business in high quality living environment that is on offer, but also in easy reach of major global commercial centres.

Of course HS2 cannot exist in isolation. As well as being a significant locational advantage, being in the centre of the country is also becoming a real problem. The population of the country is growing by about 400,000 a year and our growing population needs to be fed and clothed. There has and continues to be significant traffic growth to service this population and I do not need to tell you how frequently the motorway network comes to a lengthy standstill. Our response as a country to this is frankly not good enough. Too slow and too low in aspiration. Smart motorways as they are titled, or hard shoulder running as I prefer to call it, has provided some relief. But as yet there are no plans to even widen the section between j15-16 of the M6. It is needed, as is a complete remodeling of J15. The Government just needs to get on with it and build it. We are not a third world country, but when you visit the China or some of our closer neighbours, you come back blown away by the scale and speed of infrastructure development.

The LEP must look to the future and work with others to help shape the economy. However we have a vital role to perform now. We continue to invest to unlock growth. The map behind shows some of our current programmes. Major long term schemes such as the Ceramics Valley, spread along the A500 Corridor in North Staffordshire, The Stafford Western Access Route which will unlock land for very substantial housing growth.

Investment in vital skills at the Agristem development at South Staffordshire College and Science and Technology at new facilities at Stafford College.

Works at Meaford on the A34 to allow the opening up of the former power station, works at Bericote, which you will hear of later, allowing the expansion of a global manufacturing business - our activities continue to grow. Work with the Universities, the District Heat Network in Stoke, projects putting us on the energy map.

So what of the future, we cannot stand still. This LEP has always understood that we have to look outwards, we cannot throw a wall around us. That is why we are working with the Constellation Partnership, The Midlands Engine, the newly established Combined Authority to the South of us.

But it goes further. Brexit will have a profound impact on this economy. It is far from clear what that will be, but the world will change. Next week work will start on survey to get an understanding from key businesses on how they see a post-Brexit world. What are the issues are concerning them now, what action do they expect from Government, what are the key asks.

Having seen strong local growth, having explained the contribution that business has made to growing the economy and employment. The future of our economy cannot be taken for granted. Take the agricultural sector a

huge part of the economy. It is clear that fruit farms for example employ huge numbers of seasonal migrant labour. It is reported to me that the fall in the pound against the euro has already seen a drop in the numbers coming over. What if further restrictions are placed? Will we see widespread use of technology to replace labour? Could we see farms upping sticks and moving across to Europe? What we are unlikely to see is local people taking on these jobs. They have no inclination to do it to date and I cannot see how this is going to change.

And even further into the future, what about the rapid expansion of technological development. We are not just talking about the expansion of driverless vehicles which has the potential to be a major disruptor to an economy hugely underpinned by logistics and sheds, but by taking on many white collar back office jobs?

What is clear is that this economy will change, driven not just by Brexit but by global challenges and technology.

So what should our response be? Well we should not try and guess the future. What we need to do is to ensure that our young people, schoolchildren are resilient and can handle change. That they emerge from school confident in themselves. So yes, it relentlessly comes back to the LEP and wider civic leadership having a much greater involvement in ensuring the education system is fit for the future.

What I have seen in my three and a half years at the helm of the LEP gives me huge confidence that we are up for the challenge. I said at the outset that this area has huge self confidence, a can-do mentality and a real desire from the private and public sectors to work together.

And on that note I would like to thank my fellow Board Members for the contribution they make. To Peter and the LEP team, small but perfectly formed. It is a huge pleasure to work with you all.