

# [News story: Midlands Engine to roar ahead with ambitious new strategy](#)

The strategy is published today (9 March 2016), as the Chancellor Philip Hammond visits the region the day after delivering his first [Budget](#).

The [Midlands Engine Strategy](#) includes significant investment in skills, connectivity and local growth, while it sets out how the government plans to drive the region's huge potential and promote it to the world.

This builds on plans set out in the government's modern [Industrial Strategy](#) which includes the offer of additional support for industries – including those in the Midlands – through sector deals. The government has also set out a series of reforms to technical education, backed by an investment of more than £500 million, to ensure young people receive the training they need to take on the high-paid, high-skilled jobs of the future.

This new strategy sets out how the government will:

- Invest £392 million in the Midlands from the Local Growth Fund. This cash will support innovative projects including creating a global hub for space technology in Leicester and it will also be spent on transport improvements including £25 million to tackle congestion and improve major employment sites in the Black Country and £12 million to improve road connections around Loughborough. This is in addition to the £1.5 billion of Local Growth Fund investments in the Midlands that have already been announced.
- Invest £20 million in a flagship Midlands Skills Challenge to improve employment prospects for people living and working in the region. This will include providing additional work coaches, language training and testing innovative approaches to lifelong learning.
- Commit an additional £4 million to support the operation of the Midlands Engine Partnership over the next two years. The Midlands Engine Partnership brings together Local Enterprise Partnerships, local authorities, businesses, academic institutions and others into a voluntary, regional partnership that will support growth across the Midlands.

The government is also welcoming today the strategy being published by Midlands Connect and has already confirmed £17 million of funding to develop its proposals, which include the potential for up to ten additional trains per hour into central Birmingham.

Today's announcements are all part of plans to make the Midlands an engine for economic growth for the whole country. The Midlands already has huge economic potential – home to more than ten million people with an economy worth £217.7 billion – 13% of the UK's annual output. The government believes there are huge opportunities to build on this.

From May this year, Birmingham and the wider West Midlands Combined Authority area will benefit from a directly elected Mayor able to use powers over skills, transport and planning to drive local growth and HS2 will place the Midlands at the heart of England's high speed rail network.

The strategy also focuses on promoting the Midlands to the world and today's strategy includes the formation of a Midlands Trade and Investment Programme, which will include events in Europe, North America, Asia, Africa and the Middle East. Coinciding with this, the Department for International Trade is today hosting the inaugural Midlands Engine Trade Summit bringing together up to 400 delegates from businesses from across the region to help them seize global opportunities and grow their businesses.

Quality of life is also placed at the heart of today's plans with the Local Growth Fund investing £8 million to create a new world class teaching University in Hereford, £12 million to develop Black Country Garden City, offering new locations for high quality housing development and £6 million to catalyse the regeneration of Derby City Centre.

Chancellor Philip Hammond said:

The Midlands has enormous economic potential and it is more important than ever that we now build on its existing strengths to make sure it fulfils it.

The [Midlands Engine Strategy](#) is an important milestone, setting out the concrete actions we are taking, where we are not only investing in what it does well but also tackling some of the long standing productivity barriers in the region including skills and connectivity.

The Midlands has enormous economic potential and as we lay the foundations of a stronger, fairer Britain outside the EU it is more important than ever that we now build on its existing strengths to make sure it fulfils it.

The Midlands Engine Strategy is an important milestone, setting out the concrete actions we are taking, where we are not only investing in what it does well but also tackling some of the long standing productivity barriers in the region including skills and connectivity.

It is a vital part of the government's work to create an economy that works for everyone, and all parts of the country.

Communities Secretary and Midlands Engine Ministerial Champion Sajid Javid said:

Backed by millions in investment, this new strategy will help create more jobs and boost skills in the region. It will also

showcase to investors here and abroad everything the Midlands Engine has to offer.

Midlands Engine Partnership chairman Sir John Peace said:

All parts of the Midlands already do a great job energising growth, creating jobs, investing in infrastructure, helping people to acquire valuable skills, and promoting their particular assets to attract investment and visitors.

This strategy represents a clear footprint for the Midlands Engine empowering us to think bigger, and work even closer together, across local economies and on a scale that makes sense in global markets.

Later this year, we will respond to the government's strategy by publishing an ambitious vision and action plan so we, together with government, succeed in unlocking the Midlands' great potential.