

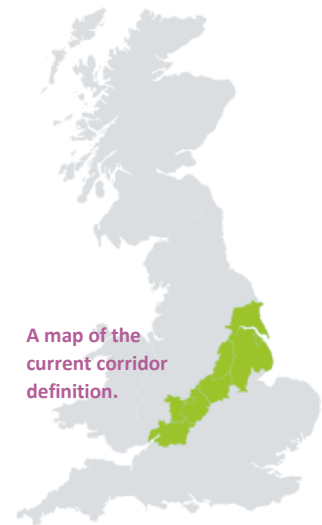
Midlands Connect Project Overview – Trans-Midlands Trade Corridor

Background

Since launching its strategy in 2017, Midlands Connect, the sub-national transport body for the Midlands, has made the case and investigated opportunities for economic growth in geographies defined by strategic movement corridors. The industries that operate along these corridors heavily rely on strategic transport infrastructure, requiring access to motorways, airports, ports and the rail network.

One key corridor being studied by Midlands Connect is the **‘Trans-Midlands Trade Corridor’ (TMTC)**. Largely defined by the A46 – part of the Strategic Road Network (SRN) – the TMTC runs for over 250 kilometres from the M5 at Tewkesbury to Grimsby and on to Hull via the A15. A number of important rail links also mirror the road network, connecting a number of major towns and cities.

The corridor¹ is already an important economic spine; businesses there produced **£115 billion output in 2015**, nearly 9% of English GVA, and is home to over 5 million people.



TMTC’s Economy Geography

1. Export centre

The Midlands exports more than any other region in England after the North East. Access to international gateways is therefore critical to the Midlands economy. The equivalent of half of these exports are generated in the Trans-Midlands Trade Corridor and are particularly important to the economies of Solihull, Coventry, North and North East Lincolnshire, Warwickshire, Worcestershire and north Gloucestershire. The corridor provides connections to East Midlands Airport, the UK’s busiest for dedicated air cargo, and Birmingham Airport. The corridor is also ‘bookended’ by the ports of Bristol and Humberside, linking our key manufacturing, agri-food and logistics sectors to ports.

“AB Ports have the capacity to be able to increase their capacity of freight (already 80m tonnes annually through Humber) if Dover can’t handle the amount of freight post-Brexit. The A46 is currently and enabler – but there is not much alternative, so if there is disruption it can cause significant problems.” Associated British Ports, Humberside

2. Home to road-reliant industries

Around half of all jobs and GVA in the corridor are in sectors dependent on the Strategic Road Network (as defined by Highways England’s 2016 ‘Road to Growth’ report) for both national and international supply chain and customer connectivity. The share of Midlands’ jobs in these sectors is higher than any other part of England and significantly above the UK average.

Although it accounts for around 9% of England’s overall jobs the corridor’s geography includes:

- A **quarter** of England’s jobs in the **automotive sector**.
- A **third** of England’s jobs in **clothes manufacturing**.
- Almost 20% of England’s jobs in the agri-food sectors; particularly prevalent at the northern and southern extremes of the corridor – linked by the A46 and A15. Lincolnshire alone produces 25% of the UK’s vegetables and processes 70% of its fish.

¹ The corridor as defined by Midlands Connect in the 2018 A46 Strategy [Phase 1 Enhanced Strategic Case](#)

In response to a survey issued to over 250 businesses in the corridor by Midlands Connect, 97% reported that an improved A46 would allow them to raise their productivity, while 65% would have the confidence to create new jobs.

3. Strong growth forecast in city centre-based professional services

Three of the four largest centres for professional services in the Midlands are in or connected to this corridor: Coventry, Nottingham and Leicester. Cambridge Econometrics forecasts suggest that there will be significant growth in these three cities up to 2037; with Nottingham and Coventry in particular due to grow in this sector by more than 20%.

Despite the relative proximity and size of Coventry and Leicester, they being less than 30 miles apart with a combined population of around 800,000 people, there are no direct rail services between these two cities. Journeys take at best an hour; or if a very narrow window for a connection at Nuneaton is missed, then they can easily rise to an hour and a half. Improvements to the railway will play a key role in facilitating city centre growth, particularly in the professional services sector.

4. Local job creation and housing growth

Local Planning Authorities have indicated to Midlands Connect that up to **275,000 new homes** could be delivered in the next 25 years; if the conditions for sustainable growth could be met. This level of growth would go a long way to supporting the growing housing need for the Midlands as a whole; which stands at **600,000 homes** in the next 15 years.

Additionally, the authorities stated that they could deliver the conditions to realise around **190,000 jobs** over the same time frame but will need support from national government to ensure that the strategic infrastructure is in place to support this.

Developing a Strategic Plan to Realise the Corridor's Economic Potential

Initially, Midlands Connect was simply looking at the opportunities from investing in the A46 but the potential for economic growth within the corridor and the collective reliance on the strategic transport assets within it has brought all the partners together to **determine how they can work together by developing a strategic economic growth plan for the corridor.**

1. Our offer to Government

Midlands Connect and its partners have pledged to collaborate both together and with national agencies (Highways England and Network Rail) to identify a comprehensive strategy of policy and intervention needs, to help realise strong and sustainable economic growth at a nationally-significant scale.



£7.1 billion
in economic benefits

The **40** partners comprising of local planning² and highways authorities³ as well as LEPs⁴ have signed a 'Statement of Commitment and Collaboration'.

² 27 authorities from Cheltenham in the south to East Riding in the North

³ Gloucestershire CC, Worcestershire CC, Warwickshire CC, Leicestershire CC, Nottinghamshire CC, Lincolnshire CC, North East Lincolnshire Council, Coventry City Council, Leicester City Council, Nottingham City Council, Hull City Council

⁴ Gfirst LEP (Gloucestershire), Coventry and Warwickshire LEP, LLEP (Leics/Leicestershire), Worcestershire LEP, D2N2 LEP (Derby, Derbyshire, Nottingham and Nottinghamshire), Greater Lincolnshire LEP, Humber LEP

The offer to government is to work across political boundaries to develop a strategic economic growth plan for the corridor. This new strategy and delivery plan will set out how each partner can contribute to a wider, national agenda and collectively support the functional economic geography of the corridor. Clear responsibilities for delivering infrastructure and policymaking at a local level would come from such a plan.

2. Our ask to Government

Midlands Connect and its partners want Government involvement through i) collaborating as a partner in the development of this new strategy and ii) providing the funds (circa £3 million) for the initial investigation. This will involve a commitment to understand and work with the partners on a delivery plan for the strategic infrastructure requirements needed to take advantage of the growth opportunities afforded by the corridor. It may also be necessary to consider giving new powers to authorities that allow them to capture land value increases in order to part fund the recommendations from the plan; such as a Strategic Infrastructure Levy.

Next Steps

The full Trans-Midlands Trade corridor prospectus outlines the proposal for an economic development strategy is to be submitted to the Department for Transport and Department for Business, Energy and Industrial Strategy in summer 2019. An investment decision from Government is expected in Autumn/Winter 2019/20 after when the exact scope of works for the strategy would be established through a partnership approach and appropriate project governance structure.

To register your interest in supporting our Trans-Midlands Trade Corridor work, or to find out more, please contact us:

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