Powering on
The Northern Powerhouse, two years in

With George Osborne, Keith Burnett, John Cridland
Northern ports not in a storm

Over 95 per cent of our trade in goods moves by sea. Ports in the north are a key part of that trade, says Simon Bird, Humber director of Associated British Ports

Each year, major ports in the north handle roughly 173 million tonnes of cargo. The Humber, the UK’s busiest trading estuary with roughly 30,000 vessel movements every year, plays the largest part by handling about half that total, linking businesses across the north to markets throughout Europe and far beyond. The Humber is also home to the nation’s largest port, Immingham. Across both banks of the river, ABP’s ports on the Humber contribute £2.2bn every year to the national economy, including £1.5bn for the region, and support 33,000 jobs.

From the north-east and the Humber across to Merseyside, ports have always been a key driver of both the northern and the national economy.

The international trade facilitated by ports helped build the prosperity of great mercantile cities such as Liverpool, which at one time contributed more to the exchequer than the City of London. As Britain’s manufacturing industries have declined, that critical role has perhaps become obscured from view.

But ports are not just the foundations of our past prosperity; they remain the foundations of our future prosperity, too. And that’s why ports need to be front and centre in driving the development of the Northern Powerhouse.

Our ports industry today is a national success story. This is another possible reason why ports have faded from the wider national consciousness; ports operate quietly and efficiently, no longer plagued by industrial disputes, which have become a distant memory. Over the past five years alone, the industry has attracted over £2bn of private investment in essential national infrastructure, helping to create 55,000 new jobs.

One example is the Immingham Renewable Fuels Terminal to handle biomass for power generation. This investment underlines the essential role that ports in the north have in keeping the nation’s lights on.

Biomass at Immingham, for instance, flows through to the Drax power station, which generates 7-8 per cent of our electricity. Also, in the Port of Hull, ABP and Siemens are investing £310m to create a new offshore wind manufacturing facility, a project that will further cement the Humber’s role as Britain’s Energy Estuary.

The development of manufacturing in Hull demonstrates how our ports can play an important role in helping to rebalance the economy. And it doesn’t have to be based on renewable energy or other marine-related activity.

Many ports in the north have large areas of land, often post-industrial, which is primed for development. That land can be used for any type of manufacturing.

Large areas of land that benefit from deep-water access can serve as ideal locations for the importation of raw materials and components and the export of any finished product.

So, the potential of our ports to drive growth in the north is not only based upon their capacity to promote trade by providing critical access to global markets; it also rests with their ability to serve as major new manufacturing hubs.

The Northern Powerhouse can provide a game-changing opportunity to maximise this potential and to turn that potential into reality.

This will require a commitment to invest in road and rail connections to ports, meeting the needs of businesses across the north and the nation. It will also require a concerted effort by both the public and private sectors to promote ports globally as ideal locations for inward investment, perhaps complemented by the progressive development of new and innovative incentive regimes.

Ports on the Humber and across the north are fundamentally important to the north’s economy, and they are fundamentally important to the success of the Northern Powerhouse. We are ready to play our part in delivering that success.

For further information, visit www.abports.co.uk
Are we powering yet?

Ask anyone whether they think that the Northern Powerhouse initiative is a good idea in principle and most sensible people will acknowledge that it is. Rightly or wrongly, there has been a perception that the economy and its management has been all about the south for too long. Manufacturing and industry have suffered and the London-centric nature of both parliament and the media that hold it to account has done little to counter this.

Twenty months ago the government made a conscious decision that this was no longer good enough. Whatever someone’s politics, this was a much-needed re-emphasis. Questions remain over how well resourced it needs to be and what needs to change to make it work, but the line has been drawn; there is no will on any side to go back to centring everything on London.

There is a lot to do, however, to make the scheme work in the way its founders would like. Both the Chancellor, George Osborne, and the Northern Powerhouse minister, James Wharton, make the case for the positive in these pages but it’s a journey that has begun rather than one that is complete. The Institute of Directors, for example, confirms from research that a healthy majority of its members support the initiative but it cautions that it’s time for the substance to start emerging from the rhetoric.

There are pockets of mini-powerhouses starting up, such as the cluster of media expertise led by the BBC in Salford, but

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Two years on

In 2014 Chancellor of the Exchequer George Osborne launched the Northern Powerhouse initiative. He reflects on progress so far

It is less than two years since I stood in Manchester’s Museum of Science and Industry, beside its grand old engines and turbines, and set out my vision for a Northern Powerhouse.

The idea was simple: to bring together the great cities and towns of the north of England to become a powerhouse for our economy again – with modern transport links, much stronger civic governance and investment in world-class science and culture.

Today, more than half the world’s population live in urban areas and the world’s most powerful economic hubs are only increasing in size and influence. There is a strong correlation between the size of a city and the productivity of those who live there. The top 600 cities in the world contain just 20 per cent of global population, but create 60 per cent of global GDP.

Within 40 miles of Manchester, you have Leeds, Sheffield and Liverpool, Lancashire, Cheshire and Yorkshire – a belt of cities and towns that contain ten million people. Bring those cities together, connect Liverpool to Hull, the north-west to Yorkshire and the north-east – and a powerful urban conglomeration emerges. So the Northern Powerhouse was conceived as a new approach to rebalancing the economy, based not on pulling London down but creating something that could realistically compete, not just with our great capital, but with the rest of the world’s leading regions. It is an ambition to address the historic north/south divide. And in the past 20 months or so we’ve made important progress.

First, we acknowledged that the old model of running everything out of Whitehall had to end. Frankly, that model was broken.

For decades, years of highly centralised government have failed the proud cities and towns of the north, and my promise was that we would finally give civic leaders the levers they need to grow their
local economies. In the biggest shake-up of local government in my lifetime, we have been handing power from Whitehall to northern cities so that they can take control of their own affairs. That has meant working across political divides, and I pay tribute to the far-sighted local authority leaders from all parties who have worked with us to create new, powerful elected mayors.

Of the six deals announced to date, five have been with cities in the north. The Sheffield City deal announced late last year, for instance, is giving South Yorkshire a new mayor with access to £900m of funding as well as control over transport, skills and business support.

Much better strategic transport links were the second part of my plan. So at the Spending Review I announced that government would spend £13bn on transport across the Northern Powerhouse over the next five years.

More than that: I wanted to create a single body, like Transport for London in the capital, that would ensure we had a single, joined-up, locally driven transport plan. So we created Transport for the North, and asked John Cridland, ex-head of the Confederation of British Industry, to chair it.

Then we funded the new TfN with £200m, including investment to help make Oyster-style ticketing a reality across the whole of the Northern Powerhouse. There’s much more to do, but already we have made steps to make travelling in the Northern Powerhouse a better experience, with improved trains offering more seats and more services.

We’ve announced that the high-speed rail link connecting Crewe to Birmingham to London will open six years earlier than scheduled.

We also launched a new National Infrastructure Commission to hold the feet of this and future governments to the fire. One of its first projects, reporting in time for my Budget in March, will be to report on how we can better join up the dots and improve connectivity in the north.

Promoting and investing in both science and the arts is the next part of the plan to make the Northern Powerhouse a reality.

Late last year, I was delighted to welcome President Xi Jinping of China to Manchester – the first time a Chinese leader has ever visited that great city, where I showed him the cutting-edge work being done in the development of graphene.

His visit followed my week-long tour of China, where I promoted £24bn worth of investment opportunities in the north to Chinese investors – taking local leaders from both main parties along with me.

The north is now leading the UK and increasingly the world in many areas of science. Take the Sir Henry Royce Institute for Advanced Materials Research, which we’ve backed with £235m of support, the National Centre for Ageing in Newcastle, where we’re putting in £20m, and the new joint nuclear research and innovation centre in Cumbria, where we’re partnering with the Chinese. There will be £250m of investment into small nuclear reactors and nuclear research and development, most of which will be spent in the north, building on existing nuclear strengths in the north-west.

The government has committed tens of millions to new agriscience centres in York, and we have launched a national £400m Grand Challenges Fund, which will support regional bids for significant science projects.

In the past few weeks, Bill Gates, who is joining forces with the government in our mission to eradicate malaria deaths and fight emerging diseases, came with me to Liverpool to see the great work being done at the city’s School of Tropical Medicine.

I want the Northern Powerhouse to rival London and other great city regions of the world in the arts, too.

So we pledged £78m for The Factory, a theatre and arts venue with a capacity of 5,000 on the site of the old Granada TV studios. It will play an integral part in helping the north of England provide a real cultural counterbalance to London.

We’re committing significant sums to expand Hull’s UK City of Culture 2017 and the Yorkshire Festival, while Sir Gary Verity is taking forward a project to showcase the best of the north with its own Great Exhibition, with £20m backing.

Of course, the success of the Northern Powerhouse will rely on the talents and strengths of the north’s workforce. In an indication that the region has real momentum, unemployment grew faster in the north than the south over the past year. In fact, the employment rate in the north-west grew faster over the last year than in any other UK region.

Across the Northern Powerhouse there are more people in work than ever before, and around 700,000 of them will benefit from our new National Living Wage, to be introduced in April this year.

Companies such as Burberry are showing increasing confidence in the area, announcing plans to open a new factory in Leeds. A Birkenhead firm was recently awarded the contract to build a £200m polar research ship.

Behind each of these announcements lie jobs, pay packets and security for more people and their families. And almost every day I hear about more opportunities that are there to be seized.

I hope anyone who heard me talk about the Northern Powerhouse on that first day will know that I wanted it to be the start of something special, something that the whole of Britain will benefit from.

Now that we have set out on this course, I am more determined than ever to make it work.

It’s a big, systematic, long-term endeavour for the years and decades ahead, for people of all parties and none to support. Critics who seek to declare an end to the Northern Powerhouse every time an individual engineering project faces a setback or a flood defence is breached both fail to understand the breadth of our intent and do the region a disservice. Of course, we take those things seriously. But the Northern Powerhouse is bigger and broader than that.

As an MP in the north-west for 14 years, I’m well aware that individuality is hard-wired into the north – nowhere else celebrates such a diverse range of communities in such a small part of the world.

But collectively we can be so much stronger than the sum of our parts. There’s more to say and more to do in my Budget next month (March). I know the Northern Powerhouse can bring our great northern towns and counties together to take on the world.

George Osborne is the Chancellor of the Exchequer and the MP (Conservative) for Tatton, in Cheshire
The digital space is growing in the northern region. Paul Lancaster, community engagement and partnerships manager of Tech North, explains
people come together to celebrate and support almost 60 tech start-ups at seven pitch events across the north, bringing them face to face with expert mentors, influencers, investors and the media.

These brilliant start-ups and businesses are our next generation of talent. They join a pruned, thriving and electrified northern tech ecosystem that is on the cusp of its global potential: tech companies such as Sage and UKFast dominate their respective markets both in the UK and globally; Durham-based Atom Bank (a digital-only “challenger bank”) is ranked eighth in the Fintech 100; Manchester-based market research technology company Reality-Mine has secured £11.4m investment; and Hull’s state-of-the-art Centre for Digital Innovation (C4Di) recently opened, arising like a golden beacon to the world.

When launching the government’s call for ideas toward its five-year UK Digital Strategy, the Minister of State for Culture, Communications and Creative Industries, Ed Vaizey, acknowledged the pivotal role Tech City UK has played in growing the digital economy, but called for further expansion outside London. He challenged the new generation of tech innovators to act as the driver for proactive citizenship that will lead to improved public services – better schools and housing, and more effective crime prevention and health care.

In response, Gerard Grech, CEO of Tech City UK, issued a rallying call to the sector, urging for “a big, collective mind [that’s] unafraid to imagine”, particularly in approaches to skills, funding and procurement. He stressed the need to develop deep technology, and called for “the UK to do all it can to foster growth in companies specialising in data science, artificial intelligence and machine learning”, core specialisms for many of our northern cities.

Tech North’s programme of work aims to support this innovative and transformational thinking. Working with our community of founders, entrepreneurs, thinkers and doers, we are providing thought-leadership and support for our northern tech community in championing positive change, promoting diversity, gender balance and equality of opportunity. We are supporting innovative approaches to funding and procurement, infrastructure and enterprise, skills and talent development. We are transforming the mindset of national and global investors from “Why are you investing in northern tech?” to “Why not?”

If we are serious about our positioning in global markets and attracting top tech talent, we need to abandon our tendency to modesty and become more visible – and more audible – about what we have already got. Our pioneering work around digital skills and talent through initiatives such as “Career Hacker” by Geek Talent is helping to reframe the debate away from the self-fulfilling “skills gap” and towards the “skills opportunity” created by the extraordinary depth of talent available across the north.

Our forthcoming report on innovation, produced in partnership with the RSA, will promote new thinking around how the north’s existing and future public, private and corporate assets, resources and infrastructure can be better exploited to support innovation, increase productivity and drive growth.

Even more fundamentally, we are seeing a change in thinking around what it means to be part of the Northern Powerhouse. Our entrepreneurs are global thinkers, who work beyond boundaries and look outward for inspiration, collaborators, markets and – often – investment. For the northern tech community, the Northern Powerhouse is less about north versus south, and more about the immense global potential of the northern cities as a combined, collaborative and cohesive offer with support from London.

It is about our place in the world. We are on the cusp of a new global economic model – one that acknowledges and builds on the successes and failures of those that have gone before, one that values humanity, understanding, emotions and relationships, which promotes knowledge and ideas, encourages trade and enterprise, and that centres on commercially oriented solutions to social problems. This is the size of our opportunity.

Tech has the potential to address some of the world’s biggest problems – climate change, migration, cheap labour, sustainable energy – and we take great heart in how many northern founders are using “Tech for Good”. With a £10bn life sciences industry, world-class universities, medical schools and teaching hospitals, the north has world-leading strengths in health tech that – at its best – could help humanity reach its fullest potential. This is the scale of our ambition.

We are Tech North. Join us. | technorthhq.com | @technorthhq | #TechNorth
This government promised that, if elected, we would begin a new and bold era of devolution for England. We wasted no time honouring our commitment.

Since May last year we have signed six devolution deals across the country, and this month the Cities and Local Government Devolution Bill received Royal Assent. It means local areas can now look forward to real control over the decisions that affect their lives, under the leadership of powerful elected mayors.

This is the biggest change in the system of local government for generations, and heralds a renaissance of local power that is long overdue.

For decades, the diverse cities and regions of Britain have been controlled from London. Few now believe that is the right model. It led to an unbalanced economy, and left local leaders powerless to make decisions that would make a real difference.

Devolution will restore the local autonomy that made our cities, towns and counties strong and prosperous, and admired around the world as models of civic governance. While we want every area of the country to experience these benefits, there is a particular resonance for delivering this commitment in the north, because we are also determined to rebalance the economy by building a Northern Powerhouse.

Viral statistics
The northern economy already hosts more than half a million businesses, and many of the world’s finest universities and research institutions. Fifteen million people call the north home, more than Tokyo, New York or London, and a new job is created every five minutes.

If it were an independent country, the north would be the ninth-largest economy in Europe, worth £290bn, and if the north grew at the same rate as is forecast for the rest of the UK, we could see an extra £37bn added to the national economy by 2030.

These might seem like big abstract numbers but they represent a prize worth fighting for, and realising this potential will necessarily involve securing more private investment for the north, particularly from abroad.

Chinese investors have already put £650m into the Manchester Airport City Enterprise Zone, a world-class development that will strengthen links with Asia and be the first airport outside London to host direct flights to China.

Other countries are also recognising what the north can offer: £500m of American money is being invested in a waste energy plant in the Tees Valley, and French investors are pumping £180m into a recycling plant in Leeds.

Nissan continues to invest abundantly in its Sunderland facility, a factory that makes more cars than the whole of Italy.
All these foreign investors are attracted by the enterprise, innovation and culture of the Northern Powerhouse, and we want more to follow their example. That is why the whole machinery of government, including our diplomatic missions abroad, are busy banging the drum for the north.

Last autumn the Chancellor published the *Northern Powerhouse Pitchbook* – showcasing £24bn worth of investment opportunities – and took a large delegation of businesses to China to promote it.

Part of promoting the north is demonstrating that we understand what investors want. They require good infrastructure and transport links, such as HS2, and a skilled local workforce. We’re backing northern leaders to make this a reality.

Every devolution deal involves guaranteed, long-term funding for capital investment, and in the Autumn Statement we announced an investment fund of over £400m for Local Enterprise Partnerships in the north, with an additional £100m for the north-east.

I will continue to work tirelessly with colleagues from across the whole of local and central government to devolve more powers to local areas, back northern businesses and secure investment.

But real success for the Northern Powerhouse will amount to much more than the sum of government funding, or even foreign investment. It must be an ambition for all areas, from metropolitan cities to villages, and all businesses and industries, to help the north reach its potential.

There’s no magic formula for success. There never is. But devolution has arrived and is here to stay. It will require local business and civic leaders to take ownership of the Northern Powerhouse and maintain the momentum of growth.

Ultimately our commitment to the Northern Powerhouse and devolution reflects our determination to be a One Nation government, which strives to secure progress and prosperity for every part of the country.

One Nation does not mean spreading our national wealth more thinly, or undermining the strength of London, but enabling every area of the country to reach its potential, and contribute to Britain’s success.

It is as Benjamin Disraeli, that great proponent of One Nation politics, once said: “The greatest good you can do for another is not just to share your riches, but to reveal to him his own.”

*James Wharton is the MP (Conservative) for Stockton South and Minister for the Northern Powerhouse*
Economic regeneration is happening right across the north of England, and a new independent report has revealed that the region’s largest utility companies are playing a fundamental role, by generating approximately £2bn for the local economy each year.

By working together as Infrastructure North, Northern Gas Networks, Northern Powergrid, Yorkshire Water and Northumbrian Water have the potential to be a driving force in the UK economy. These companies provide essential services to 13 per cent of the UK population – more than eight million people.

The Infrastructure North report, which was launched at the House of Commons in December, shows that for every £1 the four companies invest, a ripple effect of 87p additional spend in the region is created. Over the next five years, they will generate additional investment of £10bn in the north through operational and capital expenditure projects and a further £1.3bn on salaries. Since 2013 these utilities have grown their supply chains by 40 per cent, creating work for 33 per cent more businesses within the north and generating 9,000 jobs.

The companies are also tackling key issues where they have a part to play to improve the health and well-being of the region. These include skills and training, poverty, resource efficiency, education, innovation projects, environmental impact and more. The Infrastructure North collaboration is unique and one that senior political figures are urging others to follow.

James Wharton MP, Minister for the Northern Powerhouse, said: “I’m very pleased to see collaboration – the key lifeblood of the Northern Powerhouse – between these companies to align plans for growth and invest in long-term solutions. I’d welcome further collaboration with other companies across the north to extend this good work.

“I commend these companies for the way they are helping to sustain economic growth in the north, and improve the health and well-being of their regions. I am sure you will read the report with great interest.”

Anne-Marie Trevelyan, the MP for Berwick-upon-Tweed, who hosted the launch of the report at the House of Commons, said: “We have an expectation that when we turn on our taps that water will come out, turn the central heating on and our homes will become warm or flick a switch that the lights will come on, and rightly so.

“But as we will hear, it is time we as leaders be more mindful of how we can work with those who supply our energy and water to make sure our investments get the best outcomes for our communities. Clearly, together we can make our region even stronger.”

To read the full report or get involved visit: infrastructurenorth.co.uk
Something we do, not somewhere we go

Smarter working habits are needed to build the Northern Powerhouse, says Sean Ball, marketing executive at Forfusion Ltd

As a millennial graduate working at a young technology company that has achieved double-digit growth since relocating to the north-east in 2011 (after being founded in London in 2007), I fly in the face of the commentators who line up to declare “skills shortage” and “brain drain” pandemics in the north.

I have had the pleasure of working for multinational brands in the big city and elsewhere; however, I voluntarily “boomeranged” back to my home region of the north-east in 2014 in search of a better quality of life, bringing the skills and experience with me.

And I am not alone. More and more research is finding that millennials (a term used for those reaching maturity in the 2000s) are recognising the appeal of smaller firms, regardless of location. There are a number of reasons for this trend, but I believe the most significant one is quality of life.

Work/life integration

The millennial generation is becoming wise to the fact that rapid advances in technology are levelling the playing field. It is no longer essential to stay in or relocate to London to secure a decent-paying job with exciting career prospects.

In fact, for younger workers, it is getting more difficult to obtain a decent-paying job in London (relative to house prices, which have reached an average of £400,000 for first-time buyers), and especially one that offers exciting career prospects without compromising personal life priorities and goals.

Playing a more significant role in making a tangible difference to a growing company is seen as more rewarding and fulfilling than working for a big brand and being a small cog in a big machine.

Similarly, a favourable cost of living and lush landscapes and scenery are becoming central for a millennial’s concept of a good quality of life. The north suddenly becomes appealing…

Talent attraction and retention of millennial and succeeding generations is going to make or break the ambitions for a Northern Powerhouse (especially here in the north-east, the region that most often gets neglected in discussions about a Northern Powerhouse).

It is up to companies, and not politicians (who recently announced a relocation of the Department for Business, Innovative and Skills’s Northern Powerhouse office from Sheffield to London…) to make employment opportunities flexible and exciting, so that younger talent can integrate, rather than balance work and life priorities.

A powerhouse of power-users

The usage of collaboration tools is exploding. Usage of the top four messenger apps has overtaken the usage of the top four social networks, some commentators believe by up to 20 per cent.

Workers of all ages, not just millennials, are coming to expect to have the same ability to collaborate with one another for work as they do in their personal lives. This is so that they can work flexibly, spending less time commuting or in an office without compromising on their productivity or efficiency.

If northern organisations fail to meet these needs, workers will either go out and use unsecured consumer apps such as WhatsApp or Slack – or, worse, leave!

As a disruptive technology company, Forfusion practises what it preaches. Its flexible working policy is at the very heart of our dynamic, socially responsible and innovative culture. We’ve designed what is known as a Unified Communications and Collaboration infrastructure, so that we can enable better work/life integration with our office-based colleagues, as well as access new talent pools outside of our north-east region.

If we are serious about making the Northern Powerhouse a reality and not just a political soundbite, we all need to think about how we can make employment opportunities desirable to the future generations. This means rethinking the conventional nine-to-five, office-based notion of work.

To find out more about how Forfusion can help your organisation work smarter by utilising new technology solutions, visit: www.forfusion.com. Or email: info@forfusion.com
The Institute of Directors has a clear stance on the concept of the Northern Powerhouse; we support it. In a survey last year, 65 per cent of our members nationally voted in favour of the idea, with 71 per cent of business leaders in the north advocating the concept.

We have now, however, reached a pivotal point where all of the talk must result in some substance. We have to begin to see tangible results that demonstrate a rebalanced economy, with accelerated growth beyond the south-east.

Primarily that means dividing politics from facts. Ministers are telling us it’s going well and we have definitely seen progressive actions and great support – including devolution and the introduction of elected mayors in some northern cities, but there’s a long way to go.

We have had the photo opportunities and the headlines. Now it’s time for action, harnessing real potential, generating momentum and garnering the support of business leaders to ensure that substantial change begins to occur.

For me, that means giving the northern cities the power to find their role at both the domestic and the global level, re-establishing the north’s former prominence when it was a powerhouse of the 19th-century economy.

Although the specific elements of the Northern Powerhouse plan are important, I and the broader IoD membership prefer to assess the Northern Powerhouse in its entirety, through a business lens.

It is up to organisations, their leaders and business networks such as the IoD to drive the concept in the first instance. Crucially, we must work together across each northern town and city to ensure that the Northern Powerhouse is greater than the sum of its parts.

The IoD supports and is a member of Business North, recently launched as a group, comprising senior industry leaders from across northern England to drive forward the agenda for the Northern Powerhouse.

The results we achieve must eclipse what individual towns can achieve on their own. That is perhaps another challenge; northern cities have deep-rooted histories and competitiveness that can prevent the optimum level of harmonious working processes across the entire region. However, look carefully at those cities and there are fine examples of remarkable industries and businesses which collectively can make the Northern Powerhouse a reality.

We already have a “powerhouse” reputation in some sectors. The BBC-led regeneration in Salford has led to a clustering effect, with a media powerhouse developing around it. Manchester has a plethora of industries to call its own. Lancashire-based corporations are key to the energy and renewables sector. Cumbria has an investment pipeline of circa £25bn in the next decade, creating more than 30,000 jobs and an additional £1.3bn per annum to regional GVA.

In short, it’s about exploiting these vast assets.

The IoD has many hopes for the Northern Powerhouse. Consistency is our primary concern; devolution, for example, is an important contribution, but immediately it means there’s a lack of cohesion, as some cities have devolved powers and some don’t. The idea of devolved powers...
Dockside development will open up waterfronts and expand the region’s potential has been well received by IoD members, with just 8 per cent of business leaders within our national membership opposed to the idea.

Transport seems to be the biggest talking point – 78 per cent of our members in northern regions voted that this is the area in which cities should be given additional power. But while the dialogue remains crucial on improving the passenger transport infrastructure (speed, ease of access and capacity), I’m as concerned about the freight transport opportunities.

My role at the IoD is to support businesses in the Liverpool city region and its long-standing prowess as an important port is something the north can exploit – but only if significant transport investment allows the swift and easy movement of cargo around the region to access the 35 million people closer to Liverpool than the southern ports.

Liverpool2 is a new deep-water container terminal that can accommodate 95 per cent of the global container vessel fleet, thus creating the capacity to handle the next generation of container ships. It will empower the Port of Liverpool to be the UK’s national gateway and transshipment hub for Ireland and the Atlantic.

Transport is a classic example of an area where spend and growth are greater in London. A 2014 research report by IPPR showed that Londoners receive £5,203 per head more capital expenditure than the north. Crossrail alone is earmarked to receive nine times more funding than all the rail projects from the north’s three regions combined.

Furthermore, an SPREI report published last August suggested that overall infrastructure investment in London, such as communications, transport and utilities combined, reached £45bn, or £5,305 for each resident. This compares with £1,946 per head in the north-west, £851 in Yorkshire and Humberside, and just £414 per head in the north-east – the lowest of any English region.

All of this leads me to believe that the north is faced with an almost impossible task if it doesn’t have the right resources or mishandles the devolved powers. Our member research reinforces this; 62 per cent of IoD members in the north are concerned that devolution would lead to higher taxes and 61 per cent thought it would increase the cost of tax compliance, showing that business leaders’ support for devolution is not a blank cheque to ramp up taxes and spending.

The majority are in support of devolved transport, education, skills, housing and planning powers. Infrastructure in the broadest sense appears to be the priority for business leaders. These statistics are true for directors in the northern cities; 62 per cent of business leaders want northern authorities given power over education, while 77 per cent want housing and planning powers increased in cities.

It is also important to consider the need for “positive discrimination” to favour the north against other parts of the UK and create “competitive specialisation” allowing cities to focus better on their strengths and build up particular sector expertise. This is especially relevant for areas such as R&D, science, innovation and technology, including the digital sector.

My final wish for the Northern Powerhouse – and it’s a big ask – is that it doesn’t result in achievements that northern cities would have attained regardless, especially those with devolved powers.

The north will accomplish much over the next few years. Manchester, Liverpool and Leeds, for example, are great cities with already established strong assets. I believe that, with or without the Northern Powerhouse, they will contribute significantly to the growth of the UK economy.

The Northern Powerhouse, if successful, will significantly boost this potential and help us secure even more achievements for the region than would have been possible without it. What is imperative, therefore, is that we see a Northern Powerhouse that adds even more value; a rebalanced economy and investment that promotes prosperity and wealth, crucially driven from the north.

Everyone in business or simply resident in northern cities has to believe that the north as a whole means something. With the combined northern regional economy standing at almost £300bn, we simply cannot be ignored.
Can we really create the Northern Powerhouse? It’s a question that inspires debate not only in the region, but across the whole country. Some say it’s achievable, some say it will never become a reality and the rest don’t know what it means. For me, the message is clear; if government, businesses and local authorities can co-operate and collaborate we can create a northern economy to rival London. Transport – and especially rail – is an essential component for helping to create the Northern Powerhouse and help the north’s economy to grow.

It can’t be built on the back of isolated communities, all trying to make it on their own. They need improved connectivity across an integrated transport system to bring the great towns and cities of the north closer together.

In April the new TransPennine Express franchise will begin, with its vision of taking the north further. More than half a billion pounds will be invested during the new franchise to transform the intercity rail network across the north of England and Scotland.

That means new trains, faster journeys, more seats and better integration across all transport modes. These improvements will lay the foundation of the Northern Powerhouse, but they can’t take all of the weight. To realise this vision, to make the billions of pounds in private and government investment worthwhile, we also need to shift some of the focus to promoting growth in skills and learning in the north. Without the proper skill base, the economy in the north will lack the competitive edge it needs in order to grow and prosper.

The transport industry has a responsibility to work together; to improve connectivity; to create seamless ticketing options and to increase the ease of moving customers between trains, buses, trams and airports, but at the same time so do businesses. The private sector has a vital role to play in making sure this generation and the next has opportunities to enhance their skills and training.

Without a focus on learning we won’t witness the north grow, but watch our smart, talented youngsters continue their pilgrimage to the south-east. An economically strong north requires the skills to move it forward and key to this is helping the next generation into jobs and training.

For TransPennine Express, that includes boosting our apprenticeship and graduate intakes. From April we will be expanding our apprenticeship and graduate programme across a range of business areas. Over the next few years we will take on 36 apprentices, a threefold increase in our intake.

We will also be working with local colleges to make sure our apprentices complete relevant and recognised qualifications during the programme. It’s this type of collaboration that needs to be strengthened. Businesses throughout the north have a responsibility to work alongside our higher education facilities and universities to create better job prospects and training opportunities for people in the north. So much can be achieved if businesses, educational institutions and local authorities across the north expand beyond their local areas when looking for these partnerships.

There is a political will to help build this great northern economy and, most importantly, strong investment that will help realise it. With the devolution of powers which is now under way, money is flowing through to the local authorities and finally northerners are deciding where it should be spent.

This creates additional opportunity for the north, and the public and private sectors alike should acknowledge their role and responsibilities.

Infrastructure may lie at the heart of a Northern Powerhouse, but it will also take collaboration and determination to develop the skills needed for the north to achieve its true potential.

For more info visit: www[firstgroup.com](http://www.firstgroup.com)
The north can close the connectivity gap

The economy is increasingly connected, says Andrew Taylor, CEO of Nomad Digital, but is every region?

Connectivity is crucial to the way we live. But the speed of our ability to share information, news and views has been radically transformed by the internet, the smartphone and on-the-move demand for wifi. Communication on a vast scale is now instant – the click of a button . . . or the post of a tweet. Anything, therefore, that prohibits or slows that down in the modern world is at best an inconvenience, at worst critical to many business decisions. Equally, our ability to connect quickly face to face when travelling vast distances has improved hugely in the past century.

Trains have been the powerhouse of that revolution and will continue to be. There is no other transport system that can provide nearly door-to-door service so sustainably, moving large numbers of people, or vast quantities of goods, so quickly. The north was the birthplace of the locomotive with Stephenson’s Rocket and now has a great opportunity once again to drive the Northern Powerhouse through transport and digital connectivity.

At a time of unprecedented change in local governance for England’s northern territories, including local enterprise partnerships, devolution and the prospect of regional mayors, the pace of political change is for once almost rivalling digital evolution. Equally, our ability to connect quickly face to face when travelling vast distances has improved hugely in the past century.

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The north region, roughly speaking, stretches east from Liverpool across to Hull and then north to Newcastle, including the vital city regions of Manchester, Sheffield and Leeds, and comprises a hotbed of creativity and economic innovation. But trying to get from Liverpool to Hull quickly by any form of transport is a challenge. By train, it takes nearly three hours. It’s quicker to get to Paris from London – though Liverpool to Hull is roughly half the distance!

It is clear, then, that we have some hurdles with our speed of travel, but by improving train travel in its widest sense – speed, capacity and digital connectivity – we have the very best opportunity to close the gaps. HS2 will go some way to improving connections between the northern territories and London, but what about between the northern territories themselves? The need for a cross-Pennine service that can reduce such painfully long train journey times has never been greater.

At Nomad Digital, we believe that businesses have a vital part to play in influencing future decisions on a joined-up, integrated and effective rail service, through supporting local and national government and sharing business acumen and expertise. In the north-east of England we are at the cutting edge of this digital revolution with innovative start-ups and established, world-leading companies working in digital, communications, video, gaming and software.

Nomad Digital was started with a handful of people in Newcastle back in 2002, where the global headquarters remains. It now employs nearly 300. Businesses such as ours now thriving in the north-east have a strong pedigree of pioneering innovation that taps in to the era of our industrial forefathers Stephenson and Swan, and the communications technology we are introducing for the rail industry here today continues that tradition.

Empowering a more connected passenger is a vital part of that transport discussion for the north and business experts in that field can support that debate. But let’s not forget freight. Facilitating more efficient, reliable and safe movement of goods using real-time, on-train diagnostics will support the supply of vital products – nationally and internationally.

The region has great potential. Combine the north-east’s undoubted digital strengths with Manchester’s media skills, with the offshore strength of Hull and the creative industry in Liverpool, and you get a powerful engine of economic productivity. Bring these various strengths closer together, face-to-face, and virtually through better digital connectivity, and we can establish the north as a truly global powerhouse again.

To find out more visit: www.nomad-digital.com
The north of England has a population of 16 million people – larger than that of London and almost on a par with the Netherlands. This region currently contributes £290bn to the UK economy and is home to countless successful businesses as well as world-renowned universities.

The north has enormous economic potential, which can be unlocked by bringing the large economies of the north closer together, through transformed networks of connectivity.

TfN’s role is to bring together local transport authorities across the north of England to allow the north to speak with a single voice to government on the big transport decisions that will benefit the whole region.

Our shared vision is to build on the existing strengths of the north to create a vibrant and growing economic region that retains and attracts the brightest talent; acts as a magnet for inward investment; and which becomes one of the world’s most competitive economies, playing host to innovative companies that succeed in the global marketplace.

In March 2015 TfN and the government produced a joint report on the Northern Transport Strategy. This report set out an ambitious vision for enhanced connectivity to drive economic growth. This is a long-term aspiration and our work towards it is gathering pace.

Over the past year, the focus has been on the development of the strategy, to identify future investment priorities and to start putting in place plans for the future of northern transport.

This work includes plans to transform rail connectivity, improve the north’s strategic roads network, ensure the efficient movement of freight, to consider priorities for improving local and regional connectivity and for smart ticketing across the north.

All of this work will inform the Northern Transport Strategy and we will be publishing an update in March 2016.

In his comprehensive Spending Review in November 2015, the Chancellor pledged £50m in funding for TfN over this parliament. These funds help to ensure the future certainty of the organisation and will allow TfN to drive forward its agenda, and in autumn 2015 we produced an interim report to update the Treasury on progress.

In addition, a further £150m has been allocated to allow TfN to accelerate our programme to deliver smart and integrated travel for the region.

In our March report, we will set out an implementation plan for the introduction of these improvements. We will focus on the opportunities for the whole of the region, working with our regional partners to link existing schemes and help to ensure enhanced connectivity for passengers.

We have also been working closely with the National Infrastructure Commission and recently submitted to the commission’s call for evidence to make recommendations on northern transport interventions.

The commission will be publishing its report this spring, which will put forward
Full steam ahead: Rail North will assume many of central government’s oversight responsibilities for northern rail services

recommendations to central government on infrastructure priorities that will improve east-west connectivity in the north of England.

TfN has unique oversight of the bigger picture of transport connectivity, and by working with our regional partners, local business leaders and the national transport bodies through the TfN Partnership Board we are able to build a plan to optimise transport links.

The Northern Transport Strategy will underpin future investment in northern infrastructure and will act as the groundwork to ensure that funds are prioritised and that work takes place on the projects that will really benefit the north.

We are also increasing engagement with leading stakeholders: a crucial part of my work over the past few months has been to meet with politicians and business leaders to ensure that TfN is representing the interests of northern industry.

In conjunction with strategy work, Transport for the North has been growing towards statutory status in 2017. Previously a partnership organisation with each of the authorities lending resource to drive forward a shared agenda, TfN is now working to establish a core team to accelerate our ambitious programme.

Key to this core team is our chief executive, David Brown, who joined from his role as chief executive of Merseytravel in October 2015. With my appointment and interim office space in Manchester, TfN is growing quickly to enable the organisation to realise our vision.

Long term, our ambition is for TfN to become the commissioning authority for transport in the north and statutory status will grant TfN the opportunity to develop further the role and powers of Rail North, devolving greater responsibility from the government for oversight for the northern and trans-Pennine rail services.

It’s early days for the programme, but so far I have been impressed by the huge support and consensus for change.

On a cross-party, cross-industry, pan-northern level, people share our vision and want to drive forward our programme, making this an exciting time for transport and for the north.

For further information on TfN, visit: www.transportforthenorth.com
Education and skills have seen waves of major structural change since the 1850s, and the education and skills sector in the UK is now entering another phase. While this is nothing new, we need to consider how things are changing and how organisations like us need to change their stance to accommodate it.

A number of things are combining to create this next wave. The first is the devolved nature of government and the creation of the mechanisms to support the northern economy (and, indeed, the Northern Powerhouse project itself).

Second is the environment of austerity. Politics aside, it is incumbent on the institutions to develop more for less and close some of the gaps. Third is the need for employers to become much more engaged and for the institutions to be closer to them than they have been before, supporting their skills and training needs over the next five to ten years.

So there is a perfect storm of factors leading to inevitable change, and we need to take proactive steps to shape this new landscape.

We envisage that in the future there will be larger, more efficient groups, made up of organisations close to their individual learners and communities, benefiting from high-quality group services.

This month we launched LTE group, the first integrated education and skills group in the UK. LTE brings together the Manchester College, offering further education, higher education and apprenticeships; Total People, focusing on workplace learning; MOL, which offers professional qualifications; and Novus, our organisation working in the justice sector and helping those furthest from the workforce.

LTE group allows each of our specialist organisations greater focus on its own learners, customers, stakeholders and communities. Whether someone is a learner or an employer, or perhaps someone who is involved in setting up the Northern Powerhouse scheme, the group will support people, from professional to Master’s-level qualifications, from GCSE to first degrees delivered in partnership with universities.

We are also an integrated social enterprise: any profit or surplus made will be reinvested in public projects. It’s a charitable organisation and we are keen to reinvest our profit for the public good.

LTE group employs about 5,000 people, providing education, training and employment to 100,000 diverse learners. We also work with some 3,000 employers around the UK with various apprenticeship schemes. Employers are telling us they need a more flexible workforce, so we are looking at supporting the development of these skills; in our experience this fosters loyalty in the employee as well.

The timing is good because the government is asking for more investment in skills from employers, whether in accountancy and finance or other areas, such as developing a 21st-century manufacturing workforce with pathways to chartered engineer status. Employers are asking how their workforce development will be affected by the apprentice levy, so we are having broader conversations about this and resourcing solutions.

Meanwhile “Generation Y” is entering the workforce considering a portfolio career, perhaps fulfilling five or six roles until their mid-forties. This is changing the role of the educator and the whole sector will have to change as a result.

I believe that LTE group will allow us to respond positively to external challenges. We now have the opportunity to support and shape the development of how education and skills are delivered at a local, regional and national level. LTE group will help us to do this by giving us the flexibility to adapt to future opportunities and future needs of the economy.

The feedback from learners, employers and elected representatives suggests we are meeting a lot of needs. It has proven an excellent start and we aim to offer a model for other establishments, with benefits to the wider community through the social enterprise as well.

For more info visit: www.ltegroup.co.uk/
Yorkshire’s Robin Hood Airport Doncaster Sheffield has big aspirations and is close to seeing a £56m private- and public-funded new link road open to the public, widening its catchment by more than one million potential passengers living within 60 minutes’ travel.

Connectivity is key to economic competitiveness, and the airport can play a part within the UK’s long-term aviation needs.

Steve Gill, managing director of Doncaster Sheffield Airport, said: “We are just weeks away from the opening of the Finningley and Rossington Regeneration Route Scheme (FARRRS) Airport Link road, which will deliver greatly enhanced connectivity to the UK’s fourth-largest city. The Sheffield City region’s airport will be placed within minutes of the UK’s major motorway network and bring global business closer to Sheffield’s £28bn economy.”

The new road could lead to the creation of 20,000 jobs, £1.5bn of inward investment, the creation of 1,200 new homes and the development of a £400m iPort.

“For the first time, Doncaster Sheffield Airport will be the closest airport for those in the Sheffield City Region travelling to some of Europe’s largest economies and destinations worldwide via two European Hubs (Paris and Amsterdam) alongside connectivity to North America via Dublin with Aer Lingus,” Gill added.

This investment and development is helping to strengthen the Northern Powerhouse and Doncaster Sheffield Airport’s owner, the Peel Group, has announced its strong support for the Northern Powerhouse, and urged public- and private-sector partners to work together to deliver the shared ambition for rebalancing the UK economy through significant growth in the north.

Peel has a proven track record in pioneering regeneration in the north during the past 25 years, with total investments of over £5bn, supporting 70,000 jobs. There is an additional commitment of £1bn of investment under way, in partnership with others.

Recently the Peel Group announced Aero Centre Yorkshire, which represents the vast range of development opportunities now available surrounding Doncaster Sheffield Airport, attracting inward investment and job creation to the heart of the Sheffield City region.

“The 1,600-acre site, which is already home to the UK’s fastest-growing airport outside London, Doncaster Sheffield Airport, is already made up of a wide range of office, warehousing and distribution unit opportunities including a 62-acre business park and ten hectares of enterprise zone,” said Gill.

The new road and the development of Aero Centre Yorkshire reflects the Peel Group’s strategy set out in the masterplan to maximise the potential of the whole airport site in order to provide for the growth of air services and make Doncaster Sheffield Airport a major hub for passenger, cargo and general aviation activities.

The airport is celebrating a record-breaking year for cargo, as 2015 saw the most tonnage of freight handled since the airport opened in 2005, managing consignments across the globe, including Nepal, Kenya, Venezuela, the US and key European destinations such as Greece and France.

The airport’s impressive 2,893-metre runway has enabled an increase in large movements, including B747s, AN225 and AN124s. The tonnage of consignments in and out of the airport shows that growth in this area is going from strength to strength and is evidence that the airport’s cargo terminal is enhancing its reputation around the world.

There are already many successful businesses operating on the site. The hangars at Aero Centre Yorkshire are home to a Cessna service centre offering a comprehensive service for citation jets including upgrades, repairs, maintenance, overhaul and parts support.

This year will be huge for Doncaster Sheffield Airport; 2015 saw the launch of new flights to Dublin with Aer Lingus and the announcement of a major deal with Flybe which will lead to over 40 new flights a week.

In 2016 the airport link road will open, and from March the new Flybe routes, including two major European hub airports, will be operational.

This means that Doncaster Sheffield Airport will be experiencing double-digit growth in 2016, with the additional seats expected to take passenger figures from 900,000 in 2015 to 1.35 million in 2016.

To find out more visit: www.robinhoodairport.com
A region heralded for its pioneers in the past, from George Stephenson and his development of the first railway service to the inventor of the light bulb, Sir Joseph Swan, now has a new breed of forward-thinking visionaries whose entrepreneurial spirit has seen the number of technology companies in the region soar.

In the 2015 Tech Nation report, it was stated that the north has witnessed a 30 per cent growth in incorporated tech businesses between 2010 and 2013. The sector contributes £600m annually to the regional economy and by 2020, with the number of software firms in the region likely to exceed 2,200, that figure may reach £1.1bn, according to the northeast local enterprise partnership Smart Spec report. These businesses are in the next wave of companies based in the north-east with an entrepreneurial desire to grow across multiple regions.

The growth of the industry reflects the changing trends that challenge businesses in the 21st century. As we live in an increasingly digital world, data has become the lifeblood of any organisation. Companies have identified that the need to manage, store and retrieve their business data securely is critical not only to the prosperity but also to the survival of their business. With this in mind, companies are beginning to embrace emerging technologies such as cloud computing and data hosting.

The region now boasts some of the fastest-growing tech firms in the UK, including Sage Group, the world’s third-largest supplier of enterprise resource planning software, and the cloud and managed services provider Onyx Group, a pioneer in the field and famed for opening the first ISO27001-accredited data centre in the world (in Newcastle). Onyx was also among the first providers of business-to-business broadband in the mid-1990s and has now expanded throughout the UK.

The decline of the manufacturing trade has resulted in businesses gaining access to cost-effective land space on former industrial sites, making the region a highly attractive prospect for emerging and established organisations. This, coupled with the availability of a large and highly skilled workforce, aided by the universities of Newcastle, Northumbria, Durham, Sunderland and Teesside, has also attracted foreign investment into the region, witnessed in 2015, when the French computer firm Ubisoft, the world’s third-largest publisher of video games, selected Newcastle-upon-Tyne as its base for a new customer relationship centre serving Europe, the Middle East and Asia.

Investment into the region has led to the launch of the Cloud Innovation Centre in Newcastle, a £2m joint initiative between Newcastle University’s Digital Institute and Newcastle City Council that helps equip regional businesses with the skills and tools necessary to exploit the benefits of cloud technologies and big data analytics. The region has also witnessed the launch of Sunderland’s Software City, part financed by the European Regional Development Fund, which is now home to over 60 tech firms, including many members of the Dynamo initiative, a cluster of regional IT enterprises dedicated to achieving national and international recognition for excellence in delivering IT software and services.

With Britain’s technology sector poised to grow four times faster than GDP in 2016 alone, the stage is set for a north-east digital revolution to power forward.

For more information on Onyx and its array of cloud and data hosting services, please visit: www.onyx.net

IT’s great up north
As the blueprint for the “Great North Plan” begins to take shape, it is essential that we start to understand and digest the size and complexity of the challenges ahead. One of the main priorities for the Northern Powerhouse is to improve connectivity, and transport infrastructure is firmly at the centre of this transformational strategy. With this come sizeable challenges.

Defining the objectives and the success criteria for these significant projects needs to be a top priority for Transport for the North. The temptation to start work on projects before they have been fully defined must be avoided at all costs. Experience shows that eventual success (or failure) depends as much on the robustness of project and programme definition as on the quality of execution. Well-defined requirements will ensure the delivery of an optimal result, where post-contract changes are reduced and efficient execution of the works is assured.

It is important to note that a third of all projects fail to deliver their desired outcomes, and, independent of sector, the same reasons for project failure are frequently cited. However, within the context of improving transport in the north, we are not just talking about discrete project delivery. When we look at the significant undertakings that will have to be achieved in delivering the transport infrastructure improvements that will underpin the “One North” vision, there will need to be a well-defined masterplan. Managing these significant undertakings will succeed only if all the interdependencies, interrelationships, constraints and opportunities for the most efficient delivery are fully understood and managed as a strategic portfolio.

Successfully administering and controlling significant projects and programmes on this scale requires an integrated strategy that provides a clear view of interdependencies between projects. Ownership and responsibility for overseeing the portfolio is essential in ensuring that decisions about whether, and how, an individual project should proceed are based on the project’s impact on the portfolio’s value and risk. This oversight allows the projects to be organised according to priority, in order to maximise the efficiencies a fully informed and committed supply chain is able to offer.

There are two dimensions to measuring success in a project: whether the project is delivered on time, to budget and to scope; and whether the project achieves its objectives. In ensuring this, appropriate governance must be put in place, focusing on the portfolio direction, appropriate and accountable project sponsorship, disclosure and reporting and project management capability.

In delivering these significant infrastructure projects there is a critical challenge around people, jobs and skills. The skills required to deliver the proposed schemes do not currently exist at the volume that is required.

Significant and meaningful investment is required “at pace”, with 224,000 jobs expected to be created within the construction industry by 2019 – almost 30,000 jobs by HS2 alone. Apprenticeships and high-quality training need to be put in place now if we are to meet the increase in demand successfully.

Sweett Group has the appropriately skilled project management professionals and project and programme leaders, who are accomplished in the delivery of transport infrastructure projects and programmes, and who have substantial experience in portfolio management. We also continue to invest significantly in recruitment, training and apprenticeships across our diverse range of services. This ensures the group is well placed in the market for the challenges of tomorrow.

For more about Sweett Group visit: www.sweettgroup.com or email: paul.knighting@sweettgroup.com

Assuring transport infrastructure

Transport is essential and the infrastructure is even more so, says Paul Knighting, director of project controls at Sweett Group.
Northern Powerhouse, northern politics?

The Northern Powerhouse has been a Conservative initiative – but Professor Keith Burnett, CBE FRS, vice-chancellor of the University of Sheffield, sees it more broadly.

It is easy to see the Northern Powerhouse as a means to test the patience of the Labour councillors in the north. Is George Osborne just kidding them into thinking he can do something about our blighted post-industrial landscape?

Osborne says he wants to see a new wave of manufacturing capability. The UK has, for far too long, relied primarily on services and finances. But we need the Northern Powerhouse, and a reboot of our manufacturing sector, not only to rebalance the economy but also to ensure that aspiration and opportunity reach everyone.

It is an unlikely pledge, an industrial strategy by another name. But if Cameron is the “heir to Blair”, then Osborne is a self-confessed “son of Heseltine”, the Tory grandee who knew that the regions as well as London must be strong.

The Chancellor also knows that, however much he may rely on market forces, only government can open the opportunities that will allow this nation to renew its skills base at the scale we need.

How can the Northern Powerhouse work?

First, it can work because the north is not simply councils and companies but home to a combination of science, engineering and research facilities in universities that can match anything in the south. The nation has invested in crucial parts of research and innovation in our northern universities, and they are ready to serve as brains of this new industrial revolution.

Second, it can work because Osborne wants to invest in skills. In the north, there are droves of young people desperate to train as apprentices, and a tradition of skilled craftsmanship going back hundreds of years.

These are no second-rate options. In the north, there is a keen sense that, from advanced metals to big data, from graphene to composites for aerospace engineering, young people who immerse themselves in world-leading advanced manufacturing apprenticeships with progressive companies will not just have secure jobs, they will help shape our future.

This is why when the Chancellor signed one of his Northern Devolution Deals it mattered that he did so where he did. On the Orgreave site where Arthur Scargill led his members from the National Union of Mineworkers as police clashed with them, Labour leaders signed a deal with a Conservative chancellor, having already seen that a transformation in the north’s fortunes was possible.

The Chancellor’s host at the devolution event was Professor Keith Ridgway. In a little over a decade he has transformed this site of industrial decline into the foremost manufacturing innovation centre in the UK and, arguably, the world. Partnering with Boeing, BAE Systems, Rolls-Royce and a hundred supply-chain companies, what began as a collaborative centre of research into metals and machining is now a major manufacturing research park at the University of Sheffield.

And, alongside it all, there is a top-quality apprentice training centre, in which 600 young people are sponsored by companies to get the best manufacturing and engineering education in the world, their academic achievements fully integrated with company success. This is the part that we need to rebalance our society.

So what happened when Osborne met Ridgway, when a chancellor met a working-class Mancunian who became a professor of engineering? It was a case of power meets purpose. The Treasury met a man whom the CEOs of great companies – from Korea to the US – and national labs have come to see as a one-man powerhouse, determined to create change.

People often want to think purpose in the world comes about as a result of social forces. They think the solution is found in policies and five-year plans. Many people are implicit Marxists.

I am not. I have seen the power of people, the unparalleled effectiveness of someone who sees a problem and cares enough to drive through change. Someone bloody-minded enough to believe that a slagheap can become an innovation district, and then make it happen.

Politicians can argue about whether or not these are Labour or Tory values. I like to think they are as near to British values as we can get.
The Northern Housing Consortium (NHC), a membership body representing social housing providers and local government across the north of England, is pleased and energised to be hosting the Commission for Housing in the North. The commission brings together 16 commissioners with a collective wealth of experience and expertise, including parliamentarians, representatives from across the housing sector, chief executives of local government with practical understanding of the developing devolution landscape and renowned academics.

The commission seeks to understand the role that housing can and should play in delivering a vibrant and successful Northern Powerhouse. The commission began its work in the summer of 2015, following the general election, and against the emerging concept of the Northern Powerhouse and greater devolution.

The work of the commission has been informed by the evidence given to it by NHC members, our stakeholders and partners, and the views of a range of expert witnesses (updates on the commission’s work are at www.commission.northern-consortium.org.uk).

It is clear from the work of the commission that there is a great opportunity to shape a housing future for the north that properly reflects the nuanced market circumstances, economic conditions across the region and the aspirations of our residents. The “housing crisis” faced by the country is often talked about, but perhaps is too often defined within the context of the issues facing London and the wider south east.

This is in no way to underestimate the very real housing issues faced in the capital: it is right and proper that London is given the tools to solve its housing crisis. But equally, it is right and proper that Manchester, Newcastle and Grimsby have the same capacity to meld policy and investment decisions to meet their needs.

The relationship between housing and economic growth is critical and housing in the north is a core economic asset, as well as a vital part of our infrastructure that should be positioned to play a central role in improving the region’s productivity, balancing the economy and strengthening local tax bases.

Through the commission, we have heard evidence of the need for places to have a strong economic narrative and leadership to support inward investment, and indeed that there is a “wall of investment” searching for a home – but that investors want confident market conditions, security and visibility of delivery and an ability to work smarter and faster.

In a similar vein, we have heard that increasingly businesses recognise the potential drag on their productivity if an area does not provide the right housing offer.

There is a variance of market conditions across the north – from booming markets to those where obsolescence is still a huge concern. National housing policy can be a blunt instrument with which to tackle these varied challenges.

The devolved landscape is not yet perfect – there are no doubt some who doubt the likely success of devolution if it is not supported by an effective rebalancing of financial resources.

However, the NHC believes that it offers an opportunity to shape a stronger northern housing future.

The Commission for Housing in the North has heard from NHC members how the sector needs to be more agile to respond to the changing environment and to recalibrate its approach to risk and reward. There is a sense emerging of the need for greater collaboration across the north to bring scale to the innovation that we see happening in cities from Durham to Wakefield.

The Commission for Housing in the North began its work in the summer of 2015 as we were digesting the implications of the summer Budget. It will provide an interim report in March 2016, with a final report due after Easter.

We hope the commission will provide a valuable framework that government (central and local), housing providers, investors and developers can use to ensure that housing contributes to a successful Northern Powerhouse.

To find out more visit: www.northern-consortium.org.uk

Homes on the range

Housing is a vital area for any regional initiative. The Northern Housing Consortium explains its role in the Powerhouse
Shaping the future of the Northern Powerhouse

Will you be part of it?

The Northern Powerhouse gives ambitious businesses a chance to shape the future of their local economy. With a strong and rapidly growing presence in Manchester, UK law firm TLT is committed to playing its part in the business community, assisting forward-thinking organisations who want to have their say in the discussion, and helping them to identify and secure new opportunities for growth, as well as protecting their investments.

To ensure businesses' voices are heard in the wider devolution debate, TLT supported a recent Centre for Cities report, ‘Firm views: the business take on devolution’. To find out more, visit:

www.tltsolicitors.com/devolution