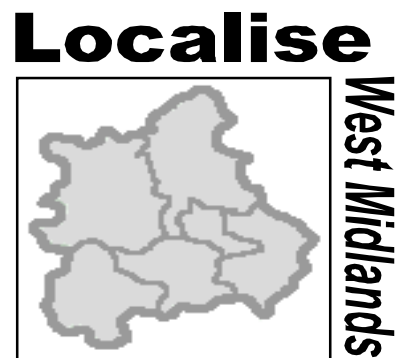


Localise West Midlands

Annual Report

April 2008 - March 2009



Local economic solutions for sustainability

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Introduction

This is the annual report of Localise West Midlands, a regional not-for-profit think-tank, campaign group and consultancy which aims to promote the social, environmental and economic benefits of local trade, money flows and decision making. We work by researching, supporting and encouraging examples demonstrating the benefits of local sourcing and local money flows and the replication of effective localisation 'pilots' so that they can become mainstream.

Mission Statement

Localise West Midlands is a not-for-profit organisation which exists to promote the environmental, social and economic benefits of:

- Local trading, using local businesses, materials and supply chains
- Linking local needs to local resources
- Development of community and local capacity
- Decentralisation of appropriate democratic and economic power
- Provision of services tailored to meet local needs.

This localisation approach makes economic development and government systems more sensitive to local autonomy, culture, well-being and the responsible use of finite resources, and is growing in popularity with people and organisations all over the world.

Localisation helps build social capital, targets regeneration to meet local needs, maximises local job creation, and reduces transport and CO2 emissions.

To promote this approach across the region LWM will:

- Bring people together with a common interest in localisation
- Provide and publicise information, ideas and examples of good practice
- Facilitate or undertake demonstration projects
- Provide consultancy and other support to groups who are developing localist approaches
- Create supportive networks for localist action
- Challenge the barriers to localisation
- Link with similar projects outside the region and worldwide.

Background

LWM was set up in 2002 by a group of individuals who were keen to propose solutions, as a positive response to what is currently going wrong in economics.

Our West Midlands focus is intended to make use of the region's geographical balance of urban and rural; and also to encourage democratic accountability and a people-centred approach amongst regional bodies.

We also look beyond the region, seeking to catalyse ideas across the UK and make links with organisations all over the world working on a similar agenda.

Activities – April 2008 to March 2009

I. Projects and consultancy work

Extending Localisation

Thanks to grants from both the Polden Puckham Charitable Foundation and then the Andrew Wainwright Reform Trust, we have worked extensively on Extending Localisation throughout the year.

Essentially the ongoing *Extending Localisation* project involves analysing good localisation practice around the region to identify the policy conflicts and roadblocks to turning excellent pilots into a regional norm, and the policy changes and local support mechanisms that will be required.

The beginning of the year saw research interviews carried out with sector specialists, and contacts being made with individuals with knowledge of local areas across the region Herefordshire and Staffordshire, in order to expand the examples of localised economic activities on which to base our work. Having collated and organised a good deal of material and formed a steering group, it was decided that given the economic downturn a very short and readable interim report should be produced, giving brief outlines of trends, good practice and potential recommendations for each sector. This was published for consultation in December 2008, generating many helpful responses from public, private and voluntary sectors, which have helped to shape further examples and analysis.

Since then, work has resumed on the larger and more detailed body of material around Extending Localisation amongst members of the Localise WM group. Over the spring and summer, other projects have taken priority. But analysis, recommendations and supporting text are being developed gradually, informed by LWM's other work and developments in economic thinking around the recession. This will continue in the coming year.

A West Midlands Green New Deal

In December 2008, LWM brought together a group of individuals and organisations from around the region to discuss the potential for implementing a Green New Deal in the West Midlands.

The Green New Deal (www.greennewdealgroup.org) is a package that deals with the 'triple crunch'; faced by our global economy: the credit-fuelled financial crisis, accelerating climate change and soaring energy prices underpinned by an encroaching peak in oil production. It takes as its inspiration the Roosevelt New Deal in 1930s America, which helped the country to extract itself from a similar crisis by stronger financial regulation and by forward-thinking, environmentally-aware public infrastructure projects.

Whilst some elements of the Green New Deal would require action at a national and perhaps international level, we wanted to work together with energy social enterprises, campaigning organisations, trade unions and private sector representation on those elements that could be implemented at a regional level:

- intelligent public spending that creates jobs and enterprise to tackle the emerging energy, climate and resource crises

- developing financial innovations for intelligent investment, including private financing, such as pension funds and energy efficiency in the region
- stable, locally based saving and borrowing provision for the general public
- more generally, steps towards a financial system that underpins the productive economy and the fundamental operating systems of community and the environment.

The West Midlands is well placed to tackle this: our Regional Economic Strategy contains 'low carbon economy' commitments on which we can build. We also have manufacturing skills, a growing employment need, energy-inefficient housing stock, and strong social enterprise, training and energy efficiency sectors.

The group met twice during the period covered by this review and produced a regional 'prospectus' outlining the approach, which can be found on our website. This was circulated to economic fora across the region. By the end of the review period there was growing interest from public sector bodies in implementing a retrofitting project in Birmingham, and in a wider regional approach, as well as in investigating the feasibility of bonds and similar mechanisms to fund energy efficiency and renewables schemes in the region.

Between the end of the review period and our AGM, we have been commissioned by Be Birmingham to produce (with Encraft) a business plan on a comprehensive GND retrofitting programme for Birmingham City Council; a seminar on GND for economic development officers is being held by Sustainability West Midlands and LWM; an informal dinner event to discuss the potential of local bonds to fund energy projects; and region-wide proposals being discussed with those responsible for the region's social procurement agenda and with the West Midlands Economic Inclusion Panel. These developments do not fall within the period of the review, but are included for information.

Prosperity and Inflation agenda

Andrew Lydon has been leading twin projects on the prosperity and inflation agenda, funded over part of the period of this review by the Andrew Wainwright Reform Trust.

The first of these is to build a campaign around the adoption of more diverse inflation targets that address regional and demographic variances, from research conducted by Andrew the previous year. There has been interest from members of all main political parties and the project continues into the current year.

The constitutionally independent UK Statistics Authority has responded to our lobbying by agreeing to review the official UK inflation statistics. This hopefully will result in inflation statistics in which people would have more trust, and indices which they would be able to test against their local price experience because there would be a localised version of the index. The UK can then begin to get a better grip on inflation in the UK, so that we can organise a more stable economy

In the last year we have built on our co-operation with the Scottish government on this issue, and have begun to make some headway with bringing the TUC into the discussion. The Statistics Authority have found that recruitment difficulties have delayed their intended schedule, which has been slipping throughout 2009. This is currently the main factor preventing much progress on this work.

The second project emerged from the same initial work and looks at the feasibility of a reformed independent Bank of England – or Bank of Britain - potentially with regional representation to ensure monetary policy can be more broadly beneficial.

The credit crunch has led to more interest in this issue. Our hopes of bringing local government into this issue have been set back by some developments in Birmingham and other local authorities arising from the credit crunch: Birmingham and Essex both announced they wanted to establish local municipal banks, but on further investigation these ideas in Birmingham at least seem to have proved impractical, and no proposals have emerged for the city.

We hope that within the next year we can begin to get this work back on the road. Scotland, where we already have links, could become a driving force on this issue, once they have resolved what is to happen about their independence referendum.

The presentations developed last year introducing our prosperity and inflation framework are still available to any interested groups or individuals.

Birmingham wholesale markets and local food

We undertook an outline feasibility study for the Government Office for the West Midlands into the potential for using the Birmingham wholesale markets as a hub for the public procurement of local and regional food. Our aims were those of the PSFPI project:

- Improve the sustainability and efficiency of production, processing and distribution
- Increase tenders from small and local producers and their ability to do business
- Increase cooperation among buyers, producers and along supply chains
- Improve the sustainability and efficiency of public food procurement and catering services.

The concept for this study came from discussions with the PSFPI coordinator and regional Farming and Food Team following the mapping of wholesalers in which there was an indication of interest in the idea from the Birmingham wholesale markets.

The potential for using the critical mass of public sector food demand in the city to stimulate a greater flow of local produce was clearly a useful one to investigate.

Clearly public procurement and wholesaler supply chains are both hugely complex, strongly driven by cost constraints on all sides, and subject to conflicting pressures in centralising and local sourcing; all of which makes it particularly challenging to suggest simple proposals to increase the flow of locally produced food through this route. However we identified a menu of potential interventions to increase the supply of local produce going into the markets, or to increase the markets' appeal as a supplier to the public sector; and a set of options for resourcing further work on this. These included:

- the use of production agreements between wholesalers, producers and purchasers in order to tackle price fluctuations within contract agreements
- support for producer collaboration within the region to supply the wholesale markets
- assistance with logistics both into and out of the wholesale markets, perhaps working with the proposed Urban Freight Consolidation Centre.

Caveats included the need to preserve the current function of the combined wholesale and retail fruit and vegetable markets in providing healthy and highly affordable fresh produce to a section on the city's population who are on particularly low budgets; and simply that centralising pressures on public procurement of food may make it impossible for the larger contracts to source via the markets, tackling which would require a major national review of procurement guidance and support to resolve policy conflicts.

It is hoped that, depending on Government Office resources, a working group will examine some of these options to discuss and prioritise those most likely to succeed.

Digbeth Community Land Trust

Work on the Eastside Ecohub, a ground-breaking green development which will sit alongside the Birmingham Friends of The Earth building in Digbeth, has continued successfully over the last six months. In September 2008 following a season of publicity we held a meeting for those who might be interested in living or working within the development, and have since been providing a forum for those people to be informed and to communicate about the proposals using an egroup.

The steering group has since been working on the business plan for the project looking at how the finances will stack up depending on the type of housing provided, the mix of housing and work spaces on the site and the costs of achieving a zero or near zero carbon development. By the end of the period of this review were close to producing a plan containing a number of options. The steering group has also been taking advice on a suitable legal model.

Towards the end of the period we were awarded a small Working Neighbourhoods Fund grant from the Birmingham Environment Partnership to help coordinate and promote the scheme.

We are now planning to pursue the development with relevant decision-makers within the Homes and Communities Agency and Birmingham City Council.

Power Up review

In March of this year, Localise WM were asked by Friends of the Earth to conduct a review of their rights and justice event Power Up. Power Up is a weekend residential training course the purpose of which is to support individuals in progressing environmental justice by raising awareness and creating a skills base on the variety of issues that are of direct relevance to community activism including: the planning system, freedom of information laws, community campaigning and using judicial review. It has run to enormous participant and professional acclaim for five years, and its target attendance is those most affected by environmental injustice around the UK.

Commissioned but not completed before the end of our financial year, the review found that Power Up had met and surpassed all of its targets for the forthcoming year, but that beyond these targets its reach could be broadened and improved.

The study also concluded that the event's unique selling point is that it brings together what have long been Friends of the Earth's strengths – i.e. knowledge-based environmental campaigning and positive sustainable development visioning locally and nationally - with an active intervention towards environmental justice that is so missing from most environmental NGO activity. Finally the report outlined recommendations for continuing, expanding and resourcing Power Up's excellent work in the future.

Sustainable Procurement in Birmingham – compact review – Rosemary Foggitt

Following our work with Be Birmingham in 2007-8, LWM was engaged again by the strategic partnership to review implementation of the sustainable procurement compact six months on. Rosemary Foggitt led this project.

The Compact had been launched in March 2008; the purpose of the review was to see how far partners had progressed in implementation and what might help them to progress. The review ended in a seminar in December, organised by LWM for Be Birmingham partners, which was well attended.

Broadly, the outcome was that while little practical progress had been made, it was clear that sustainable procurement had acquired a higher profile and greater understanding among Be Birmingham partners, and that there is a general commitment to implement it. The main obstacles identified were in the areas of training, capacity and resources. Be Birmingham went on to secure funding to support a full-time post within Be Birmingham to help overcome these obstacles and take the work forward.

Fair Deal for UK Farmers

During the year Localise West Midlands organised two further 'Fair Deal Award,' presentations; an award created by the Attwood Group to raise awareness of both 'fair deals' and 'unfair deals' that farmers in UK experience in the market place today.

The Fair Deal Awards are nominated by producers and given to retailers that they feel offer them a 'fair price'. Localise West Midlands coordinated the Award presentations and surrounding publicity. Renee van Baar led on this project for the third and fourth awards.

The principle of a fair share of the consumer price being paid to producers is applicable across the world. The severity of the impacts will differ greatly but the experiences of larger corporations taking increasing shares of producer's profits or global competition and trade pushing down prices are shared across the world, particularly by the smaller farms.

The third Fair Deal Award was given to Rugby Market in May 2008 by farmer Brian Swift of Hazel Farm, Bickenhill, for providing a good service to farmers in the region. Brian has been selling his beef cattle to Rugby market for many years and believes he gets a good return by doing so. The market operates from Stoneleigh Park and is run by Rugby Farmers Mart LLP - a co-operative of 250 farmers.

In September 08 Pershore delicatessen Capers was given the fourth Fair Deal Award: the high-street shop was nominated by Lynda Whitcombe of Plantation Cottage Herbs for being "a truly local retailer". To celebrate receiving the award, Helen of Capers is organising a local food festival in her shop highlighting the value and quality of food produced in the local area.

Local press covered both awards.

Evaluation of Greets Green Partnership's Relocation Support Project

Rajeev Prakash and Jon Morris carried out an evaluation of the Relocation Support Project which was based around the provision of Property Appreciation Loans (PALs). The project was organised by the Greets Green Partnership New Deal for Communities. The Relocation Support project's stated aims were: to provide assistance to people affected by relocation that live in the clearance areas; and to provide a financial package to assist owner-occupiers in the purchasing of different properties.

Sustainable communities act

Localise WM participated in the first round of the sustainable communities act. The Act gives anyone – whether members of the public, frontline service staff or policymakers - an opportunity to make recommendations for legislative change and other actions to support sustainability in our local areas. Proposals were to be put forward by members of the local community and are then sifted through by local authorities, before being submitted to central Government at the end of July. We promoted the opportunities of the Act amongst our contacts before the process began, in order to increase local authority take-up. With more resources we would have assisted communities across the region in taking up and discussing potential recommendations, but we did, with Transition Birmingham, manage to organise a meeting in Birmingham in which people got together to co-operate on writing and supporting each other's proposals. Some of these proposals, including one on supporting local allotments, made it through the process and were taken forward by the city council to central government.

2. Promotion, networking, policy

LWM members have built links with other regional and local organisations, and attended or made presentations at regional networking events over the year including the RegenWM convention and many others. We presented the Extending Localisation interim report at an ESRC seminar on local economic development in an era of oil shortage and climate change in Liverpool, and at a Sheffield Green New Deal conference. We also gave a presentation at a Co-operative party discussion event "*Can we build a sustainable economy out of the credit crunch?*" in March 09.

LWM co-wrote a paper, *The Credit Crisis: an opportunity to extend localisation* – for the Green Economics Journal, with Julian Lamb of the School of Property, Construction and Planning, Birmingham City University.

LWM continues to participate in the West Midlands Regional Sustainability Forum, the network of sustainability-focused groups working on regional policy which has seats on the Regional Assembly and other regional bodies, albeit less actively this year. Changes in the planning system and in regional structures, and the possibility of further changes to regional structures after next year's election, mean that the Forum needs to focus on how it can most effectively fulfil its role after the abolition of the Regional Assembly and transfer of its functions to other bodies. LWM has also contributed to Regional Spatial Strategy Phases 2 and 3.

3. Future work and strategy in the light of the past year

In the year 2009-2010, Localise WM will be continuing its work on the Digbeth Community Land Trust, a West Midlands Green New Deal, and Extending Localisation.

Whilst GND and Extending Localisation are helping us to meet our commitment to "*bringing together what we have learned and promoting the resulting 'whole picture' of localisation to and beyond the region*" (LWM Annual Report 2008-9) our experience over the year leads us to conclude that LWM needs to make some changes to its strategy in order to better resource this type of work.

We also committed in our last Annual Report to:

- *a greater degree of communication/outreach work including engaging in political dialogue*

- *ensuring we cover a wider geographical range in the region: less Birmingham-centric*
- *more developing of networks and drawing in a wider membership*

These remain relevant for 2009-10.

Our objectives for 2009-10 remain as follows:

- Promote the whole picture of localisation across and beyond the region
- Develop expertise, evidence and influence on specific localisation issues
- Engage with regional/local policy to bring a localisation perspective
- Develop the organisation to increase our capacity and efficiency to deliver the above.

People

Members of LWM's Board

Over the year the following have been Board members of Localise West Midlands and active participants in the organisation:

Hannah Worth (Chair)

Hannah is a freelance consultant and formerly managed the Birmingham Community Empowerment Network, facilitating community networks that aim to involve people more effectively in local decision-making. She previously volunteered for Localise West Midlands for a few months after completing a Masters in Global Ethics.

George Morran (vice chair)

Currently Director of the West Midlands Convention, former Chair and current Secretary of the Campaign for the English Regions, research associate at Aston Business School and freelance Regional Governance consultant. Formerly, Director of the WM Regional Forum of Local Authorities, Regional Economic Consortium, assistant Chief Executive of Dudley MBC.

Chris Crean (Secretary and Board member 2008-9)

Friends of the Earth's Regional Campaigns Coordinator for the West Midlands. Chris has been involved with Friends of the Earth (FOE) for over twelve years, initially as a campaigner on air pollution and transport in Birmingham and the West Midlands. He also worked for an environmental consultancy on contaminated land and industrial water issues. Chris's responsibilities include developing regional policy, a major strand of which is to develop a solutions approach - one strand of which will be a localisation of the regional economy.

Michael Whithouse (Treasurer and Board member)

Michael is a chartered accountant with a degree in rural land management, based in Shropshire. He is actively involved in various organisations including the Fordhall Community Land Trust, the Wasteless Society, the Institute of Organic Training and Advice, and the Shropshire Hills AONB advisory board. He worked on the wholesaler mapping this year. He leaves the Board to pursue a new career and other interests but remains an LWM associate and member of our steering group.

Pat Conaty (resigned from the Board 7th Jan 2009)

Pat Conaty is a Research Associate of the New Economics Foundation. He has produced a number of recent policy reports on local community banking, rural regeneration and community land trusts, micro-credit for small business, and affordable housing finance for low income homeowners with disrepair problems. He was formerly the Development Director of Birmingham Settlement, an inner city voluntary organisation. Pat remains an LWM associate and member of our steering group.

Colin Hines

Author of 'Localization- A Global Manifesto' (Earthscan) and an Associate of the International Forum on Globalisation, a San Francisco based alliance of activists, academics and economists developing alternatives to globalisation and free trade. Before that he was the Co-ordinator of Greenpeace International's Economics Unit having worked for the organisation for 10 years.

Karen Leach

Karen has been LWM's Coordinator since October 2002. Previously she worked as Campaigns and Project Worker, and Local Food and Trade campaigner, for Birmingham Friends of the Earth. In that capacity she was involved in setting up LWM. She is also a

member of Birmingham Friends of the Earth Ltd's management committee, which runs the Warehouse community building where LWM are based.

Amy Longrigg (resigned from the Board 14th Aug 2009)

Amy Longrigg was formerly a Development Worker for Woodgate Valley Urban Farm and since leaving that post to start a family has helped LWM with various projects including Extending Localisation and the Power Up review. Before moving to Birmingham last February Amy worked for the New Economics Foundation (nef), in their local economies team for two years. Key projects of the team were Plugging the Leaks and Local Alchemy which focused on developing tools for people to use to understand their local economy and get involved in decision-making.

Andrew Lydon

Andrew Lydon was initially involved in the Labour Party, where he developed his interest in decentralisation and economic development in drafting parts of their Birmingham Council manifesto. Since 1992, when he left Labour, he has been involved in the politics of the regions as a spokesman for the West Midlands New Economics Group and latterly for Birmingham NHS Concern. Andrew leads the Prosperity and Inflation campaign for LWM.

Jon Morris

Currently housing, planning and regeneration consultant. Former Director of Coventry New Deal for Communities, Chair of Royal Town Planning Institute Housing Panel, Extensive experience in the fields of housing, planning and regeneration, as a practitioner, researcher and lecturer. Jon has also been a member of a number of ministerial advisory groups and an expert witness to the House of Commons Environment Select Committee.

Additional steering group members

The following are actively involved in LWM's steering group and attend and contribute to our Board meetings.

Barbara Panvel

Barbara has brought together different people, organisations and ideas on localisation during her work in both Mumbai and Birmingham, and has been involved in LWM since our earliest discussions.

Audrey Miller

Audrey has been involved in educational work across the region. Now retired, she is an active campaigner on environmental development and asylum/refugee issues. She has served as a trustee of national and local charities, and sees localisation as an important global concept.

Philip Davis

Philip represents transport consumers nationally and regionally and has extensive public policy experience, consumer and community engagement. A former trade union officer who specialised in lay advocacy and tribunals, he has more recently been a local authority Leader and a voluntary sector CEO. He is now a non-executive director of a number of public and community bodies, including chair of the West Midlands Constitutional Convention.

Members leaving

Between the end of this review period and our AGM, Amy Longrigg has relocated to Exeter to take up a post with the RSPB, and is therefore leaving LWM altogether. We would like to

thank Amy for her support to LWM in being prepared to take on various roles for us, paid and unpaid.

Due to other commitments, Pat Conaty and Michael Whitouse have also left their Board positions with LWM but we are grateful that they will both continue to work with us in other ways and thank them for their inputs on our Board over the last few years.

Staff and associates

Karen Leach has continued as Coordinator of Localise West Midlands. Rajeev Prakash, Rosemary Foggitt and Renee van Baar have also worked for us during the year. We extend our thanks to them all for their work.

If you are interested in getting involved with the work of LWM, as part of the Board, an associate, or more informally, please contact [Karen Leach](#) to discuss this further.

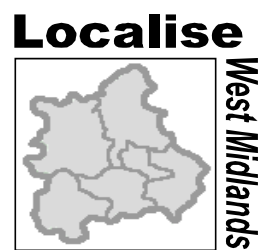
Financial Report

Localise West Midlands gratefully acknowledges financial support during 2009-10 from:

Andrew Wainwright Reform Trust – Core costs including Extending Localisation and
Green New Deal
Greening the North – Fair Deal for UK Farmers
Polden Puckham Foundation – Extending Localisation
Birmingham Environment Partnership Working Neighbourhoods Fund

We are also grateful for the opportunity to have worked with:

Be Birmingham
Government Office for the West Midlands (Farming and Food Team)
Greets Green Partnership
Friends of the Earth England, Wales & Northern Ireland.



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