

Localise West Midlands

Newsletter: Nov 2007

Introduction

Welcome to the Autumn 2007 newsletter of Localise West Midlands.

Since July this year we're now a company limited by guarantee, with the same mission statement as our unincorporated selves (see back page). In general LWM life is lively with some new members and voluntary activism as well as funded projects.

We're midway through another piece of work for Birmingham Strategic Partnership on sustainable procurement; looking into a Community Land Trust in Digbeth. We hope (pending funding) to start work in January on our long-awaited Extending Localisation work and will continue to work on Eastside and Prosperity Indicators.

In the UK and rest of the world in general, more people have begun to realise the seriousness of the threat of climate change and other resource limits; even non-activists are questioning the remarkable resource-inefficiency of an economic system that depends on ever-increasing transport. This has led to some developments we might not have expected a year ago (such as a low carbon economy theme to the regional economic strategy) but the mainstream is still looking strangely unaffected. All the better timing for the 'localisation manual', or Extending Localisation project we have been looking at for some time now.

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Extending Localisation

We are delighted to report that Polden Puckham Charitable Trust has recently agreed to fund the first stage of our work on a 'manual' or 'route-map' to localisation, a project now called Extending Localisation, (formerly 'localisation mapping'). This work will produce a report identifying good localisation practice; the roadblocks to turning excellent pilots into a regional or eventually national norm; and the policy changes and support mechanisms required to ensure this happens. This will include recommendations for local, regional and national government, support agencies, businesses, communities and NGOs. The relevance of its recommendations to LWM's agenda and to government policy objectives would help to ensure that it would be a useable and used resource; a catalyst, not a report destined for the shelf.

LWM's own work and the relevant pilot studies it has identified around the region will form the basis of this report, along with best practice from other regions. The energy, food, retailing, finance and manufacturing sectors will be involved

There are three very strong reasons why LWM has been so keen to get this project started. Firstly, it meets our objectives 100%, as it takes existing 'pilot' scale good practice in localisation and finds ways to make it mainstream. Secondly, it is a region-wide project

with broader implications, providing a welcome expansion as much of our work to date has centred around Birmingham. Finally, it not only teaches others but ourselves, helping us develop a stronger specialism in the practice and policy of localisation.

Digbeth Community Land Trust

We mentioned in our last newsletter tentative proposals for a Community Land Trust in Digbeth, providing affordable social housing, wildlife garden and some workspace for environmental activities, in a sustainable building on land neighbouring the Warehouse where LWM is based. Plans are now progressing well, with a firm steering group of organisations including Accord, LWM, Birmingham Friends of the Earth and Birmingham Co-operative Housing Services. There is also some interest from both the local community and the city council. We're seeking funding for a development worker to facilitate the local community in setting up the CLT, develop the scheme up the point of construction, and develop a joint role for the Warehouse and new units as an eco-hub for environmental organisations and businesses in Birmingham. This work would hopefully start in early spring, although of course the really big issue is obtaining the land itself from its owners, the city council.



The Warehouse

BSP sustainable procurement compact and carbon footprinting

Further to the work we did for the Birmingham Strategic Partnership on a sustainable procurement action plan in 2006, LWM are now responsible for a second piece of work implementing some of the recommendations of the first. This includes developing a 'sustainable procurement compact' to which partnership member organisations would sign up; linking procurement with community strategy objectives; and identifying appropriate carbon footprinting tools for use in the procurement process. Rosemary Foggitt and Jon Morris are leading on this and it is due for completion in March 2008.

Regional Prosperity & Inflation Agenda

The Federal Reserve Bank of Chicago has a say in US monetary policy that no-one in its twin city of Birmingham has in the Bank of England. The 'Chicago Fed' runs its own indices of inflation for its impact upon the whole spectrum of Chicago society, so that should national policy and indices let down Chicago or parts of Chicago, they can challenge this.

Should Whitehall government fail to focus on the inflation as it impacts on the Midlands, a reformed independent Bank of England – or Bank of Britain – might prove to be more effective. Our most detailed elaboration of this case for reform of the Bank appeared in the Birmingham Post, this summer. We are currently researching this further, particularly in terms of options that might be acceptable to decision-makers in the increasingly devolving UK nations. The recent Northern Rock fiasco has put central bank reform back even on the Parliamentary agenda.

Our ideas on reform of the central bank emerged from our work on prosperity and inflation, funded by the Joseph Rowntree Reform Trust last year. The project webpage sets out what we call our 'framework'. It is a set of targets for inflation, measured broadly for family households, pensioner and also key

worker households – region by region.

The Bank of England told us that addressing regional issues is beyond their interest-rate-centred mode of operation. Well, yes. Proposals like ours drive macro-economic change from the bottom upwards.

Andrew Lydon, project lead

Fair Deal for UK Farmers

Localise West Midlands is currently supporting 'Fair Deal Awards' 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'. The nominations in the West Midlands so far include Rugby Farmers' Market nominated by Brian Swift of Hazel Farm, Capers in Pershore nominated by Plantation Herbs, Waitrose nominated by dairy farmer Andrew Hemmings and Fordhall Farm in Shropshire nominated the public who buy directly from their farm shop.

Localise West Midlands's support involves researching and organising the publication of press releases to raise awareness of the Fair Deal Awards and to help raise awareness of the wider issues faced by farmers in the UK today.

By highlighting these positive cases, the Attwood Group and Localise West Midlands hope to raise awareness of the more negative and unfortunately more common experiences of farmers, where they do not receive a 'fair deal', and bring publicity to the wider movement to get the fair trade concept applied in the UK as well as abroad.

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.

This is why there is a growing campaign in the UK to get consumers and retailers to start considering purchasing and selling fair trade British products like milk and beef as well as fair trade tea and coffee.

As Michael Hart founder of the Small and Family Farms Alliance puts it "I hope that one day we will be able to put fairly traded milk in our fair-trade tea and coffee".

If you would like to find out more about the wider campaign or find out how you can help the UK's Farmers visit: www.fairtradeforbritishfarmers.co.uk. Other organisations involved in similar campaigns include: The Farmers' Guardian, Country Living, Waitrose, and the Womens' Institute.

Amy Longrigg, project lead

Why a 'fair deal' is so important for farmers in the UK too:

- Poor farm gate prices are forcing an exodus from dairy industry with the number of holding having halved since 1995
- Consumers pay around 51p for a litre of milk but only 18p goes to the farmer. The average cost of production is 21p per litre.
- Since 1988 retail prices in general have risen by 22% while farm gate prices have fallen by 9%. Even the highest estimates suggest British farmers get just 28p in every pound that goes to supermarkets.
- impacts of recent weather and movement restrictions have led to a deepening crisis for farmers, and help is needed to recover from this

1. Farmers' Guardian, Fair Trade in the UK Campaign "No Cows, No Countryside"
www.farmersguardian.com/fairtrade

Regional governance shake-up

In July this year, the Government published its *Review of sub-national economic development and regeneration*. The review makes significant changes to the regions' democratic structures, but the lack of reference to democracy in the title perhaps gives some indication as to the priorities of

those behind the review. On the positive side, the proposals do involve some devolution of responsibility for economic regeneration, and spatial and economic strategies will be integrated; but in a particularly backward step, increasing GVA (the narrowest interpretation of economic growth – rather than sustainable development) will become the single overarching objective of the Regional Development Agencies (RDAs) and a duty for local authorities.

In terms of political accountability, it is not yet clear whether the new system, if adopted, will be better or worse. Regional assemblies will be phased out by 2010, and RDAs take on the responsibility for drawing up the integrated regional strategy and for distributing central funds to local government. Local authorities are to adopt the scrutiny role of RDAs, but as the latter will be the funders of the former, it will be interesting to see how this works in practice. There is a further 'overseeing' role for a new parliamentary committee for the regions and new Ministers for the Region (Liam Byrne in the West Midlands) so it is unclear how this role will be divided between the two, and whether the result will be more or less centralist.

Another potential loss is that the regional assemblies at least had 'Other Stakeholders' groups which could bring in the expertise of the voluntary and community sector and others which could represent people's interests and for whom wellbeing and sustainable development might have been a higher priority than growth. This input will be absent in the new structures at the same time that economic growth is made paramount.

LWM hopes that these are temporary arrangements leading to further democratic devolution. A public consultation is planned from December this year, but in the meantime the implementation plan is apparently being drawn up, which may give some idea of the role of the public consultation. LWM is part of the West Midlands Regional Sustainability Forum, which has a seat on the Regional Assembly, and which is keen to clarify, or reintroduce, the role of sustainable development as an overarching aim and a viable and active place for the sector in the new proposals.

Eastside

The Groundwork and Birmingham City Council-led *Sustainable Eastside* project, to which ESAG has had an advisory role for some years, is going through some major changes. The first funded period has come to an end, and Rosemary Coyne, who was the project's impressive and successful Eastside Sustainability Advisor, has now left that role. A proposal to expand the project into the Regeneration Zone has not come about; although Groundwork hopes to maintain some focus on sustainability in Eastside. Other elements of Rosemary's work live on, with potential sustainability supplementary planning documents for Eastside or the city; and strengthened sustainability work on the city's 'growth points' agenda, which looks at infrastructure for areas at which population growth is planned.



In response to these changes, the Eastside Sustainability Advisory Group, in which LWM has been a leading participant for some years, is reflecting on its best future direction. The same partnership of organisations could maintain its focus on Eastside on the grounds that whatever happens with the Groundwork project, ESAG members have developed quite a specialist knowledge of the area and how its fine-grained nature and existing communities can be strengthened rather than destroyed in the regeneration process. Alternatively the group could focus its role on the city of Birmingham, given the city's current masterplanning exercise which might benefit from a stronger sustainability input, and the eco-towns agenda.

To assist the decision-making process, ESAG recently conducted a review of what it and the Sustainable Eastside project has achieved over the years, against its Eastside Sustainability Vision. This unsurprisingly concluded that although there have been encouraging achievements mainly on issues of the built environment (green roofs, some exemplary buildings planned if not delivered), there has been much less achievement on economic issues

and on social housing – two issues of particular concern to LWM. All the more justification for our Community Land Trust proposals (see page 2).

BSP climate change strategy

Eastside's loss is our gain – former sustainability advisor Rosemary Coyne is now a new associate for LWM helping with the mammoth task of putting together the BSP's Climate Change Strategy. Her specific task is coordinating a series of leadership workshops for senior BSP partner organisation staff who will be asked to identify and agree sets of strategic priorities, actions and targets for each of the nine themes of the strategy, in order to achieve something that is cohesive, deliverable and agreed with all partners. The themes include amongst others procurement, business, planning, transport, skills and homes. Birmingham is relatively unusual in taking a strategic partnership approach to its climate strategy rather than having a purely council-led decision-making process; this clearly has opportunities in that the council is not the only agency responsible, but has added challenges in getting agreement across the partnership. The workshops will culminate in a January conference for partners to examine the outcomes of the different theme groups in the light of the strategy as a whole, with adoption by the Partnership proposed for Easter and a launch in June.

Local bonds to bring new deal for climate

As previously recounted in LWM newsletters, longstanding LWM member Colin Hines has been promoting the use of local authority bonds and pension funds, particularly for financing renewable energy schemes, as a secure and highly sustainable long-term form of investment. Birmingham City Council's size makes it well placed for such a scheme. Colin and his accountant colleague Richard Murphy have been having informal talks on the subject with senior staff in the Council.

These thinkings are part of a bigger concept now being promoted by Colin and Richard's partnership Finance for the Future as the "Green New Deal".

It will provide a safe haven for savings, be they in banks or pension funds, and will use those funds to kick-start a massive public and private works programme to cut energy use.

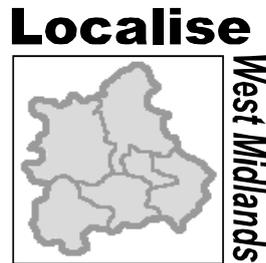
The Green New Deal will require legislation and government encouragement of the use of such funding. But the provision of such backing makes sense: it will make a significant contribution to tackling climate change and generate the jobs and economic activity that will help counter the growing effect of the global credit crunch.

When the world faced a depression in the 1930's it was Roosevelt's New Deal that contributed to getting people back to work by building the infrastructure the US required. Today a similar approach is required: one that addresses climate change by funding building efficiency, renewables and combined heat and power.

Local authority bonds could be the vehicle to raise the funds for this programme. In the US there is a trillion dollar Municipal Bond market. In the UK it is non-existent, but this source of funding and local democracy could be promoted entirely effectively if the returns on at least part of any investment in such bonds were tax free and if a central government guarantee against loss were given on up to £100,000 of funds invested, of the type granted recently to Northern Rock investors.

Finance for the Future plans to carry out research and lobbying and to help develop pilot studies to show the feasibility of this Green New Deal approach.

Newsletter editor: Karen Leach



About LWM

Localise West Midlands is a not-for-profit thinktank, campaign group and consultancy promoting the greater use of localisation to benefit society, economic wellbeing and environmental justice. By localisation we mean local trade, decision-making and money flow.

We undertake research and projects to change policy and practice in line with this approach, and raise awareness of the benefits amongst decision makers and the general public.

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 the region's geographical balance of urban and rural; and also to encourage democratic accountability and a people-centred approach amongst regional bodies.

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

Our work fits mainly into the themes of finance, regeneration, local food, energy, retail and housing.

There are opportunities to get involved in LWM as a volunteer, an associate, a Board member or as part of the steering group.

For more information see our website as below.

*Registered in England and Wales as a company limited by guarantee
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Localise West Midlands, 54 – 57 Allison Street, Digbeth, Birmingham B5 5TH

info@localisewestmidlands.org.uk, 0121 685 1155

www.localisewestmidlands.org.uk