

Sent: 14 October 2026 13:25

Dear Liam,

Thank you for your letter and for the Committee's continued work on industrial strategy, economic growth and devolution.

I agree with many of the conclusions emerging from your inquiry. The evidence reflects challenges we see in the West Midlands: fragmented business support, inconsistent engagement from different parts of Whitehall, and the need for strategic authorities to have the capacity and capability required to deliver growth effectively.

More fundamentally, I believe the next phase of devolution needs to move beyond the administration of programmes and towards a genuine partnership between national and local government for growth. This is precisely the challenge being explored through the Government's Rewiring the State programme, where Mayoral Strategic Authorities are developing practical proposals for how devolved institutions can take greater responsibility for growth and delivery.

As you know, the West Midlands has set out that ambition through our Growth Plan and Blueprint for Reindustrialisation. Drawing on that work, and on the issues highlighted by your inquiry, I would highlight five priorities for enabling growth through devolution.

First, Government should devolve and simplify business support and innovation funding. Businesses often experience support as a fragmented landscape of programmes, funding pots and agencies. Through Business Growth West Midlands and the West Midlands Growth Company, we have sought to create a more coherent regional offer. Government should build on this by devolving business support budgets alongside near-to-market innovation and commercialisation funding, allowing strategic authorities to align support with local growth sectors and industrial strengths.

Second, Local Growth Plans should become the framework for aligning government action in places. Strategic authorities currently navigate multiple funding streams, departments and accountability arrangements. Government departments and national agencies should be expected to align their activity with locally led growth plans, bringing together investment, infrastructure, skills, innovation and business support around a single growth strategy.

Third, further devolution of skills and employment support is essential. We want greater influence over the workforce system from age 14 onwards, including 14-19 technical education pathways, 16-19 education, apprenticeships, adult skills and lifelong learning. This should sit alongside the devolution of employment support provision, enabling strategic authorities to better connect skills, employment, health and careers services with the needs of residents, employers and growth sectors.

Fourth, strategic authorities should have a stronger role in housing and regeneration. There is a strong case for devolving decision-making over the Social and Affordable Homes Programme, brownfield regeneration funding and wider Homes England investment. Strategic authorities should become the primary strategic housing and regeneration authority for their region, working with local authorities, Homes England and the National Housing Bank to align housing delivery with growth priorities, develop investment pipelines and bring forward regeneration opportunities at scale.

Fifth, strategic authorities should play a larger role in shaping investment and innovation. This requires stronger partnerships with institutions such as the National Wealth Fund, British Business Bank, Homes England and UKRI. Strategic authorities should have a greater role in identifying investment opportunities, developing project pipelines and coordinating delivery around local growth priorities. As responsibilities are devolved, government should transfer capability and expertise alongside funding and functions wherever possible.

Government should also continue to encourage collaboration between strategic authorities. Industrial supply chains, labour markets and innovation ecosystems extend beyond administrative boundaries. In the Midlands, initiatives such as Project MADE and proposals for a Midlands Defence Deal demonstrate the benefits of neighbouring regions working together to strengthen national competitiveness.

Finally, strategic authorities need greater long-term funding certainty. Growth requires sustained investment and the ability to plan beyond spending review cycles. If places are to take on greater responsibility for delivering growth, they need the confidence and stability to do so.

The priorities set out above align closely with the issues being considered through Rewiring the State. Taken together, they would enable strategic authorities to play a fuller role in shaping and delivering economic growth and help realise the Government's ambition of delivering growth in every postcode.

The Committee's inquiry rightly recognises that economic growth will require action at every level of government. Strategic authorities are ready to play a larger role. The key challenge now is ensuring that devolution keeps pace with the Government's ambition of delivering growth in every postcode.

I hope these reflections are helpful to the Committee and I would be pleased to discuss them further as your work progresses.

Yours sincerely,

Richard

Office of the Mayor of the West Midlands, Richard Parker