Building a connected, creative, dynamic economy for all

Worcestershire's Local Economic Strategy 2020 – 2040

Worcestershire
Local Enterprise Partnership

Foreword.

Worcestershire has seen exciting economic developments over the past few years.

Investment in our transport infrastructure has helped unlock employment opportunities. We are at the forefront of 5G technology that will underpin Industry 4.0. And we are now home to over 31,000 businesses – 40% more than in 2010.

At the same time, we have a bedrock of valuable advantages. We have well-established industrial centres. We have historic and resilient market towns. We have some of the UK's most beautiful countryside. We are strategically located in the centre of the country, with good links to the major centres. Together, they contribute to what makes our county such an appealing place to live.

These are all important factors that we will build on as we move forward with purpose. To help us, Worcestershire Local Enterprise Partnership (WLEP) has developed a strategic framework that underpins a vision that looks out to 2040. It's a vision that creates a connected, creative and dynamic economy that works for all.

A connected county.

Whatever happens in the wake of Covid-19, we already know that the future is digital. Investment in Fibre to the Premises rollout and support for a Gigabit-capable infrastructure rollout will revolutionise the productivity potential of all our businesses, in particular our thousands of rural ones. Together with our strategic location, it will also make us an increasingly attractive option for professionals embracing remote and hybrid working.

Alongside our digital focus, intelligent investment in our physical infrastructure will support businesses that move goods and ease road congestion at peak times. Our focus on rail as part of this investment points the way to a more sustainable future – and supports our decarbonisation agenda.

A creative county.

We face a once-in-generations opportunity to transform our skills base.

This means starting at the very earliest age.

It means showing our young people that Worcestershire is an exciting county that offers huge potential for a lifelong career.

It means support for the generation entering the workforce at the most difficult time in living memory.

It means equipping workers in sectors that will irreversibly change in light of the pandemic with the skills they need to find rewarding careers elsewhere.

It means ensuring we have the skills we need in sectors with high growth potential such as manufacturing, health and care, agri tech, business and professional services, construction, and IT and digital.

It means supporting all our workers, in particular our older ones, with the right skills and flexible working opportunities to allow them to have fulfilling jobs that help them work in the way they want for as long as they want.

A dynamic county.

Innovation drives competitive advantage, which is why we are unashamedly focusing on science and technology and driving investment in research and development.

We seek to support businesses as they break new ground with entrepreneurial ideas and innovative ways of working that change models and methods of delivery in order to meet the challenges we face as a county and a country. Our aim is to create a reputation for new technology and digital capability that allows our businesses to trade with the world.

Within this, sustainable energy is a key focus. We have an ambitious targets to:

- Halve carbon emissions on 2005 levels by 2030
- Double the size of the low carbon sector between 2016 and 2030
- Triple energy production from renewable generation by 2030.

We know that the expertise and innovation of our business base will be instrumental in meeting these targets – and those of the UK as a whole. Companies such as Worcester Bosch, FAUN-Zoeller and Air Products are already exploring the options with hydrogen technology that will lead the way to a net-zero future.

Join us in our vision.

However you are involved in Worcestershire life, you have an important part to play in this vision. By working together, we can realise our 2040 vision to create a connected, creative and dynamic economy for all. We hope you will join us on this exciting journey.

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Executive Summary.

Worcestershire Local Enterprise Partnership (WLEP) has outlined an ambitious and exciting 2040 vision for the county that will create a connected, creative and dynamic economy for all.

Worcestershire Parkway.

The 2040 vision builds on the fantastic progress we have made on the key performance indicators we set to measure the success of our 2014 Strategic Economic Plan to grow the Worcestershire economy.

We said that by 2025 we wanted to create 25,000 jobs, build an additional 21,500 homes and add £2.9 billion to our Gross Value Added (GVA) figure[1].

To date, we have seen 38,000 jobs created, 15,990 homes built (which equates to 74% of the target in 65% of the time) and added £2 billion to our GVA.

These achievements have been supported in no small part by the powerful track record established by WLEP and our partners. Together, we have successfully delivered a range of projects and interventions that have brought significant sums of public and private sector investment into the county.

For example, major road upgrades to ease congestion and enable local economic growth are unlocking housing and employment land.

Worcestershire Parkway, the first new rail station in the county for over a century, is creating opportunities for a greater range and frequency of rail services to and from other parts of the country.

Our Gamechanger employment sites programme has brought forward four strategic sites across the county and is attracting significant investment and employers, which is creating local jobs.

Key performance indicators.

The new Duckworth Centre of Engineering at the Heart of Worcestershire Further Education College, the first phase of its new Centre of Engineering, is delivering automotive, engineering, plumbing and heating qualifications that address local skills needs.

We are home to one of the UK's first six 5G testbeds. As part of the project, we delivered the first live factory 5G trials in the UK, showcasing the possibilities of Industry 4.0.

It is right to celebrate these – and other – successes.

However, the world has moved on since 2014. Factors such as Brexit, the Paris Agreement on climate change and the Government's Levelling Up agenda were creating a very different economic landscape, even before the biggest public health crisis in generations in Covid-19 led to a deep economic shock.

The events of 2020 and 2021 mean this is a timely opportunity to take stock and refresh our economic vision and strategy for the county. We need to continue to hold ourselves to account against our 2025 targets, but now is the time to plot our trajectory to 2030 and 2040.

We face a myriad of economic challenges in our quest, but it is possible to marshall them around three key themes. We need to keep these themes at the forefront of our thinking as we move forward.

Economic recovery post-Covid-19.

The world's economy has experienced a massive shock and Worcestershire's is no different. Covid-19 has changed the way we work forever. We need to consider how the economy will change and adapt. This includes the impact on our high streets with the shift to online retail and the increasing demand for robust, resilient digital technology to serve trends that were accelerating, even before the pandemic. To build back better, we need to focus on supporting jobs and housing delivery as well as consider the role our city and town centres have to play in our future.

The levelling up agenda.

Recognising the importance of the Government's Levelling Up agenda, we need to support our businesses to improve their productivity, which will in turn lead to greater economic prosperity. We also need to tackle the health inequality and social mobility challenges in our communities by championing inclusion and diversity in the way we work.

Climate change.

We need to move towards a greener future and champion environmental sustainability. This means decarbonising our energy and transport systems. It also means tackling the challenges we face around water availability and flooding. In doing so, we will be taking steps to adapt our economy so we can contribute to the government's target of net-zero carbon by 2050.

[1]GVA is a measure of productivity.

Our four headline objectives.

We have developed a refreshed economic strategy for the county that will become a guiding framework for the next 20 years.

It is based on extensive work we have done in collaboration with partner organisations and stakeholders across the county. We have compiled a robust evidence base, analysed Worcestershire's economic performance, considered the three key economic challenges we face and undertaken intelligent consideration of future trends.

There are four headline objectives. Each of them contributes to supporting economic growth, improving productivity and ensuring greater social inclusion.

1. Improving Worcestershire's strategic connectivity and infrastructure.

We will champion investment in our physical, digital and energy infrastructure. We will build on the significant and successful investments to date and further develop our high-class physical and digital infrastructure.

In this way we can attract and support entrepreneurs and businesses in the county and create the necessary conditions to enable them to be successful.

As a historic net importer of energy, we will seek to redress the balance, embracing a green recovery in the county, growing the low carbon sector and increasing renewable energy generation through innovation and investment.

Key physical infrastructure projects →
Key digital infrastructure projects →
Key energy infrastructure projects →
Energy strategy →

Key physical infrastructure projects.

- Development of our key strategic road network, including the A38 Bromsgrove Route Enhancement Programme, the A46 Evesham bypass junction improvement and the A449, to unlock future housing growth and employment land growth.

Development of our rail network to transform intra- and inter-county movement, including:

- Two trains per hour Worcester to Paddington (as part of improvements to North Cotswold Line services)
- One train per hour to Kidderminster/Droitwich Spa/ Worcester/Paddington
- Additional calls at Worcestershire Parkway for Bristol to Manchester and Plymouth to Newcastle services
- A regional service between Kidderminster and Bromsgrove, Worcester and Cheltenham Spa, Gloucester and Bristol to recognise that this is where 60% of the housing growth from Birmingham to Bristol will be built by 2040
- Investment in the development of Worcester Shrub Hill Quarter and the Redditch Transport Interchange to open up urban regeneration opportunities
- Better access to the National Rail network with new station(s) and bigger car parks

Key digital infrastructure projects.

- Continued support of the Worcestershire 5G testbed and the implementation of new technology to ensure Worcestershire is at the forefront of Industry 4.0
- Filling the skills gap in building digital infrastructure by developing a national centre of digital skills
- Investment in the Fibre to the Premises rollout and support for the Gigabit-capable infrastructure rollout to support the Levelling Up agenda and equip our rural businesses with the same productivity potential as our urban ones

Key energy infrastructure projects.

- Exploration of low/zero carbon energy generation through projects such as the Bromsgrove District Heat Network
- Support for the low carbon economy through the exploration of hydrogen delivery for transport / heating via projects such as the Hydrogen Centre of Excellence
- Practical implementation of demonstrators to support the roll out of rural/urban zero carbon delivery

Projects such as these will support our Energy Strategy, which aims to make Worcestershire the greenest county in the UK. As part of this Strategy, we plan to:

↓ CO_2

50%

Halve carbon emissions on 2005 levels by 2030.

x2

Double the size of the low carbon sector between 2016 and 2030.

x3

Triple energy production from renewable generation by 2030.

2. Supporting a creative future-fit Worcestershire workforce.

We will focus on equipping our young people with the skills, advice and opportunities they need to succeed in their future careers. We will actively engage with local educational establishments, employers and partners to raise awareness of Worcestershire as a fantastic place to live and work in order to attract and retain the next generation of talent our economy needs.

We will champion reskilling opportunities for the over-50s labour market to ensure our older workforce remains part of the workforce for as long as they want.

Recognising the importance of digital for careers both now and into the future, we will focus on programmes that equip our workers with the skills they need, which in turn will supply local employers with the skills they are calling out for.

3. Stimulating investment in R&D and innovation to create a dynamic business environment.

We want to see Worcestershire transition into a powerhouse of R&D innovation. We know our businesses punch above their weight in terms of their investment into R&D activities. However, we also know that there is more financial support and resource available regionally and nationally that Worcestershire could better tap into.

We will work in partnership with local businesses and Higher Education institutions both inside and outside our economic environs to unleash our potential.

We will build on our successes to date, embracing schemes that drive high value jobs, boost our county's wealth generation and create the conditions for entrepreneurs to thrive and survive.

4. Revitalising our city and town centres.

Our towns and city have proved themselves resilient in the face of seismic shifts. Now is the time to build on that resilience.

We will support the city and town investment plans that seek to transform these places to ensure they continue to meet the needs of the local communities they serve.

We will help to deliver the future commercial and office spaces our businesses need to create the multi-functional high streets that will ensure our high streets are able to thrive in the future.

Conclusion.

This is an ambitious strategy that will require us to continue to work closely with partners and stakeholders within the county and beyond. This commitment also recognises that businesses do not operate to the same administrative and geographic boundaries that provide structure to public sector organisations and funded initiatives.

Successful implementation has enormous rewards.

It will position Worcestershire as the most digitally connected and skilled county in the country, building on our 5G status and digital rollout strategy.

It will give us the fastest-growing innovation ecosystem outside London and the South East thanks to investment in our cyber strengths.

It will mean we are the county renowned for testing and implementing low carbon technology in the rural/urban setting.

It will make us the best county in the UK for young people to access careers advice, guidance and work-based opportunities all within a fantastic environment to live and work across a backdrop of an urban and rural environment.

In other words, it will transition Worcestershire from its current status as a hidden gem to being the most connected county in the country and making a powerful contribution to the future success and productivity of UK PLC. It will create a connected, creative and dynamic economy for all.