

# Key sector recommendations

Cover sheet	
Purpose	To articulate Worcestershire's key sector considerations
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Decisions	<ul style="list-style-type: none"><li>• Agree the approach of challenger and cornerstone sectors outlined in the following slides</li><li>• Agree that more work is required on the other sectors for future decision.</li></ul>



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# Key sector considerations

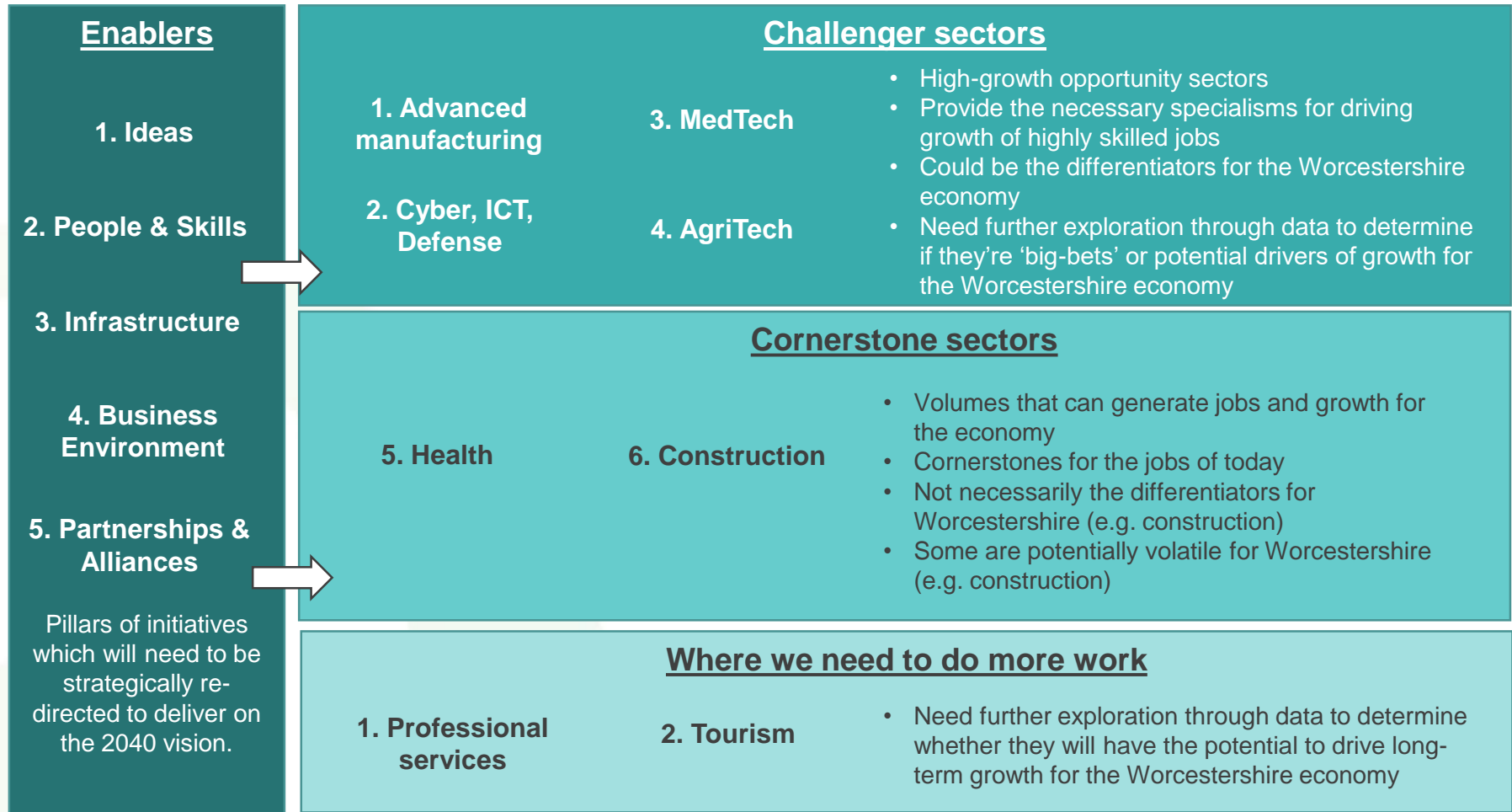
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# Recommendation for key sectors

We recommend the WLEP Board to:

1. Agree the approach of **challenger** and **cornerstone** sectors outlined in the following slides
  - i. Challenger sectors - opportunities for driving high-value jobs and growth
  - ii. Cornerstone sectors - high volume employment sectors and high value for the economy
2. Agree where more work is required on the **other sectors** for future decisions.

# Challenger & cornerstone sectors plus enablers



\* Partnerships & Alliances is defined as all international, national and regional economic and civil society relationships

# Mapping of the degree of importance of the enablers in each sector v0

	CHALLENGER				CORNERSTONE	
Enablers	1. Advanced manufacturing	2. Cyber, ICT, Defense	3. MedTech	4. AgriTech	5. Health	6. Construction
1. Ideas	High	High	Low	Low	Medium	Medium
2. People & Skills	High	High	High	High	High	Medium
3. Infrastructure	High	High	High	High	Medium	High
4. Business environment	High	Low	Low	Medium	Low	Medium
5. Partnerships & Alliances	Medium	Medium	Medium	Medium	Medium	Medium

# 1. Advanced manufacturing

MedTech and AgriTech could be important sub-sectors but it is critically important to properly understand the synergies.

<b>Enablers</b>	<b>1. Advanced manufacturing</b>
<b>1. Ideas</b>	<b>High</b>
<b>2. People &amp; Skills</b>	<b>High</b>
<b>3. Infrastructure</b>	<b>High</b>
<b>4. Business environment</b>	<b>High</b>
<b>5. Partnerships &amp; Alliances</b>	<b>Medium</b>

- **Ideas**
  - A number of engineering businesses which have good supply chains - JLR is a great example of a supply chain for which Worcestershire are a key part of.
- **People & Skills**
  - Skills shortages and ageing workforce in engineering
  - Jobs are decreasing because of skills gap particularly in automation
  - Need for skills is high
- **Infrastructure**
  - Digitisation is significant in this sector
  - There's a course being offered in Bromsgrove but if young people live in Redditch then access to apprenticeships is a challenge due to limited public transport options
- **Business Environment**
  - Climate change escalating as a priority and so need to make this as a key issue for consultation with a different group of stakeholders (e.g. millennials)
  - Target of 50% reduction of carbon emissions by 2030 in Worcestershire Energy strategy significant challenge but aligned with Govt.
- **Partnerships & Alliances**
  - Working with Midlands assets and partners – plus trade organisations like Make UK and Made Smarter and SMMT

# 2. Cyber, ICT and Defense

<b>Enablers</b>	<b>2. Cyber, ICT, Defense</b>
<b>1. Ideas</b>	<b>High</b>
<b>2. People &amp; Skills</b>	<b>High</b>
<b>3. Infrastructure</b>	<b>High</b>
<b>4. Business environment</b>	<b>Low</b>
<b>5. Partnerships &amp; Alliances</b>	<b>Medium</b>

- **Ideas**
  - Need to work out how our assets like MHSP and QinetiQ can be leveraged to build the differentiator for Worcestershire in this space
  - Diversity is important for AI succeeding
  - Investors are potentially investing where they think data is going to live in the future, in the IoT devices and so their priorities compared with Government can be different
- **People & Skills**
  - Worcestershire is a net importer of approximately 2,000 jobs – action requested to provide this data for the County
- **Infrastructure**
  - The tech firms need working space which is currently not easily available
  - Challenge is property availability – difficult to convince people to come here and so need to create a market
  - Need to do it in a game changer site way, and link it with transport connectivity
  - Need fibre across the County, in rural areas for rural connectivity and this is also necessary for mobile coverage everywhere
- **Business Environment**
  - Patient records will be in the Cloud and so security will be key
  - People already want to come to Malvern but challenge with attracting the younger generation when competing with Oxford, Cambridge, etc.
  - Roll out of 5G and engaging local communities in it
- **Partnerships & Alliances**
  - Working with Cyber valley and other LEP areas.
  - Links to Inward investment Strategy and Cyber Science and Innovation Audit.

# 3. MedTech

<b>Enablers</b>	<b>3. MedTech</b>
<b>1. Ideas</b>	<b>Low</b>
<b>2. People &amp; Skills</b>	<b>High</b>
<b>3. Infrastructure</b>	<b>High</b>
<b>4. Business environment</b>	<b>Low</b>
<b>5. Partnerships &amp; Alliances</b>	<b>Medium</b>

- **Ideas**
  - Role of advanced manufacturing in this sector could be an important synergy to differentiate Worcestershire here
  - This is a sector which current has low technology uptake, but provides an opportunity.
- **People & Skills**
  - New hybrid roles – technical / clinical
  - The advent of new regulations (e.g. in medical devices) will be an increasing challenge
- **Infrastructure**
  - The Midlands Engine geography is known for MedTech and it is the largest sub-sector in Life Sciences in this region
  - The largest market share of the MedTech sector is made of SMEs and a lot of acquisitions are occurring in Worcestershire
- **Business environment**
  - Opportunities to invest in medical technologies
  - Digitisation is key and so are the businesses that are making non-digital products (e.g. sterile packs) which are not going away
- **Partnerships / Alliances**
  - Opportunity to partner more with businesses that have an innovation model – particularly West Midlands Combined Authority and West Midlands Academic Health Alliance



# 4. AgriTech

Currently Agriculture is not a big growth sector but we need to explore what can be done to stimulate R&D funding as this sector is an important contributor

<b>Enablers</b>	<b>4. AgriTech</b>
<b>1. Ideas</b>	<b>Low</b>
<b>2. People &amp; Skills</b>	<b>High</b>
<b>3. Infrastructure</b>	<b>High</b>
<b>4. Business environment</b>	<b>Medium</b>
<b>5. Partnerships &amp; Alliances</b>	<b>Medium</b>

- **People & Skills**
  - New hybrid roles – coding / technical
- **Infrastructure**
  - Some businesses with significantly sizeable infrastructure in this sector
  - Need to make it attractive for people to come live in rural areas
- **Business environment**
  - Do we want to be getting into some of the agricultural robotic elements like in Lincolnshire?
  - 3 electric tractors have already been launched and Worcester Bosch’s hydrogen platform could be leveraged here
  - Could there be specific areas such as water quality, nitrates and pesticides, regulatory innovation and caring for the landscape that could warrant government funding that’s allocated for environmental programmes?
- **Partnerships / Alliances**
  - Harper Adams is the University equivalent and a new Agritech innovation was launched in November 2018 with several £million of UK investment. Are there alliances with Harper Adams that we can build on?
  - Pershore is ‘back on the map’ in terms of AgriTech and so what can be done here?
  - Regional centres of excellence – e.g. Warwick crop centre is the region’s best agricultural botany specialists
  - Are there international firms that are leading specialists in AgriTech that we can partner with and for Worcestershire to be a potential test-bed for innovation?

# 5. Health

<b>Enablers</b>	<b>5. Health</b>
<b>1. Ideas</b>	<b>Medium</b>
<b>2. People &amp; Skills</b>	<b>High</b>
<b>3. Infrastructure</b>	<b>Medium</b>
<b>4. Business environment</b>	<b>Low</b>
<b>5. Partnerships &amp; Alliances</b>	<b>Medium</b>

- **Ideas**
  - Need to think about the E2E process for patients and not just from a MedTech perspective. The concept of the Academia, Business and Clinical clusters coming together is still relevant.
  - Can Worcestershire become attractive for being good at all areas in Health? Relates to one of our grand challenges around 'ageing' society
- **Infrastructure**
  - University of Worcester has a key specialism in Health
  - There are also aspirations for a medical school in the future which will require significant funding
- **People & Skills**
  - Rural healthcare is also becoming a big issue to address
  - Could Mental Health be the area of specialism?
  - We need to invest in these so that we can compete with neighbouring regions or conversely there is a risk that we lose what already exists
- **Business environment**
  - Massive rise in Digital Health which is a great opportunity
  - Assistive technology remains a key segment in this region
- **Partnerships / Alliances**
  - Opportunity to partner with the Academic Health Science networks closer to the County

# 6. Construction

<b>Enablers</b>	<b>6. Construction</b>
<b>1. Ideas</b>	<b>Medium</b>
<b>2. People &amp; Skills</b>	<b>Medium</b>
<b>3. Infrastructure</b>	<b>High</b>
<b>4. Business environment</b>	<b>Medium</b>
<b>5. Partnerships &amp; Alliances</b>	<b>Medium</b>

- **Ideas**
  - High volume sector for jobs and economic value and so it's important even if it's not a differentiator
- **People & Skills**
  - Could focus our investments here rather than on growing this sector as it can be a fragile sector
- **Infrastructure**
  - Build big factories but in German style – there's a big market for this
  - Derbyshire – look at modular housing
  - Need to allocate land early on
- **Business environment**
  - Important for retaining the population that are trained or we risk losing them to other conurbations
  - Companies like Urban Splash, W6, are all adopting the new tech / low carbon model
- **Partnerships / Alliances**
  - Some of the biggest companies like Thomas Vale, Vinci...are leaving the region. They are also whole supply chain business models and so is there anything that can be done to mitigate from more of this happening?



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**END**

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