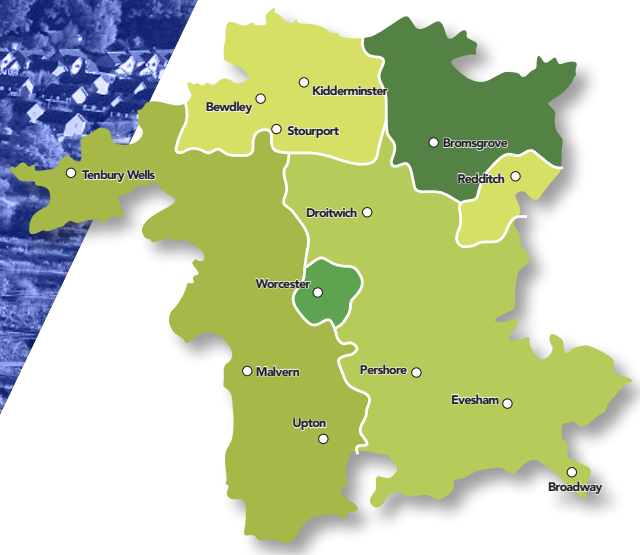


Worcestershire 2040

A CONNECTED, CREATIVE, DYNAMIC ECONOMY FOR ALL

OUR INVESTMENT PRIORITIES

Worcestershire
Local Enterprise Partnership

Unlocking Worcestershire's potential with investment in physical and digital infrastructure

Improving rail, road and digital connectivity will unlock Worcestershire's potential, drive economic growth across the county and allow us to contribute significantly to UK PLC.

- Better rail services would contribute to action to reduce road travel, tackle climate change and revitalise town and city centres across the county
- Investment in digital connectivity will drive productivity across the county; it will also help the very small businesses, often home-based, that form a significant part of Worcestershire's economy, whilst responding to the modern ways of working.

Road improvements

There are significant weaknesses in the major highways network, including strategic corridors such as the A38, particularly at Bromsgrove, and the A46 at Evesham. Resolving these is essential to facilitate economic growth and capitalise on Worcestershire's central location and proximity to prominent regional transport links including the M5, M50 and M42 motorways, Birmingham Airport and HS2. As a rural shire county, Worcestershire's transport network is critical to its economic prosperity. Whilst 75% of Worcestershire residents work within the county, a significant proportion work in a different District to where they reside, resulting in a high number of internal transport movements within the county.

46.3% of people travel to work by car or van (compared with 36.9% nationally)

The A38 at Bromsgrove

Improvements to the A38 Bromsgrove corridor would improve connectivity and reduce congestion in the area both locally and on the M5, which is used as an alternative by local traffic. It would also unlock land for additional homes and new employment and commercial space, removing critical barriers to business growth.

Cost	Timescale
£50m	2022-2025

The A46 at Evesham

The A46 and congestion around Evesham is a particular barrier to growth and investment in this part of the county. It is also a critical part of the Trans-Midlands Trade Corridor, which has been prioritised highly by Midlands Connect, making it a key route to both UK PLC and Worcestershire.

Trans-Midlands Trade Corridor (A46)

£115bn GVA

8.6% of English GVA per annum

To expedite the TMTC's development, Worcestershire LEP, the County Council and Wychavon District Council are working with Midlands Connect and corridor partners to request £3m development funding from government in March's Budget.

There is a firm regional commitment for a TMTC plan from local authorities and LEPs, and Midlands Connect is currently garnering a local financial commitment from all 40 partners along the corridor. When this commitment comes through it will off-set some of the full budget required for the development and could represent up to a 30% local contribution.

The full cost of the improvements for the TMTC will evolve as a result of the feasibility work.

Local pinch-point improvements around Evesham could be delivered within the next 5 years at a cost of £10 to 15m.

BUILDING A CONNECTED, CREATIVE, DYNAMIC ECONOMY

- A38 at Bromsgrove
- A46 at Evesham
- North Cotswold Rail Line improvements
- Enhanced cross-country rail services for Worcestershire
- Gigabit-capable digital infrastructure
- Expansion of Malvern Hills Science Park
- Regeneration of Worcester Shrub Hill and Rail Station
- Regeneration of Redditch Town Centre and Rail Station

Rail improvements

The county suffers from poor rail links to and from Oxford and London, with many residents and businesses instead commuting to Birmingham International or Warwick Parkway rail stations. However, this is counter-productive: these transport movements create increased congestion and associated carbon emissions on the M42 route around Birmingham. Services to Birmingham are overcrowded in peak times and links to the South West and beyond Birmingham are poor.

Our Key Investment Priorities

When it comes to economic growth, Worcestershire has established an exceptional track record of working in partnership with local and national stakeholders to deliver results.

But we know we are a county with even more potential. We want to create a connected, creative, dynamic economy that works for everyone and is at the forefront of the drive to improve the productivity of the UK.

WLEP are committed to levelling up our local communities by tackling social inclusion, and championing clean growth.

We are now seeking further investment to deliver our vision for Worcestershire 2040.

Improvements to the North Cotswold line

Improvements to the North Cotswold line would deliver excellent returns in a short timescale. The Strategic Outline Business Case proposes two trains each hour running Worcester to Paddington via Oxford. With each train taking less than two hours to travel to London from Worcester, more people could travel more quickly and more sustainably.

With one of these trains per hour continuing on to Kidderminster and Droitwich, the north of our county would see dramatic improvements in connectivity, enabling us to turbocharge the delivery of the Local Plans and maximise the benefits of Future High Streets and Town Deals funding streams in Worcester, Redditch and Kidderminster. Malvern and Pershore would benefit from regular hourly services to London too.

Reflecting the critical importance to the wider region of this project, Worcestershire County Council and Worcestershire LEP are active members of the North Cotswold Line Task Force (together with MPs, Department for Transport, Network Rail, GWR, Oxfordshire, Warwickshire, Herefordshire and Gloucestershire County Councils [and their respective LEPs] and rail interest groups) demonstrating wide collaboration across five counties.

To further maximise the benefits of the newly constructed Worcestershire Parkway Rail Station, we are also seeking to enhance the cross-country rail services operating in the county. We want government to include Worcestershire Parkway in the next rail franchise specification for the Plymouth to Newcastle and Bristol to Manchester rail services, building on the Cardiff to Nottingham services already committed to further enhance the physical connectivity of the county and drive significant carbon savings in the process.

Cost	Timescale	Return
£119m	5 years	£33 million GVA pa 750 jobs

Digital infrastructure

Worcestershire is home to one of the UK's 5G testbeds and is leading the way in exploring the productivity improvements Industry 4.0 applications bring by working with local businesses Worcester Bosch and Mazak.

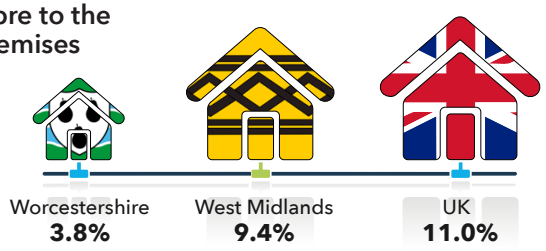
But at the same time, despite recent improvements, the percentage of premises served by ultrafast (100 Mbps+) and gigabit-capable (1000 Mbps) broadband is behind the UK and West Midland averages and the majority of Worcestershire LEP's comparator areas. Coverage is also variable across the county, with lower levels of ultrafast in Worcester and Wychavon compared with Redditch.

With even greater digital connectivity, Worcestershire offers fantastic potential to further attract investment and jobs into the county, due to its strategic location in the UK and beautiful natural environment, as recognised by Mervyn King, former Governor of the Bank of England.

> *"Worcestershire is ideally positioned to take advantage of … modern ways of working, with its urban and rural environment."*
> **Mervyn King, former Governor of the Bank of England**[2]

3.8% of premises have 'gigabit-capable' fibre to the premises (FTTP) (compared with 11.0% nationally and 9.4% across the West Midlands)

Fibre to the premises



Gigabit-capable FTTP coverage across the county would enable us to truly develop and realise the productivity improvements 5G delivers. It would also allow us to attract investment into our rural heartlands and embrace modern ways of working. Action to tackle poor mobile phone coverage needs to be addressed at the same time.

We want to work with government and play our part in delivering on its ambition of achieving 100% coverage of gigabit connectivity across the UK by 2025. We will build on our recent investments in superfast broadband infrastructure and facilitate a number of approaches to manage the drive towards FTTP and gigabit-capable infrastructure, working with commercial operators where there is interest and looking to the government's 'Outside In' agenda to support as required.

Cost	Timescale
£120m	5 years by 2025

Worcestershire's drive towards Clean Growth

Worcestershire has launched an ambitious Energy Strategy for the county.

Our vision is for Worcestershire to have a thriving low carbon economy which supports the creation of high-value jobs, and stimulates investment and clean growth across the county.

We have set interim targets which seek to halve the carbon emissions and triple the amount of renewable energy generated in the county by 2030.

We want Worcestershire to be the most connected county in the UK. Our identified investment priorities support this clean growth ambition by enabling more sustainable travel and supporting modern ways of working.

Headline projects that encapsulate our ambition

Investment in physical and digital infrastructure is critical to unlocking the wider opportunities in our rural county.

The investments would also underpin several headline projects we have planned. These include:

Development of a technology-focused European-scale science park

Worcestershire has a growing innovation ecosystem and the Malvern Hills Science Park, in particular, is a hotbed for high-tech, digital, and cyber security industries.

A central part of this emerging ecosystem is BetaDen, the county's first technology accelerator, which since its inception in October 2018 has attracted a number of exciting Worcestershire-based entrepreneurs developing innovative technology-based products and services seeking support on commercialisation opportunities. The Kiln in Worcester city is another example of local investment transforming a derelict building into a thriving city-centre open working space for remote workers, encouraging networking and collaboration.

The county is also home to several world-leading businesses and other agencies active in cyber security, advanced manufacturing and automotive technologies. And as part of the Cyber Resilience Alliance (CRA), which includes Worcestershire, Gloucestershire, The Marches and Swindon & Wiltshire LEP areas, the clusters in Malvern Hills and Worcester are able to exploit the area's competitive advantage in the cyber security sector.

We want to build on these advantages by developing the Malvern Hills Science Park into a European-scale science park.

Worcestershire County Council and Malvern Hills District Council have purchased 4.5 ha of non-serviced land known as the Malvern Technology Centre from QinetiQ with the intention of developing it for this purpose. The land has planning consent for the development of up to 250,000 – 300,000 sq ft of B1(b) GIA commercial floor space.

£15m to complete primary infrastructure and develop early phase build to create the new technology centre and the focus for the development.

Cost	Timescale
£15m	Delivery end of 2021

Regeneration of Worcester Shrub Hill station

The regeneration of Worcester Shrub Hill station would be a key catalyst for the regeneration of the Shrub Hill Quarter into a diverse commercial and public service railway quarter and transport hub as outlined in the Worcester City Masterplan, delivering improved connectivity, land value uplift and new employment and commercial space opportunities. It would also support current train services and the new services proposed as part of the improvements to the North Cotswold line.

Worcestershire has an excellent track record of delivery of rail projects. Bromsgrove and Kidderminster Rail stations have been upgraded in recent years, along with the construction of the new Worcestershire Parkway Rail station.

Cost	Timescale
£30m	5-7 years

Benefit Cost Ratio

The discrete, railway-specific business case for the Shrub Hill Station Master plan offers a 'High Value for Money BCR of 2.87. It also forms a strong and vital contribution to the combined case with rail service and Quarter developments as part of the wider Vision for Worcester.1

It is important to note that to fully realise an improved rail service offering at Worcester Shrub Hill, further investment in excess of £100m is required to address rail signalling and track improvements on this part of the rail network. Recognising current rail industry investment commitments, this would not be possible before 2024 at the earliest.

Regeneration of Redditch town centre

Redditch has great locational advantages as a significant town immediately south of Birmingham that is well connected to the motorway and rail networks. However, a renaissance of the town centre is essential to create the conditions to underpin economic growth and allow Redditch to compete effectively.

Over the last two years the Local Authority and partners have developed a prospectus that starts to structure a regeneration plan to enable the shift towards a multi-functional town centre where people can live, work and relax. The prospectus builds on the work already achieved in improvements to the public realm and the larger investments made by the Kingfisher Shopping Centre.

Cost	Timescale
£100m	5-7 years

It comprises four principle zones:

- a new business quarter at Prospect Hill, focused around the redevelopment of Smallwood House health facilities to create new diversified commercial and service sector facilities around new public realm opportunities
- a transport interchange and rail gateway, comprising a mixed use development focused around redevelopment of the current Redditch Railway Station
- the redevelopment of surplus public and private sector assets to create a new vibrant mixed use residential and leisure quarter that would include a new 'Hub' building, accommodating key public sector services (including night time economy uses)
- a learning and enterprise quarter enhanced through the delivery of new education and innovation infrastructure that builds upon the historic character of the area.

Strong foundations and an excellent track record

With the support of central government, Worcestershire Local Enterprise Partnership has delivered several significant investments over the last seven years. There are also numerous examples of successful partnership projects delivering positive outcomes for the county.

These projects have put in place the building blocks for growth and we're well on course to deliver on the targets we set out to achieve between 2015 and 2025 to grow our economy.

Our Targets for 2025	Our Delivery Progress
extra 25,000 jobs	extra 31,000 jobs
£2.9billion increase in GVA target for 2025	£2billion increase in GVA since 2013
21,500 new homes for 2025	12,980 new homes completed

(2013 to Q2 2019)
– equivalent to 60% of the target in 52% of the time
71% increase in housing starts between 2012 and 2017 (compared with 57% nationally)

THE PROJECTS THAT HAVE HELPED DELIVER THIS GROWTH

Physical infrastructure

- The upgrades to Bromsgrove and Kidderminster Rail stations
- The development of the Hoobrook Link Road in Kidderminster
- Upgrading Worcester's Southern Link Road to dual carriageway
- Construction of Worcestershire Parkway Rail Station

Digital infrastructure

- Home to one of the UK's 5G testbeds and the first live factory 5G trials

"We are delighted to have switched 5G on in our factory [...] It's important to our business to have the real time element 5G brings so that we can react in real time in the factory environment to mitigate any losses in output and protect and grow our business bottom line."
Carl Arntzen, CEO at Worcester Bosch

5G delivers a **proven** productivity return of **2%**

"We're delighted to be the first aerospace company to trial Wi-Fi 6. By working with the WBA, we're able to gain access to dozens of leading vendors and operators in the Wi-Fi arena. Industrial manufacturers work in incredibly complex environments, which can make cellular technologies challenging to deploy and operate effectively. We believe that Wi-Fi 6 has a significant role to play within the 5G ecosystem, enabling a range of, cost-effective, industrial applications."
Dave Green, Head of IT at Mettis Aerospace in Redditch, on the world's first Wi-Fi 6 Industrial Enterprise and IoT trial, carried out with the support of Worcestershire LEP and Wireless Broadband Alliance

Superfast broadband coverage in Worcestershire

96.3% premises

90% business premises

Skills and learning

- The opening of The Duckworth Centre for Engineering
- Investment in Midland Group Training Services in Redditch and Worcestershire Group Training Association in Worcester
- Delivery of the Agri-Tech Research Centre at Pershore College and the META Project in Evesham College by Warwickshire College Group
- 4,200 apprenticeship starts in 2018/19, with a 38% increase in higher level starts on the previous year.

Business support

- Worcestershire Business Central, the county's Growth Hub, has delivered:
  - The Proof of Concept business support programme
    - Nearly 60 businesses supported
    - 16 new products brought to market
    - 71 new jobs created
  - The business accelerator programme
    - almost £600k private sector investment leveraged
    - over 80 jobs created
  - The LEADER programme
    - Over 90 jobs to be created focusing on improving farm productivity and diversifying the rural economy
- The county's 5G testbed has a strong manufacturing focus on Industry 4.0
- The Gamechanger programme has brought forward four strategic employment sites across the county, attracting inward investment and creating jobs
- BetaDen, the county's first technology accelerator, is supporting business growth and the emergence of an innovative, entrepreneurial ecosystem across the county.
- Since October 2018:
  - 14 new tech innovations launched
  - A growing network of delegates and interested stakeholders in Worcestershire-based technology acceleration
  - 1 new technology patent granted
  - 2 new technology patents pending
  - 5 new tech companies to be launched in Worcestershire
- Innovative engagement between businesses and schools is helping to prepare young people for the world of work

Worcestershire Apprenticeships Awards 2019 Winners

An overview of Worcestershire

Worcestershire benefits from a strategic location in the centre of the country and a diverse economic base. Despite these advantages, it faces a number of challenges, not least pockets of deprivation, an ageing population and lower than average levels of productivity. Without investment in digital and physical infrastructure, these challenges will remain and worsen.

population **592,100**

urban 74% rural 26%

Despite being traditionally perceived as an affluent county, it is important to recognise we do have communities suffering from economic and social challenges.

34 Lower Super Output Areas in the worst 15% of all areas when considered at a national level

Of these, 18 are in the worst 10% of all areas when considered at a national level

Location and transport links

Strategically located in the centre of the country. The M5, M42, M50 motorways provide access to major cities including Birmingham, Bristol, Cardiff, Oxford and London as well as Birmingham Airport and HS2.

86% rural

14% urban

53% of students in Worcestershire leave and do not return to the county to work

29% of the local population will be 65+ years old in 2041

The economy

27,005 VAT or PAYE registered businesses

Productivity

£29.30 GVA per hour (compared with £33.60 nationally)

£47,260 GVA per filled job (compared with £54,330 nationally)

Cornerstone sectors already significant locally

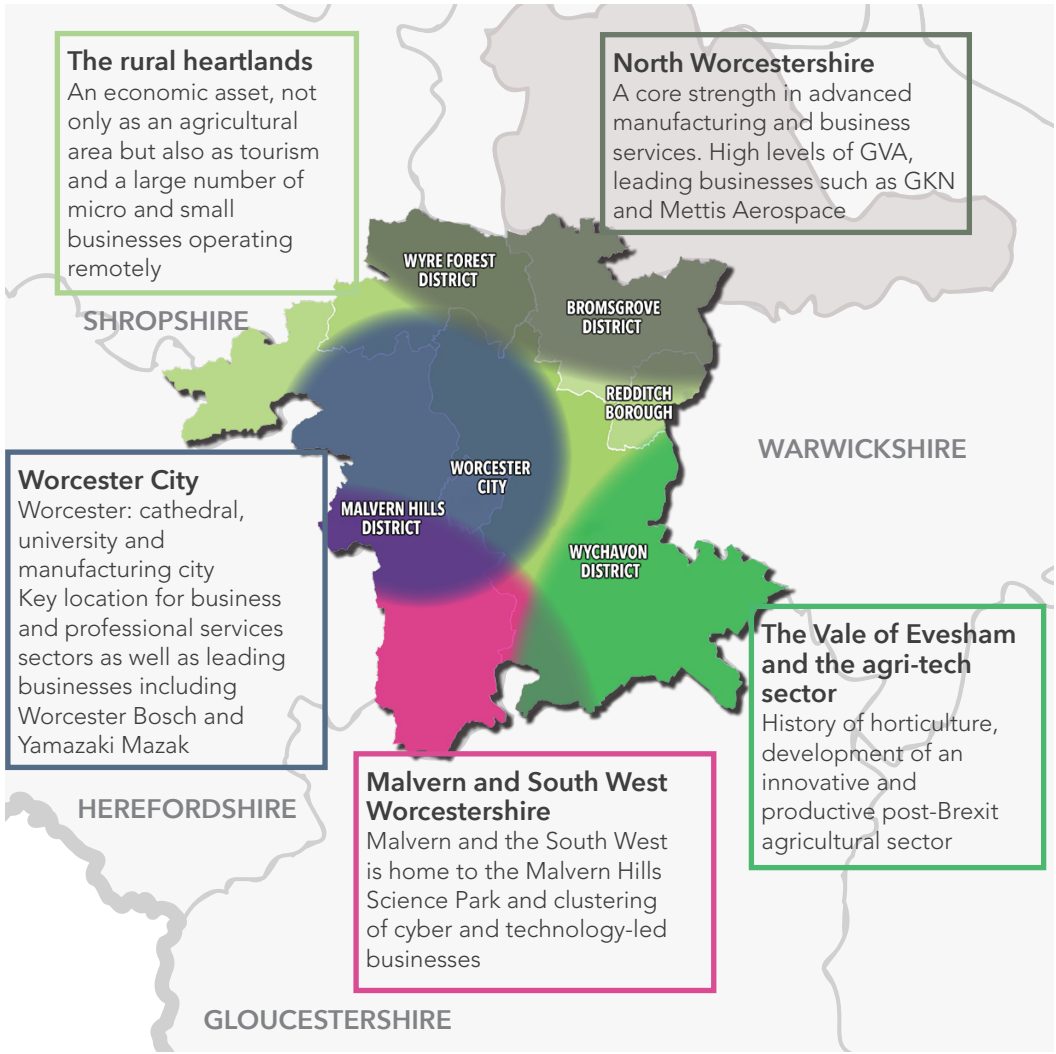
- Health and care
- Construction
- Business administration and professional services

Opportunity sectors significant potential for wlocal growth

- Advanced manufacturing
- Cyber security, IT and defence
- Agri-technology

Worcestershire - A connected and polycentric county

It is helpful to think about Worcestershire as five distinct geographical areas, each of which has a distinctive economic base and sector strength.



Together, we can deliver for Worcestershire and the UK

We want to boost productivity by backing businesses to create good jobs and increase the earning power of people.

Investment in skills, industries and innovation is central to this ambition. We have a strong track record, exciting plans for the future, and powerful cross-sector partnerships in these areas.

But the starting point to unlocking the next wave of opportunities is investment in our digital and physical infrastructure.

With your support, these opportunities are within our grasp and we can build on the successful investments already made.

Worcestershire
Local Enterprise Partnership

Get involved with Worcestershire LEP

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