

Leicester & Leicestershire Local Industrial Strategy

Leicestershire County Council Scrutiny Commission
Wednesday 4th September 2019



Requirements

- Co-designed with government as a framework
- Set out a robust and open evidence base
- Map out specific challenges and opportunities
- Work in partnership with stakeholders
- Prioritise specific, achievable and long-term actions
- Set out clear plans to evaluate progress



Timetable

Milestone	Date
LLEP Board to review first draft LIS	06 August 2019
Logic chain workshop with CLGU	09 August 2019
Board members to submit comments on first draft LIS	16 August 2019
Stakeholders to review first draft LIS and provide additional information and proposed amendments to text	23 August 2019
LLEP to complete revisions to first draft LIS text	30 August 2019
LISA Panel to Review Evidence Base and Logic Chains	03 September 2019
LLEP to discuss draft priorities with government departments	September 2019
LLEP Board to review and approve final draft LIS	01 October 2019
Submission to government for departmental write round	04 October 2019
LLEP Board to approve LIS	06 December 2019



A Healthy Climate for Growth

Healthy Place

Healthy People

Healthy Business

Ideas

People

Infrastructure

Business
Environment

Places



Ideas - Challenges

R&D expenditure is below the government's target of reaching 2.4 per cent of GDP investment in R&D by 2027 and 3 per cent of GDP in the longer term. This has resulted in a lack of commercialisation of new ideas, technology and processes due to underutilisation of the R&D assets in the LLEP area, particularly the capabilities and expertise in the three universities.

There is relative immaturity of local innovation infrastructure and clusters with no effective networks to support the convergence of technologies across sectors and allow knowledge transfer between universities and local businesses, particularly SMEs.



Ideas - Actions

Deliver Space Park Leicester as the centre of excellence for earth observation and satellite technology.

Enhance autonomous and electric vehicle assets through the development and expansion of test facilities at the MIRA Technology Park and Bruntingthorpe Proving Ground

Support the development of SportPark Loughborough as the global centre of excellence in sport and science technology.

Develop the Charnwood Campus Life Sciences Opportunities Zone to create clusters linked to NHS data centre and sports science.



Ideas - Actions

Embed innovation and agri-tech in food and drink production.

Deliver the Melton Mowbray Food and Drink Manufacturing Zone pilot.

Enhance the Leicester and Leicestershire Growth Hub offer to support SMEs to adopt new technology and processes.

Drive local R&D investment and growth in the areas breakthrough sectors and technologies.

Broker partnerships to connect to Enterprise Zones, innovative and ambitious businesses to global opportunities and ecosystems to raise the profile of Leicester and Leicestershire.



People - Challenges

Population growth is slowing. At present the proportion of low qualified, entry level jobs is higher than the national average. High volume, low value-added industries have a requirement for labour, rather than skills and also impacts on underutilisation (34% of LLEP area employers reported having under-utilised staff, that is staff with qualifications and skills beyond those required for the role).

Conversely, there is a corresponding shortage of qualified technicians to service the increasing demand from high value-added sectors of advanced engineering, life sciences, space technologies, digital and low carbon and to address the high levels of replacement demand, particularly for qualified engineers.



People - Challenges

Requirement to harness the significant strengths of the FE and HE provision within the LLEP area to meet the skills needs of high value-added sectors and enable further growth opportunities for our large SME base. Enabling a shift in the dynamic from a low-skilled to a high-skilled base as the working age population of the area reduces and the impact of automation on low-skilled jobs starts to take effect.

Leicester is ranked as the 21st most deprived local authority area (out of 327) and those who live in disadvantaged circumstances have a wide range of health issues that impact on life expectancy and economic inactivity.



People - Actions

Support the development of an integrated FE and HE employer led skills system to upskill the workforce and provide clear local skills progression pathways in high value industries from school through to HE.

Create new high value employment opportunities at the two Leicester and Leicestershire Enterprise Zones in advanced engineering, life sciences, space technologies, digital and low carbon.

Enhance the Leicester and Leicestershire Enterprise Adviser network and Careers Hub to inspire young people and prepare them for the world of work.



People - Actions

Improve leadership and management skills in entrepreneurs and SMEs.

Develop a strategy to harness the knowledge of skilled retirees within the locality, utilising their strengths to tutor/mentor young people in FE.

Develop a digital skills strategy to ensure that employees have the skills required to adapt to new technology.

Utilise health, sport and natural assets to promote healthy living.



Infrastructure - Challenges

Leicester and Leicestershire has a strategic central location, but inadequate connectivity (particularly east-west road and rail connectivity to Birmingham, Coventry and the east coast ports) is impacting on the productivity of the logistics and manufacturing sectors due to inefficient movement of people and goods.

As a self-contained economy with over 80% of people living and working in the area, there is poor transport connectivity between the city, towns and major employment areas such as East Midlands Enterprise Gateway, resulting in high car dependency, congestion and pollution.



Infrastructure - Challenges

There is a need to future proof and promote digital connectivity particularly for application by SMEs and facilitate remote working, particularly in rural areas.

There is a high concentration of growing energy intensive sectors such as logistics and manufacturing and increasing housing needs that is creating an urgent need to generate sustainable, low carbon energy.



Infrastructure - Actions

Deliver the strategically important road and rail projects included in the Midlands Connect Strategy.

Deliver efficient and affordable public transport provision to improve connectivity between the city, towns and key employment and housing sites.

Deliver a network of transport infrastructure to promote cycling and walking and encourage modal shift in travel options.



Infrastructure - Actions

Deliver facilities for electric vehicles and hydrogen fuel stations for cars, buses and HGVs, targeting vehicle fleet operators (haulage, bus companies and local authorities).

Implement the recommendations of the Energy Infrastructure Strategy.

Improve and promote digital connectivity across urban and rural areas and establish 5G as an enabler of transformation in the logistics and space technologies sectors.



Business Environment - Challenges

There are a high proportion of businesses in low value-added sectors with low productivity, particularly in manufacturing sectors such as textiles and food and drink and engineering supply chains. This is a result of a lack of investment in upskilling the workforce and the adoption of new technologies and processes by SMEs, which is impacting on their ability to develop globally competitive products and services and resulting in low exports.

There is a lack of high-quality office space, particularly in the city centre, commercial space and employment land across Leicester and Leicestershire. This is impeding business expansion in high value-added sectors, the attraction of new inward investment and is resulting in business relocation outside of the LLEP area.



Business Environment - Actions

Deliver the enhanced Growth Hub offer to provide support to firms to adopt IT, new technologies to improve their productivity, develop innovative business models and access to management skills, creating a robust ecosystem that supports business from start-up to scale-up.

Work with DIT to maximise investment and trade opportunities linked to the two Leicester and Leicestershire Enterprise Zones, key sectors and global locations using our international links.

Work with British Business Bank and the Midlands Engine Investment Fund to help SMEs access finance to grow

Develop a freeport centred on East Midlands Airport to further maximise on our geographic location and sector strengths in manufacturing and logistics.



Business Environment - Actions

Improve the supply of employment land and commercial premises for businesses to meet the needs of our growth sectors.

Create new high-value employment space within the two Enterprise Zones to create business clusters in advanced engineering, life sciences, space technologies, digital and low carbon.

Increase targeted foreign direct investment in high value-added sectors, with respect to the two Leicester and Leicestershire Enterprise Zones

Support businesses to move towards carbon neutrality and deliver business efficiencies and a move to the circular economy.



Places - Challenges

Balancing economic growth whilst protecting natural capital and addressing the climate change challenge.

Declining economic activity in the city centre and town centres.

Pockets of tenacious deprivation, particularly within urban areas, and the need to improve economic inclusion.

A lack of available housing supply and decreasing affordability.

A lack of awareness of Leicester and Leicestershire as desirable destination to live, work and visit.

The need to address the current and future challenges facing farming and the agricultural economy.



Places - Actions

Enhance Leicester city centre and create a great place to live, work, study and visit.

Support the regeneration and development of town centres to create attractive and productive places that people want to live, work, study and invest in.

Deliver key programmes to improve employability to reduce deprivation and economic exclusion.



Places - Actions

Deliver planned and sustainable housing growth.

Support the development of the cultural, leisure and tourism offer.

Better understand the farming and agricultural economy and how it can be better supported, and local supply chains strengthened.

