



**FINAL
DRAFT FOR
APPROVAL**

THE MARCHES LEP

STRATEGIC ECONOMIC PLAN 2019



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FOREWORD

The Marches is a thriving, successful place to live and do business, with an exceptional quality of life and natural environment and strong communities. People here collaborate and help each other succeed. Businesses, local authorities, education and third sector organisations are ambitious for growth and are committed to working together to invest in the prosperity of our businesses and residents. We are a great place to grow.

Our aim is to grow our
economic output to

£23.8BN
BY 2038

Adding **£8.7bn** to the UK economy,
and creating approximately
58,700 new jobs.





The Ironbridge UNESCO World Heritage Site marks our central contribution to the first wave of industrialisation. Our traditional manufacturing strengths now drive highly innovative firms in high-tech agriculture, the automotive supply chain and environmental and recycling technology, all at the cutting edge of the new industrial revolution. We are pioneering new approaches to healthcare in dispersed communities, driven by new business models and digital connectivity.

The Marches is home to natural, cultural and heritage assets, including the renowned Shropshire Hills, Malvern Hills and Wye Valley Areas of Outstanding Natural Beauty (AONB), thriving urban centres in Hereford, Shrewsbury and Telford, and beautiful, historically significant market towns. We have excellent schools, colleges and universities and a vibrant cultural sector. As technology continues to change how people work and how businesses operate, the Marches combines the accessibility, skills and networks that people and businesses need, with a choice of housing, leisure opportunities and a natural environment that is second to none.

We are well placed to access major UK markets and our aim is to grow our economic output to £23.8bn by 2038, adding £8.7bn to the UK economy, and creating approximately 58,700 new jobs – predominantly in high productivity growth and high value sectors.

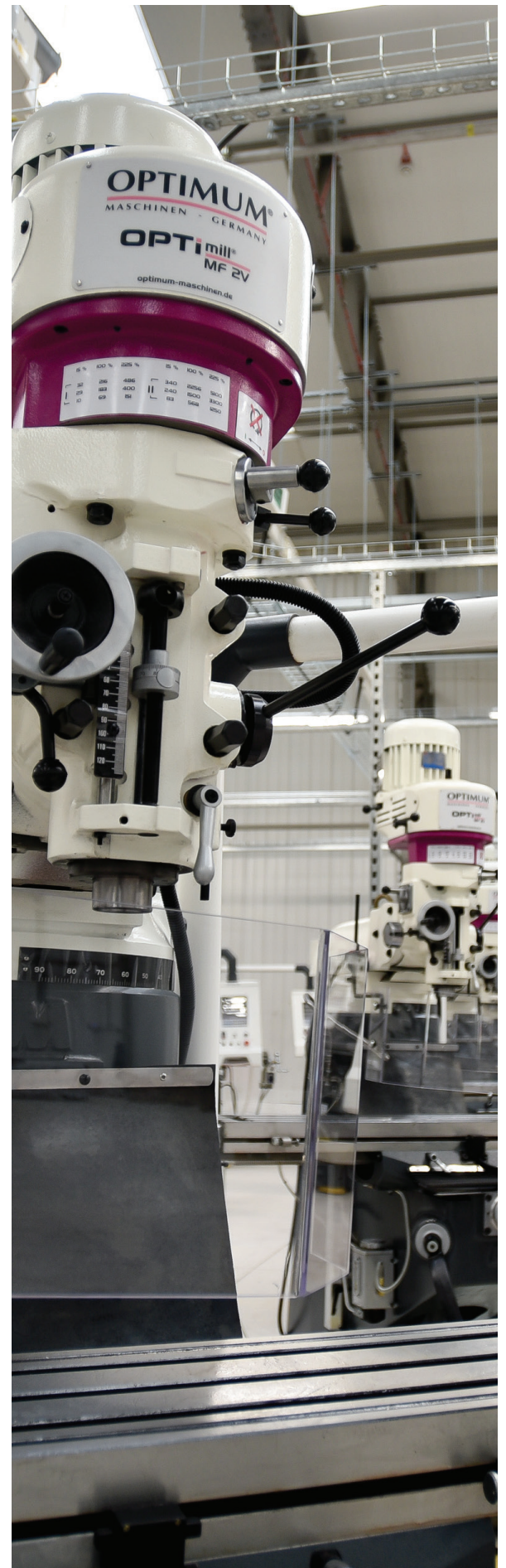
Our ambition for the future is built on recent success and a track record of delivery. Over the past four years the Marches Local Enterprise Partnership (LEP), working with partners, has secured over £195m of investment, with £104m of this from three Growth Deals. Our existing investments will deliver 9,000 jobs, build 16,000 homes, provide 77,000 premises with access to broadband and create 3,025 apprenticeships by 2032. As the global economy continues to change, we are making sure we are ready for the challenges and opportunities ahead.

We have agreed a clear vision and priorities, harnessing the distinctive business strengths and assets that will drive economic success and further growth. We will help people and businesses develop the skills they need to succeed, support firms and communities to adapt to technological change and we will invest in attracting new highly skilled people.

This strategy sets out the actions we will take to deliver these opportunities and commitments. It has been developed by businesses, colleges, universities, councils and our voluntary and community organisations, working together in the way that sets the Marches apart. It means we will continue to deliver and it is how we will make change happen.

Graham Wynn OBE

Chair, The Marches Local Enterprise Partnership



Major successes and projects currently being delivered include:

TELFORD LAND DEAL

Establishing a new model of public land disposal, which has accelerated the volume of commercial and residential sites sold and will see up to £44.5m from the sale of Homes England land in Telford invested locally.

DEVELOPMENT OF SKYLON PARK, INCLUDING THE CENTRE FOR CYBER SECURITY

Creating a nationally recognised hub of high-tech excellence on the country's only enterprise zone with a defence and security sector focus.

SHREWSBURY BIG TOWN PLAN

A comprehensive, collaborative master plan to map a vibrant future for Shrewsbury, which creates a thriving centre of enterprise whilst reflecting the town's unique heritage.

INTEGRATED TRANSPORT PROJECTS AND PACKAGES IN OUR MAJOR CENTRES

Developing integrated and resilient transport networks that are fit for purpose for the years ahead, driving economic growth through improved physical connectivity.

LAUNCH OF THE MARCHES GROWTH HUB AND THE CREATION OF A NEW BUSINESS INCUBATION CENTRE

Providing expert advice to entrepreneurs throughout their business journey and helping them access funding, support and resources to realise their growth ambitions for the future.

DEVELOPMENT OF THE NEW MODEL IN TECHNOLOGY & ENGINEERING (NMITE)

Hereford's new university will pioneer a new way of delivering the high-quality engineering courses our businesses need to stay at the forefront of the new industrial revolution in a unique collaboration with regional employers.

SHREWSBURY FLAXMILL

A major investment to bring the world's first iron-framed building back to commercial and social life and redevelop derelict brownfield land for 120 new homes.

NEWPORT INNOVATION PARK (NI-PARK)

A multi-million pound development to create a world leading agri-tech business park for companies at the cutting edge of developing ways to improve food production and help manage the environmental impact of farming, aiming to create up to 1,000 new jobs.

INVESTING IN COLLEGES AND TRAINING PROVIDERS TO HELP THEM DELIVER FIRST CLASS ENGINEERING SKILLS

A comprehensive package of measures to deliver the skills employers need to thrive in the modern market place, drawn up in collaboration with employers and training providers.

INVESTING IN THE ROLLOUT OF SUPERFAST BROADBAND

To give 77,000 extra homes and businesses in the Marches speeds of more than 24mbps by the end of 2019.

EXECUTIVE SUMMARY

Our 2018 Strategic Economic Plan (SEP) sets out our vision to become a £23.8bn economy with 5,200 more businesses and 58,700 new jobs by 2038.

The economy of
Shropshire, Herefordshire and
Telford & Wrekin contributes

£14.3BN

IN GVA TO THE UK ECONOMY

and has grown steadily since our
2014 economic strategy.

The technological changes and demographic trends that are driving the global economy and the uncertain post-Brexit trade and regulatory environment mean that now is the right moment to take stock of our progress and agree the actions that will underpin the success of our communities and businesses in the years ahead.

The economy of Shropshire, Herefordshire and Telford & Wrekin contributes £14.3bn in gross value added (GVA) to the UK economy and has grown steadily since our 2014 economic strategy. We have high levels of economic activity and employment.

The Marches is up for growth and open for business. We are historically innovative and closely connected to major UK markets in the North West, West Midlands, South West and Wales. The Marches is acting creatively and innovatively to support radical changes in the way that people and businesses work. The actions in this strategy will put in place the networks, physical and digital connectivity and skills that people and businesses need to adapt and succeed in our rapidly changing world.

We are building on our existing economic strengths, sectoral specialisms and demographic characteristics to meet our potential:

- ▶ Our traditional manufacturing strengths now drive highly innovative, Industry 4.0 firms (those embracing the trend of automation and data exchange within manufacturing technologies) in high-tech agriculture, the automotive supply chain and environmental and recycling technology.
- ▶ We are pioneering new approaches to health and social care in dispersed communities, driven by new business models and digital connectivity.
- ▶ Our historic defence expertise is at the heart of a globally significant cluster in cyber and business security and resilience. Our strengths here, and our wider technological specialisms, will support the transformation of businesses into truly digital enterprises.
- ▶ We have a supportive business environment with the highest two-year new business survival rate in the country, with major international firms alongside thriving small and medium-sized enterprise (SME) and micro businesses, and 2,740 business births in 2016.
- ▶ We have a very high quality of life with rich natural, cultural and heritage assets, and high-quality schools, attracting professionals and families.

Whilst there have been long standing barriers to meeting our potential, particularly in terms of lower productivity, the pace of technological change and new ways of working provide us with real opportunities to make a difference:

- ▶ The age profile of our area is older than the UK average and our dispersed population is relatively slow growing – this provides a core market and test bed for innovative health and social care technologies and approaches.
- ▶ Historically low skills levels in some of our communities are being tackled by active, community level partnerships between businesses, schools, learning providers, our colleges, now strengthened following the Area Review process, and a growing university sector.
- ▶ We are investing heavily in our key strategic economic and transport links to the North West, West Midlands, South West and Wales, and are actively engaged with the Midlands Engine, Midlands Connect and the national LEP Network.

We have agreed a clear vision of how we want the Marches to be, which will guide our investments and be delivered by the actions set out in this strategy:

THE MARCHES

01. **A place which is open for business**, up for business and pro-growth.
02. **At the forefront of changes in how people live and work** using new technology and improved physical and digital connectivity to enable businesses and people to develop and succeed.
03. **A growing place, attracting more people to come**, stay and build their careers and businesses.
04. **A destination not a boundary** – gateway to markets in the Midlands, Wales, South West, North and Europe. A visitor destination with significant natural and cultural resources that is well known and attracts people looking for a high-quality experience.
05. **A pioneer in the provision and testing of digitally driven health and social care for dispersed populations** supporting healthy ageing and economic participation in later life.
06. **A global centre of excellence in advanced manufacturing** specifically automotive, cyber security, and the next phase of technology development in agriculture, environment and food production.
07. **An inclusive place that enables residents from all communities to thrive and develop** with quality jobs offering good wages, training and progression.
08. **A collaborative and proactive place** with businesses, further education institutions (FEIs), higher education institutions (HEIs) and public organisations working together to agree what needs to happen and getting things done. Known as a good place to start and grow a business.

Delivering our ambitions and meeting our economic potential means growing the size and productivity of our economy. The actions we have agreed are based on a detailed evidence base and understanding the needs of our businesses, communities and residents:

INNOVATION AND BUSINESS ENVIRONMENT



We will develop incubation, accelerator and grow on spaces for firms to explore and test new technologies and partnerships, support companies to adopt opportunities to innovate, and set up an automation task force of business champions who can identify and validate the opportunities for our firms, particularly in our cyber, manufacturing and food sectors. We will build on our reputation as a supportive place for businesses by further improving business and funding support to SMEs, ensuring new employers have everything they need to move to the Marches, encouraging local business networks and supporting local supply chains.

SKILLS



We will further develop partnerships between businesses and learning providers to meet the changing needs of our businesses. We will continue to seek investment in high-quality training facilities with state-of-the-art resources. We will create a culture of lifelong learning and upskilling to raise skills levels for future business growth and job security. We will increase engagement between businesses and schools to highlight job opportunities in our growth sectors, encourage apprenticeship uptake and support innovative curriculum development to develop new digital and technical skills in many of our key sectors.

INFRASTRUCTURE AND PLACES



We will continue to develop the physical and digital networks and connectivity that businesses and people need. These connections will support the sustainable growth of our towns, rural areas and neighbouring economies by investing in priority schemes and growth corridors. To support growth, we will strive to ensure that the Marches has a flexible, reliable and secure energy generation and supply system. We will seek to address accessibility issues to training and employment sites, as well as to improve and 'futureproof' broadband connectivity and mobile coverage where required. We will bring these actions in this strategy together in a new 'Opportunity Town Programme', supporting the distinctive strengths and needs of our market towns and building on our innovative, forward-looking vision for the Marches. Through strong local ownership and partnerships, we will work with places to define our actions based on a detailed understanding of the hyper local economy and wider supply chain links. And we will continue to work at a national and international level with Government to promote opportunities here in the Marches.

01. OUR STRATEGIC ECONOMIC PLAN

1.1

Our economic strategy
is structured as follows:



OUR VISION

Sets out the future that we want for our economy and places, building on our strengths, and based on clear evidence and developed by all partners.



OUR POTENTIAL

Shows the ways in which our economy can grow and how we will measure our progress.



OUR ECONOMY AND SECTORS

Summarises what our comprehensive evidence tells us about our strengths and opportunities, our sectoral strengths, specialisms and the opportunities which these present.



OUR ACTIONS

Sets out the actions we are proposing to take to deliver our vision and potential in three areas: Innovation and the Business Environment, Skills, Infrastructure and Places.



NEXT STEPS AND IMPLEMENTATION

1.2 This strategy has been co-designed by a wide range of individuals and organisations, including businesses, local government, education and training providers and other local partners. Collectively we have identified priorities based on our strengths and future local, national and global opportunities. We have held workshops, one-to-one interviews and a business survey.

A full list of those involved is included in Appendix 1.



02. OUR VISION

2.1

Building on the evidence and engagement with partners we have agreed a clear set of ambitions:

THE MARCHES:



A place that is open for business,
up for business and pro-growth.



At the forefront of changes in how people live and work
using new technology and improved physical and digital connectivity to enable businesses and people to develop and succeed.



A growing place, attracting more people to come,
stay and build their careers and businesses.



A destination not a boundary
- gateway to markets in the Midlands, Wales, South West, North and Europe. A visitor destination with significant natural and cultural resources that is well known and attracts people looking for a high-quality experience.



A pioneer in the provision and testing of digitally driven health and social care for dispersed populations supporting healthy ageing and economic participation in later life.



A global centre of excellence in advanced manufacturing specifically automotive, cyber security, and the next phase of technology development in agriculture, environment and food production.



An inclusive place that enables residents from all communities to thrive and develop with quality jobs offering good wages, training and progression.



A collaborative and proactive place with businesses, further education institutions (FEIs), higher education institutions (HEIs) and public organisations working together to agree what needs to happen and getting things done. Known as a good place to start and grow a business.

03. OUR POTENTIAL

3.1

A clear vision and our strengths and assets give us a strong basis on which to further drive growth and productivity. We do not underestimate the challenge and complexity of doing so but the prize is significant and the actions we have agreed are based on a strong evidence base. Delivering our strategy and the investments in it could achieve significant growth by 2038.

We want to grow our economy in an inclusive and sustainable way:



BE IN THE
**TOP 25% FOR
LIFE SATISFACTION**
NATIONALLY



CREATE
1,000 NEW JOBS
IN THE LOW CARBON
SECTOR BY 2030



MOVE TO
**50% RENEWABLE
ELECTRICITY**
GENERATION BY 2030



REDUCE 1990
CARBON EMISSIONS
BY 57%
BY 2032



LOWER
FUEL POVERTY TO
BELOW 10%
BY 2030

BY 2038, WE HAVE POTENTIAL TO:



GROW OUR ECONOMY
BY £8.7BN TO

£23.8BN



INCREASE GVA
PER HEAD TO

£29,425



RAISE OUR
POPULATION TO

807,500



BUILD

54,400

NEW HOMES



CREATE

5,200

NEW BUSINESSES &

58,700

NEW JOBS



INCREASE
THE PROPORTION OF
RESIDENTS WITH LEVEL 3+
QUALIFICATIONS TO

60%

04. OUR ECONOMY¹

Figure 1. Headline economic statistics



£14.3BN
TOTAL GVA



£27.76
GVA PER HOUR WORKED



684,300
POPULATION



286,000
NUMBER OF JOBS



30,775
NUMBER OF BUSINESSES



32.5%
RESIDENTS WITH
LEVEL 4+ QUALIFICATIONS



4.1

The Marches is a large area: 2,300 square miles and a population of 684,300 people, 286,000 jobs and 30,775 businesses. Our economy contributes £14.3bn in economic output measured as Gross Value Added (GVA) or £21,178 per person. Over the last five years for which we have data, our economy grew by 5.9%, adding £800m to UK output. Exports are worth £1.8bn annually.

4.2 More residents here are engaged in the economy with an economic activity rate of 80% compared to 78.2% nationally. Employment is also high at 76.7% compared to the UK average of 74.7%. There are low levels of benefits dependency with only 0.7% of 18 to 64-year olds claiming Job Seekers Allowance, which is lower than the national figure of 1.2%. Employment and Support Allowance claimants make up 5.3% of the working age population in the Marches, compared to 5.9% nationally.

4.3 We have significant sectoral strengths in advanced manufacturing with specialisms in metals, machinery and automotive, particularly lightweighting and composites, as well as business and professional services and food and drink, especially in meat and dairy processing. And we have emerging, nationally important strengths in environmental technology, cyber security and resilience, agri-tech, and innovative health and social care.

4.4 Overall, our productivity is lower than the UK average at £27.76 per hour worked, compared to £33.99 nationally, and has been relatively static since 2004. The productivity challenge is not unique to the Marches, but does reflect our demographics, skills and physical and digital connectivity. We will continue to support innovation and investment to improve productivity.

¹Our strategy is underpinned by a comprehensive and detailed evidence base available online at: www.marcheslep.org.uk/what-we-do/economic-plan

A SUPPORTIVE BUSINESS ENVIRONMENT – MICRO BUSINESSES AND MAJOR INTERNATIONAL FIRMS

4.5 We have a supportive business environment with strong, closely networked SMEs, and active local Business Boards. Networking and referrals resulting from a good local business network is seen by local businesses as a major strength in a recent survey. We have the highest two-year business survival rate (80.2%) of all LEP areas. This reflects an established and mature business culture, which provides a stable environment for further increasing the number of businesses that are started here.

4.6 The Marches is home to major international businesses in a range of advanced manufacturing specialisms, logistics, and food and drink – including: BAE Systems, GKN, Ricoh, Denso, Special Metals Wiggins, Magna Cosma, Kuehne and Nagel, Avara Foods, ABP Food Group, Müller and Heineken. Other large companies in the area include Capgemini, Culina and CML.

4.7 Local networks are strong but also outward looking. We export £1.8bn of goods, 76% of which are to the European Union. Germany is our largest export market making up 23% of our exports (£415m). Germany has the largest share of foreign owned companies in Telford and there is also a long-standing cluster of Japanese-owned firms in the town.

4.8 Micro businesses (those with fewer than 10 employees) make up 89.7% of the Marches business base, which is similar to the UK average of 89.4%. Many of our businesses operate in rural areas and many reflect the growing patterns of working remotely and from home. The continued improvement of our broadband and mobile connectivity provides further opportunities for our micro businesses.

4.9 Some micro businesses and smaller SMEs continue to experience difficulties in accessing bank finance. The alternative finance sector's exponential growth provides a plethora of medium to high-risk commercial financial propositions for businesses. However the higher rates of interest charged can lead borrowers into financial difficulties and restrict the growth and long-term viability of businesses. Capitalising on local Community Development Finance Institutions provides more affordable options.

CENTRES OF POPULATION GROWTH

4.10 The population of the Marches is 684,300. The three main urban centres, Hereford (60,825 population), Shrewsbury (71,864) and Telford (147,698) are home to 41% of our population.

4.11 Over the past five years, the Marches has seen population growth roughly in line with that of the UK as a whole, though the population of Telford has grown much more rapidly, and Shropshire has seen slower growth. In a few areas, including parts of Shrewsbury, north of Ludlow and east of Bridgnorth, there has been some population decline.

4.12 Our population is older and ageing more rapidly than the national average. Across the Marches 22.1% of the population are aged 65 or over (an increase from 16.8% in 1997). This is significantly higher than the national figure of 18.2%. This figure is as high as 24% in Herefordshire and 23.9% in Shropshire, although Telford & Wrekin has a younger population. Between 1997 and 2017, the number of over 65s within the Marches has grown 60% faster than the national average, increasing on average 2.1% per annum, compared to 1.3% across the UK as a whole.

4.13 There is also a lower proportion of young people. Only 16.6% of the population are aged 20 to 34. This is much lower than the UK average of 19.9%. The lowest proportion of this age group is in Shropshire (15.6%). Outward migration of young people is a challenge in the Marches with a net outflow of 1,570 15 to 19-year-olds and net inflow of 130 20 to 29-year-olds in 2017.

4.14 The demographic profile of the Marches presents both challenges and opportunities. A slow growing, ageing population contributes to an ageing workforce and puts pressure on health and social care. But it is also an opportunity to pioneer new healthcare and ageing related technologies in a dispersed population.

A STRONG EDUCATIONAL OFFER – RESPONDING TO BUSINESS NEEDS

4.15 As our economy evolves and we develop new approaches that take advantage of technological change, the skills needs of businesses are changing. Businesses require a work-ready, technically skilled workforce, which is able to adapt as the economy and businesses change.

4.16 There are some important skills challenges that need to be addressed. The Marches has a lower skill base relative to the UK and we have lower numbers of higher-level jobs. In the Marches, 32.5% of working age residents have qualifications roughly equivalent to degree level or higher, compared to the national average of 38.4%. Equally, 19.5% of working age residents in the Marches have either no formal qualifications or Level 1 only, compared to the UK average of 18.6%. Level 1 is defined as having one to four GCSEs grades 3,2,1/D, E, F, G or equivalent qualifications.

4.17 The skills challenge in the Marches is linked to the difficulty in attracting and retaining young people as evidenced by the migration of different age groups previously. This suggests that many young people are leaving the Marches to either attend university or to work.

4.18 The Marches has nationally leading public and private skills providers. Recent investment has increased provider capacity to deliver programmes that meet business needs, including across the advanced manufacturing and engineering sectors. Our colleges and other providers support both people who go on to work in our SMEs or are already in the workforce, as well as those wishing to progress to university. This places particular emphasis on the need to develop and maintain relationships with businesses and on retaining contact with students once they enter the workforce. Employers that are investing significantly in training also need to be engaged as part of the solution.

4.19 We have a high-quality school offer, including state and independent sector provision, which attracts families. There is a diverse education offer for young people through to the age of 18, including specialist institutions and a recent expansion in the number of schools with sixth forms. Our further education (FE) colleges, consolidated and strengthened as part of the recent Area Review, sixth form colleges and specialist college, Hereford College of Art, provide a range of opportunities for academic and vocational education.

4.20 In recent years higher education (HE) provision has developed across the Marches. Alongside significant HE level provision in our FE colleges, there are now four dedicated HE institutions: Harper Adams University, University of Wolverhampton and University Centre Shrewsbury (UCS) – part of the University of Chester. The most recent addition to the Marches HE offer will be the New Model in Technology and Engineering (NMiTE) in Hereford with its first cohort starting in 2020. There are also opportunities to access accredited learning and development programmes through Manchester Metropolitan University's presence at The Gateway Centre in Shrewsbury and the Fields Studies Centre at Preston Montford.

A HIGH QUALITY OF LIFE WITH RICH NATURAL, CULTURAL AND HERITAGE ASSETS

4.21 The Marches is a great place to live with a high quality of life that is important to our businesses. We have high levels of positive net migration. Between 2012 and 2017, the Marches had a net inflow of 14,540 residents, and the net inflow of people per year has increased over fivefold since 2012.

4.22 We have abundant and rich natural, cultural and heritage assets, with beautiful countryside that offers a wealth of leisure activities. The Shropshire Hills, Malvern Hills and Wye Valley are designated AONBs, the Telford Town Park has previously been voted the UK's Best Park, and the rivers Severn and Wye are important blue assets. The Ironbridge Gorge - one of the UK's 31 UNESCO World Heritage Sites - preserves and tells the story of the area's role in the first Industrial Revolution and is now a major regeneration site. We are also home to many beautiful and historically significant market towns and recent investment in our urban areas, e.g. the Old Market development in Hereford and Telford's Southwater, has enhanced our leisure offer.

4.23 How land management and support for environmental stewardship will be impacted by reform to the Common Agricultural Policy as part of Brexit negotiations is, as yet, unclear. We will support inclusive, low carbon growth that serves to protect our natural assets and delivers environmental net gain for the benefit of residents and visitors.

4.24 Housing affordability is mixed. There are areas of high affordability, particularly in Telford, where house prices are three to four times higher than annual household incomes. Low affordability is an issue in areas across the Marches, with median house prices as high as 10 times median salaries in the area north of Ledbury. This impacts the ability of people to live close to their place of work and introduces recruitment and staff retention issues for businesses.

4.25 Building on the success of the Telford Land Deal and to address these challenges, all three local authorities are taking action to provide affordable, mixed tenure housing for key workers, through interventions such as creating housing development companies. It is also important to continue developing higher value jobs to address the issue of low wages. There is significant potential for further provision of starter homes and smaller houses to support inward migration and retention of talented young people and families.

CASE STUDY

The Telford Land Deal helped create the biggest foreign direct investment in the UK in the last decade when Magna Cosma opened its doors on the T54 Technology Park in a move which will ultimately create 800 jobs.

Under the deal, a percentage of receipts from the sale of Government-owned land goes to the Marches Investment Fund to support growth projects across the region.

- ▶ **More than £236m brought to Telford since the deal was unveiled**
- ▶ **Up to £44.5m generated from the sale of Homes England land in Telford invested locally**
- ▶ **Multi-million pound Newport Ni-Park will create 1,000 high-tech jobs in the agriculture and processing industry**



STRONG ECONOMIC LINKS AND CONNECTIVITY

4.26 The Marches is a destination with excellent strategic economic links with other UK and global markets. Centrally located, we have close economic ties to the North West, West Midlands, South West and Wales with good access to major cities including Liverpool, Manchester, Birmingham, Coventry, Nottingham, Bristol and Cardiff. Business survey respondents referenced the Marches' central location and good transport links as a strength of the area, influencing their decision to locate their business in the area.

4.27 Our supply chains and businesses operate across administrative borders. Our manufacturing strengths in the east of the Marches around Telford and Bridgnorth are closely linked to automotive supply chains in the West Midlands. With a number of major household names in the Marches, our agricultural and food and drink supply chains reach out across the country. There is a net outflow of 3,000 people leaving the Marches for work each day with more than 42% going to Birmingham. We attract workers from bordering areas including Mid Wales, Wolverhampton, Worcestershire and Staffordshire.

4.28 Our transport and digital infrastructure is therefore central to future growth, with deep, long standing challenges around lack of dual carriageways, alternative road routes, and frequency of rail services. Connectivity to broadband is particularly problematic in rural areas. Much of south and north Shropshire and west Herefordshire has slow broadband (0-10 Mbit/s). In some areas, this accounts for over 80% of premises. There are also issues with poor mobile phone coverage.



CASE STUDY

Telford electrical company WES has seen a major improvement in efficiency after receiving £12,000 funding through the Marches and Gloucestershire Broadband Grant Scheme, funded by ERDF.

It now enjoys a superfast connection of 30mps compared to the 1.6mps connection it previously experienced, meaning production machines can be connected to the network, allowing remote access for repairs, analysis and adjustment.

- ▶ **The LEP is investing £7.7million in the rollout of superfast broadband**
- ▶ **77,000 extra homes and businesses will have speeds of more than 24mps by the end of this year**
- ▶ **More than 215,000 businesses now have access to superfast broadband**

05. OUR ASSETS AND RELATIONSHIPS

OUR ASSETS



FEIs

01. Herefordshire, Ludlow and North Shropshire College with sites at Oswestry, Walford, Ludlow, Hereford and Holme Lacy
02. Shrewsbury Colleges Group
03. Telford College
04. Hereford College of Arts



HEIs

05. University Centre Shrewsbury
06. Harper Adams University
07. University of Wolverhampton (Telford Innovation Campus)
08. New Model in Technology & Engineering



TRAINING CENTRES

09. Marches Centre of Manufacturing & Technology
10. Herefordshire Group Training Association
11. SBC
12. Derwen College



INNOVATION CENTRES

13. Shropshire Food Enterprise Centre
14. T54
15. Skylon Park, Hereford Enterprise Zone
16. Robert Jones & Agnes Hunt Orthopaedic Hospital



MOD BASES

17. RAF Shawbury
18. MoD Donnington
19. RAF Cosford (and museum)
20. Special Air Service



AREAS OF OUTSTANDING NATURAL BEAUTY



IRONBRIDGE GORGE WORLD HERITAGE SITE



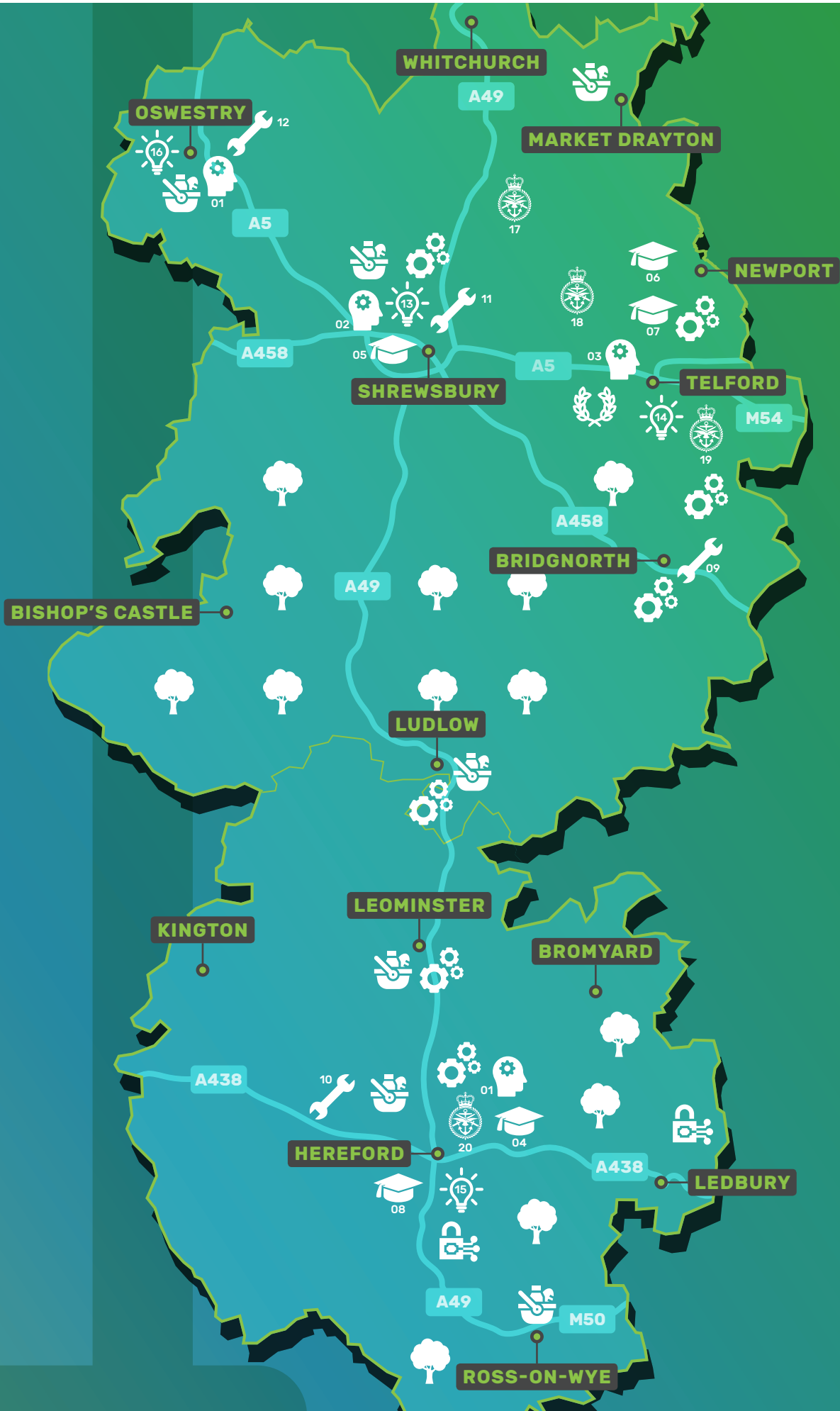
ADVANCED MANUFACTURING



FOOD AND DRINK



CYBER SECURITY AND RESILIENCE

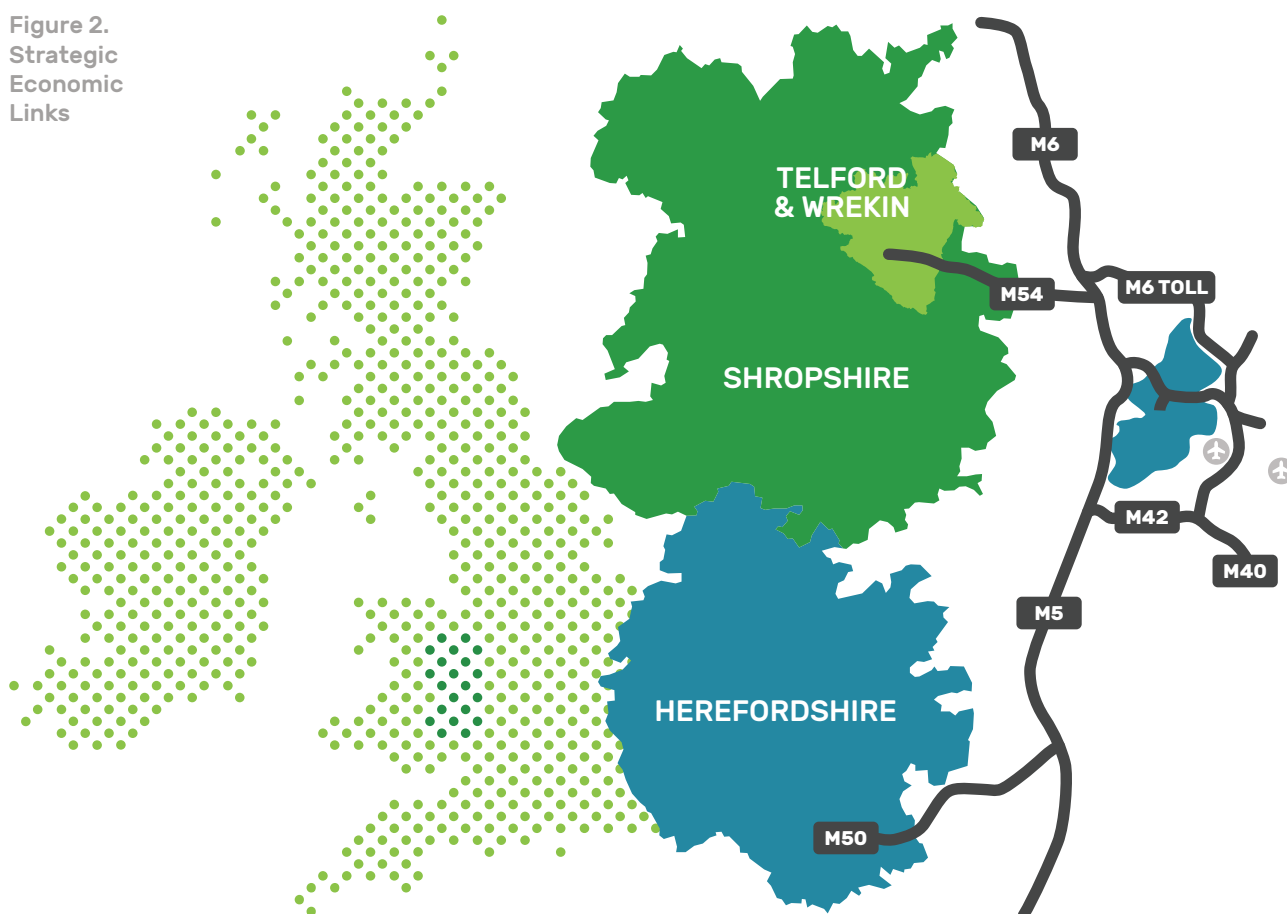


RELATIONSHIPS

5.1

The Marches is a connected place with transport and supply chain links to neighbouring economies. We have strong relationships with our neighbours in the North West, West Midlands, South West and Wales. Work with our neighbours ensures that we capitalise on our central location. Building these strategic economic links and developing our relationships is key to delivering this strategy, boosting productivity and generating economic growth.

Figure 2.
Strategic
Economic
Links



5.2 We connect to the North West via two major transport corridors: the North – South spine including the A49 and Marches Rail Line, and the North West corridor, comprising the A5, A483, A41 and Shrewsbury to Wrexham Rail Line. As well as links to the major urban centres of the North West, we also have good links to airports in Manchester and Liverpool.

5.3 The new HS2 station at Crewe will be a huge opportunity with further connections to major urban centres in the North West and London. We are partners with Cheshire & Warrington LEP, Stoke & Staffordshire LEP, and Worcestershire LEP in the Agri-Tech West Alliance (ATWA), driving supply chains in rural economies and developing an inter-LEP approach to growing the agri-tech sector.

5.4 We have strong links to the West Midlands via two key strategic transport corridors: the East – West central corridor includes the M54 and Shrewsbury to Birmingham Rail Line (and, in due course, will link us to HS2), whilst the Wales and Marches to Midlands corridor links Hereford to Birmingham. The M54/A5 East growth corridor provides opportunities to support employment-led growth of regional significance. The Marches will continue to work with partners, including our neighbouring Black Country local authorities and the West Midlands Combined Authority, to maximise the economic potential of this. Our proximity to the West Midlands also includes good links to Birmingham International Airport.

5.5 We are an important part of the West Midlands supply chain, specifically in the automotive sub-sector. Our cyber-security sector also has close links to the University of Wolverhampton as the university is a key partner in the development of the Centre for Cyber Security at Skylon Park. We are a member of the Midlands Engine, working with partners to boost Midlands GVA by £54bn to 2030, and we are also members of Midlands Connect, the body recommending transport projects across the Midlands. Shropshire and Telford & Wrekin are non-constituent members of the West Midlands Combined Authority, whilst Herefordshire Council and the Marches LEP are observers.

5.6 Our North – South spine and Wales and Marches to Midlands corridors provide transport links into the South West. We are part of the Cyber Resilience Alliance along with our partners Worcestershire LEP, GFirst LEP and Swindon & Wiltshire LEP. Worcestershire LEP is also a partner in ATWA.

5.7 To the west, our economy is intricately connected to Wales through our strategic transport corridors, our supply chains and our role as a strategic logistics gateway for businesses through to the Welsh market. We are currently working on a delivery plan for our recently launched joint freight strategy for the Marches and Mid Wales, partnering with the Growing Mid Wales Partnership, Welsh Government, Midlands Connect and local authorities. This could release £149m of financial benefits for the region. The Growing Mid Wales Partnership is currently working on a Regional Economic Action Plan to improve innovation, skills, competitiveness and physical and digital connectivity.

06. OUR SECTORS

6.1

Our businesses define our economy with clear existing and emerging specialisms and strengths. Understanding our assets and business base is vital if we are to effectively target action to drive growth.

The evidence shows our business sectors in three broad categories:

CORE ECONOMIC SECTORS

High productivity with high levels of employment and specialisation

EMERGING SECTORS

High future economic and productivity growth potential but lower employment and fewer, smaller companies

ENABLING SECTORS

High employment, with significant entry level jobs and services and vital to our economy, often with lower overall productivity or different productivity and growth challenges

6.2 These areas of focus are illustrated in the diagram below:

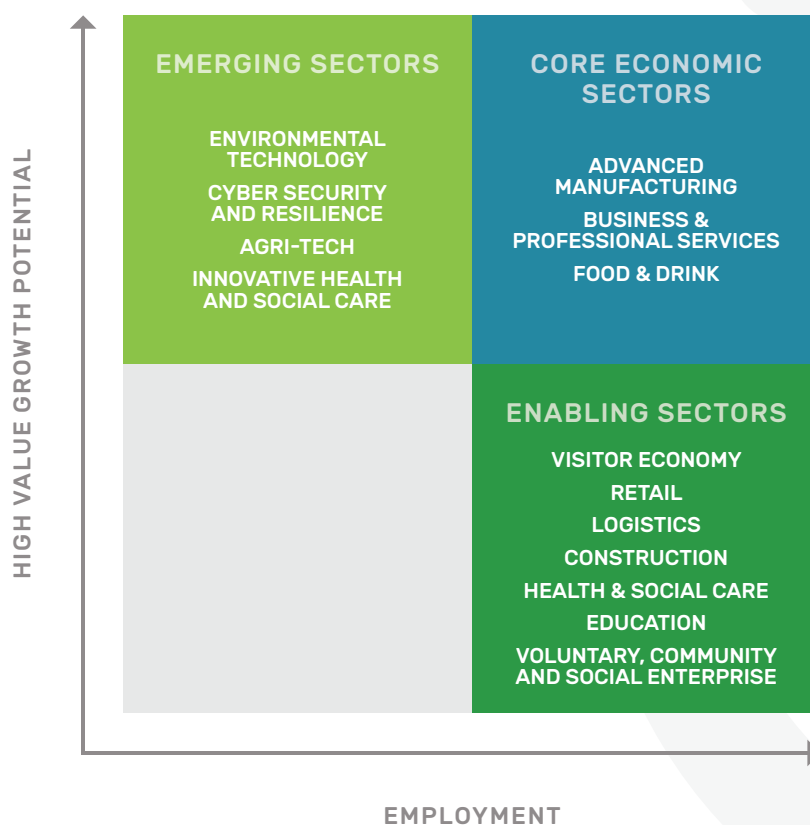



Figure 3. Sectors in the Marches



6.3 Our economy is undergoing significant technological change with the development of new emerging technologies, such as 5G, artificial intelligence (AI), the Internet of Things (IoT), virtual reality, augmented reality, mixed reality, smart grids and satellite broadband. So opportunities increasingly exist across traditional sectors and supply chains to adopt technology in their production processes or final outputs to increase value added, for example in high tech agriculture, autonomous vehicles and AI.

6.4 Supporting businesses and individuals to adapt and make the most of these opportunities and challenges is a fundamental part of this strategy and has guided our choice of actions. One initiative here is the emerging digital academy – The Digital Enterprise based in Telford – which will support the transformation of businesses across the Marches into true digital enterprises with integrated digital processes alongside staff with the necessary skills. The academy will encompass advanced digital connectivity and automation, cloud computing, augmented reality, cyber security, sensors and 3D printing.

6.5 Another significant transformation affecting our sectors is Brexit. There is great uncertainty around how the post-Brexit economy will look but it is likely to impact trade, regulations, workforce, funding and investment and will be particularly important for our sectors that have strong trading and supply-chain relationships with Europe, and those who currently employ significant numbers of EU workers.

CORE ECONOMIC SECTORS

Advanced manufacturing

6.6 Home to global manufacturers and well-established supply chains of SMEs in the diverse and distinct strengths of metals, machinery, materials and automotive.

6.7 With its central role in the first industrial revolution at Ironbridge, the Marches has a long history of engineering innovation. Today, the Marches has a significant manufacturing sector with more than 26,800 jobs, contributing £2.3bn to its economy (including food and drink).

6.8 The Marches has some distinct manufacturing strengths. Almost 70% of manufacturing jobs are located in metals, machinery, materials and automotive. The manufacture of basic metals is over three times as specialised in the Marches as Great Britain, whilst the manufacture of motor vehicles and machinery are both over twice as specialised. We are home to major firms including Special Metals, Ricoh, BAE and GKN.

6.9 We are an integral part of the West Midlands automotive supply chain with a range of Tier 2 and 3 companies across the Marches supplying large original equipment manufacturers (OEMs) with parts including batteries, light weighting and composites. It will become increasingly important to support these firms with the transition in the sector to electric vehicles and ultimately autonomous vehicles.

Business and professional services

6.10 This core sector supports 47,000 jobs including large firms such as Capgemini, Staffline Group and ReAssure. There are 7,470 businesses in the business and professional services (BPS) sector as a whole, which contributes 24.3% of our GVA. The finance and real estate sub-sectors are dominated by micro businesses and, in terms of overall size and output, the sector is broadly comparable to similar LEP economies.

6.11 The sector plays a critical role in supporting the scale-up and growth of businesses in the Marches, including in providing the advisory skills and networking (both formal and informal) that is critical to increasing levels of innovation and technology adoption in SMEs. Our BPS firms are central to the success of our wider business base and are also a strong provider of highly skilled, well paid jobs with good progression and professional development opportunities.

6.12 The wider, global, trend towards 'servicisation' also creates big opportunities for the Marches. Across a wide range of sectors demand for business and professional service skills and approaches is growing. Innovative use of business, finance and professional service skills is increasingly core to the future of a wide range of firms. And technology is changing the way that even micro professional service firms operate, providing new market opportunities and new approaches to delivering value.

6.13 With our focus on connectivity, our high quality of life and excellent housing and skills offer, we provide a fantastic location for professionals seeking to take their skills into different sectors, establish new practices and for existing and new BPS firms to grow.

Food and drink

6.14 Our rich agricultural sector provides the base for a strong food and drink sector characterised by international companies.

6.15 The legacy and heritage of the Marches as a farming region has evolved into a nationally significant food and drink sector with over 9,000 jobs.

6.16 With specialisations in cider and fruit wines, meat and dairy processing, a number of international companies have a presence in the Marches, including Avara based in Telford and Herefordshire, Heineken in Hereford, ABP Food Group, which has sites in Shrewsbury and Oswestry, and Müller, which has its head office in Market Drayton and production facilities in Telford and near Shrewsbury.

6.17 Our farmers and growers are internationally recognised, including Haygrove, S&A and Snells, and are major employers. They provide significant opportunities for the development of innovative approaches and the adoption and application of new technologies.

6.18 Food and drink processing is part of a complex agri-food supply chain in the Marches. Companies of a range of sizes are involved in the supply side, producing raw materials from farming, feed and other inputs. A highly specialised food packaging cluster exists in Telford, linked to manufacturing specialisms in plastics, with firms such as Sirane and TCL Packaging. Logistics companies support the storage and distribution of food and drink both within and outside of the Marches. Together all components of the agri-food supply chain culminate in the Marches producing high quality food and drink products for the UK and international markets.

6.19 The Shropshire Food Enterprise Centre in Shrewsbury is one of only 10 centres nationally. It offers food production start-ups and SMEs excellent production units equipped to the highest standard with on-site business support.

6.20 Harper Adams University in Telford & Wrekin contributes to this sector by leading research into global food production and processing. It is also home to the Regional Food Academy, which includes food processing facilities, a sensory evaluation room and specialist equipment for students to learn new skills in food processing and preservation, product design and development.

6.21 Maintaining the continuity of food production and stability of prices for consumers is of crucial importance going forward, particularly given uncertainties around trade following Brexit.

EMERGING SECTORS

Environmental technology

6.22 Nationally significant strengths in anaerobic digestion coupled with the opportunity to become leaders in water management and natural capital management and assessment.

6.23 Population growth results in higher demand for and growing depletion of natural resources. This is increasing the role of environmental technology in sustainable development. How our natural resources are managed will require careful thought to avoid pollution, ecological damage, and to address the changing conditions associated with climate change. Environmental technology refers to green or clean technology, renewable energy generation, the application of environmental sciences, environmental monitoring and the use of electronic devices to help manage the natural environment.

6.24 The Marches intends to be at the forefront of environmental technology, delivering low carbon and low-cost energy to businesses and communities, accommodating planned growth and supporting well-developed low carbon supply chains.

6.25 With more than 13% of the UK's anaerobic digesters (AD) located within the Marches, we are leading the UK in this technology by managing waste from agriculture and food, producing fuel and generating renewable energy. This embraces the principles of by-product synergy and the circular economy.

6.26 There is scope to further develop our expertise in anaerobic digestion and other forms of renewable energy. There are large-scale opportunities to roll out solar photovoltaics in homes, commercial premises, and, in some cases, solar farms. There are also opportunities to link these renewable energy systems to the nascent energy storage sector, including kinetic energy storage and compressed gas systems.

6.27 Building upon the work of the Marches Nature Partnership (MNP), the Centre for Research into Environmental Science and Technology (CREST) at UCS puts the Marches on the map in terms of natural resource management and natural capital management. The centre researches how best to manage the natural environment in line with societal and economic needs.

6.28 There is significant potential for the Marches to develop strengths in natural resource management through the use of environmental sensors, energy efficiency techniques, energy requirement minimisation, waste management, water supply management, and air pollution management.

6.29 There is also an opportunity for the Marches to become a test bed for the development of Natural Capital Management and assessment techniques. The Marches has the ambition to become a national leader in natural resource management and natural capital, starting with water.

6.30 This ambition is grounded in the reality of practical approaches that are already in place to address issues around water quality and water supply, such as the on-going European Regional Development Fund (ERDF) funded Freshwater First project and proactive efforts to establish robust baseline evidence via the Marches Ecosystems Assessment carried out for the Marches LEP through the University of Birmingham. These and complementary initiatives are published in the Nature's Worth prospectus.

Cyber security and resilience

6.31 An internationally recognised defence and security sector with an emerging cyber cluster in 'Cyber Valley' specialising in business security.

6.32 In our digital economy, cyber security has become a global priority as the threat from cybercrime and terrorism increases. The UK Government has estimated that in 2017, over four in 10 UK businesses suffered at least one cyber attack. It is important that we protect our businesses, data and networks from such security threats.

6.33 Home to the Special Air Service, military bases and private sector organisations such as a G4S Specialist Training HQ, the Marches has a longstanding tradition of defence and security. These defence assets provide significant employment, innovation and economic opportunities. Bridging this existing strength and the new digital sector is the emerging cyber security and resilience.

6.34 Along with neighbouring Worcestershire and Gloucestershire, Herefordshire is part of 'Cyber Valley', a highly specialised cluster of cyber companies around Great Malvern. Innovative companies in this sector are at the forefront of offering business-to-business (B2B) solutions to companies to address matters of everyday security.

6.35 Hereford Enterprise Zone at Skylon Park is the only enterprise zone in the UK with a specialism in defence and security. A joint £9m investment from the University of Wolverhampton, Herefordshire Council, Marches LEP and the ERDF has established the Centre for Cyber Security. Opening in 2020, it will provide incubation space for 20 new companies. Acting as a hub of research and development, it will encourage collaboration and technology transfer between businesses and academics. The centre will also provide secure testing facilities and specialist cyber security training for local residents and businesses.

6.36 Cyber security is an important specialism that links to and sits within a wider ICT/digital sector. The skills that are important in cyber security also have a wider bearing across many other sectors of the economy in driving innovation and new ways of working. Partners will work collaboratively to share learning from the Centre for Cyber Security across the Marches, e.g. as part of the emerging Digital Enterprise Academy in Telford.

CASE STUDY

The £6.5m redevelopment of the historic Shell Store to create a business incubation centre and the £9million University of Wolverhampton Centre for Cyber Security will both get under way in the next 12 months at the LEP's Enterprise Zone in Hereford.

The flagship schemes will help cement Skylon Park's national reputation as a centre of excellence for the security and defence sector and a home of pioneering high-tech innovation.

- ▶ **Shell Store scheme will create at least 100 new jobs**
- ▶ **More than £22m invested in creating new business premises on the zone**
- ▶ **37 new companies attracted to Skylon Park**



Agri-tech

6.37 A nationally significant agri-tech cluster characterised by engineering and precision farming with world renowned Harper Adams University at its core.

6.38 Agriculture is an important sector in the Marches, with 20,634 farm workers and 460,000 hectares of farmed land, making up 77.2% of total land (2016 figures). Of the 6,731 holdings in the Marches, large percentages are relatively small in size between 5 and 20 hectares (27.0%).

6.39 Global population growth continues to put increasing pressure on environmental resources, particularly by increasing demand for food. Our growing agri-tech sector directly addresses this challenge by using technology to sustainably increase agricultural yields and productivity. There are opportunities to use outdoor intensive methods in production, harvesting, grading and packaging on farms through automation. Increased use of technology and automation will also provide some solutions to potential labour shortages in a sector that relies heavily on seasonal and migrant workers.

6.40 Linked to our strengths across agri-food, the Marches is developing a nationally significant agri-tech cluster. At the heart of agri-tech in the Marches is Harper Adams University in Telford & Wrekin. It is the world leader in agri-tech research and the largest specialist land-based institution in the UK. Surrounding Harper Adams are many small companies operating in distinct niches as well as some larger firms and multinationals. Ni-Park will provide start-up and grow on space for agri-tech companies to support and expand the cluster.

6.41 Our specialisms include advanced engineering and precision farming. The National Centre for Precision Farming, based at Harper Adams, is developing automation, drones and autonomous systems. Harper Adams is also a partner in 5G Rural First to use agri-tech to support autonomous farm vehicles, crop/soil condition mapping and augmented veterinary. We have ambition to grow our expertise in autonomous vehicles used for crop production, using this technology at a larger scale by creating a 'hands free farm', building on the success of 'hands free hectare'. Collaboration with other areas through ATWA is increasing access to innovation support for businesses within the sector.

Innovative health and social care

6.42 An ageing population in a rural area offers opportunity to pioneer new innovative health and social care approaches and technologies.

6.43 The UK has an ageing population. People are typically living for longer but not necessarily experiencing good health. Rural areas have specific challenges in addressing healthy ageing as patients may have to travel considerable distances to access key services and domiciliary care providers may not deliver services to certain areas due to the extra resources it would require.

6.44 Innovative healthcare offers the opportunity to address health and social care challenges in dispersed populations. It can revolutionise care commissioning and provision through data driven prevention and remote monitoring.

6.45 The Marches has emerging capabilities in digital health and assistive technology. The Living Circle provides cloud-based services for health and care organisations. Bronze Labs, a Telford-based company with expertise in the IoT and cloud computing software, has recently launched The Tribe Project. This nationally significant project aims to support NHS and adult social care resourcing through machine learning to identify areas of high resource need and better allocate resources.

6.46 Shropshire has been selected as one of nine local authorities in a Government funded programme to explore how technology can shape the future of social care through piloting a data visualisation tool to identify areas of need for care homes and domiciliary care. Another technology project being trialled in Shropshire brings together the Council, The Lady Forester Centre, UCS, local GPs, the community and large technology companies Hitachi, Microsoft and Amazon to use smart watches, voice activated devices and messaging to support independence amongst vulnerable people.

6.47 Companies operating in assistive technology in the Marches include Hereford-based Chunc Wheelchairs, which produces mobility equipment, and The Helping Hand in Ledbury, a manufacturer and supplier of disability and living aids. It is also home to the Robert Jones and Agnes Hunt (RJA) Orthopaedic Hospital in Oswestry, a global centre of excellence and innovation in musculoskeletal surgery, medicine and rehabilitation.

ENABLING SECTORS

Visitor economy

6.48 The Marches has a diverse visitor economy offer, comprising our beautiful natural landscape, including three AONBs, high quality locally produced food, World Heritage Site and historic market towns. The visitor economy plays an important role in our economy. Our natural, cultural and heritage assets are essential to attracting people to live and work in the Marches. The visitor economy is also a large employer with almost 4,250 jobs in accommodation, supporting thousands more jobs in related sectors such as restaurants, museums, transport, and visitor and leisure attractions. Business tourism is also important for the Marches. The International Centre in Telford generates £50m for the local economy per year and provides 15,000sqm of floor space and in-house experts for conferences, exhibitions and events. The government's tourism sector deal will be an opportunity for the Marches to drive economic and productivity growth by attracting more visitors, both from the UK and overseas, extending the season beyond the peak summer months, and developing career paths with clear progression. There are also opportunities for virtual reality to enable visitors to engage with local sites of interest, bringing more cultural and heritage assets to a wider audience.

Retail

6.49 Retail is a large employer. There are 33,700 retail jobs across the Marches, amounting to over 12% of total jobs. This sector grew almost 5% between 2011 and 2016. Retail provides entry-level jobs and long-term careers for people, as well as part-time, flexible work for older people. Our shops are often the front end for our local farm businesses and food producers. Retail is also important for our town centres and the sector, made up of major brands and a strong independent presence, contributes to our high quality of life. In the context of the changing retail environment and the need for town centres to respond to changing markets, there are three town centre Business Improvement Districts in the Marches, which aim to work with partners to deliver investment and improvement to the town centres of Shrewsbury, Oswestry and Hereford.

Logistics

6.50 Our logistics sector employs almost 8,000 people and is closely related to our supply chains in advanced manufacturing, agriculture and food and drink. Almost 80% of jobs are in activities related to freight and road transport, including warehousing. Key companies in logistics include Kuehne and Nagel, Culina Logistics and GroContinental. Our strengths in logistics include defence related logistics, particularly with the opening of the £83m, 80,000 sq. metre Ministry of Defence (MoD) fulfilment centre in Donnington, which will provide logistics and storage to the UK armed forces.

Construction

6.51 There are 18,500 jobs in construction in the Marches and around 3,150 construction businesses. Of these jobs, 6,500 are in specialised construction activities, including electrical installation, plumbing, joining, roofing, painting, scaffolding and plastering. The construction sector is central to our investment in new infrastructure, commercial space and housing. Forecast construction spend in the Marches between 2018 and 2022 is £4bn, over half of which is planned new housing. There is significant scope for new entrants, especially given the volume of house building planned and the adoption of new methods of construction. A Marches-based partnership has recently secured funding under the Construction Industry Training Board (CITB) Construction Skill Fund to encourage more people to enter the sector.

Health and social care

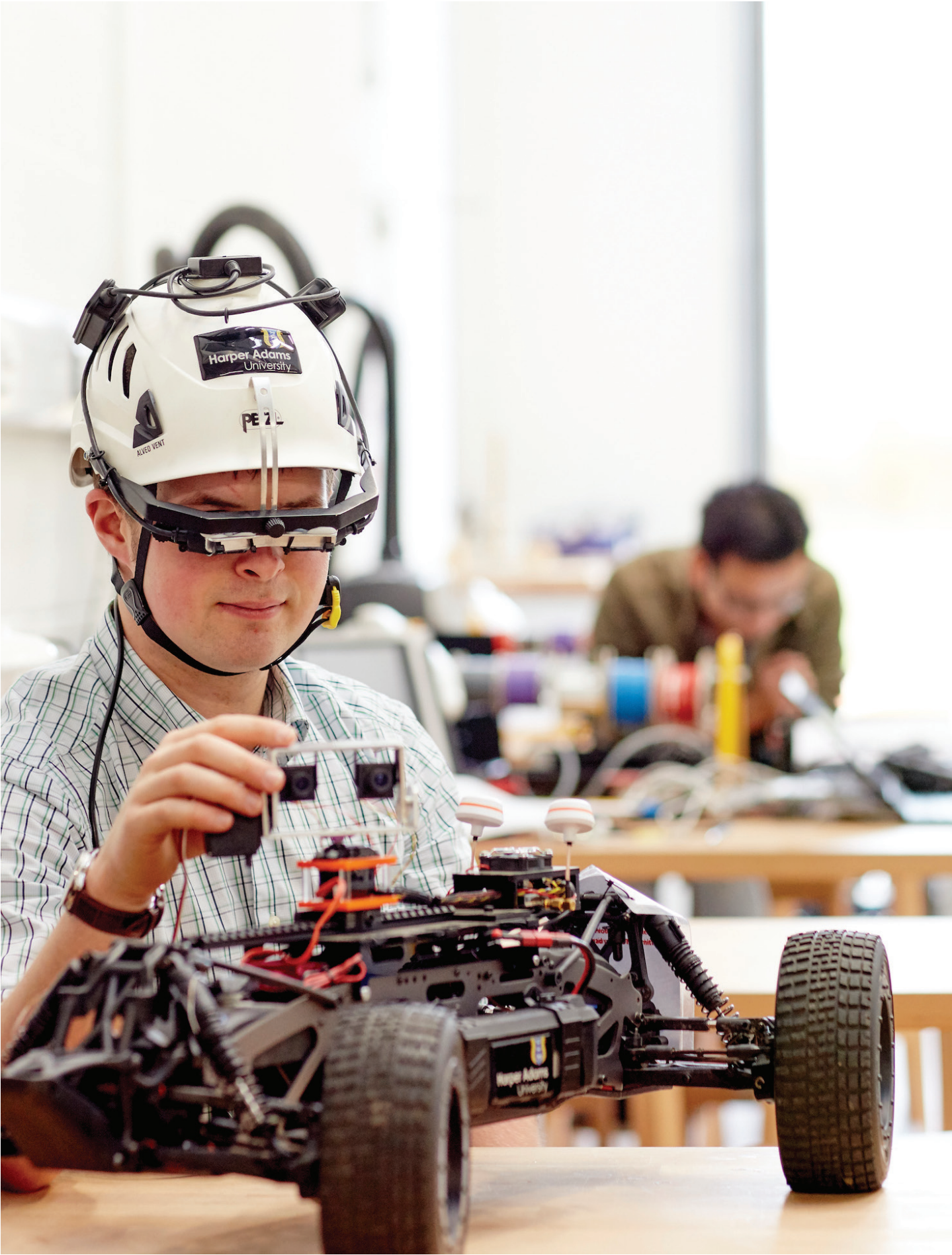
6.52 A high number of people are employed in health and social care. The sector has 41,000 jobs with 23,500 of these in human health and a further 10,500 in residential care. In the Marches, as well as across the UK, this sector is expected to experience an increase in demand with an increasing gap in provision for the elderly as the population ages. This is likely to exacerbate issues around recruitment of staff.

Education

6.53 The education sector is a large employer with 24,500 jobs. Its largest sub-sectors are primary education (10,500 jobs), general secondary education (7,500 jobs) and technical and vocational secondary education (1,875 jobs). The quality of education offered by the Marches, including its schools in the independent sector, is a key asset to support inward investment and the location of people and businesses.

Voluntary, Community and Social Enterprise (VCSE)

6.54 There are more than 4,000 registered VCSE organisations with a further 2,418 small informal groups in the Marches. The sector employs 6,760 people and has a large voluntary workforce, contributing over £6m to the local economy. The VCSE sector in the Marches provides a broad range of functions including helping unemployed and economically inactive people access employment, training carers, providing relief to health and social care services, supporting skills and reducing absenteeism, and finding innovative ways to overcome transport restrictions. Through new creative and innovative forms of enterprise, our VCSE sector presents new ways for people to engage in their local economies and communities.



07. INNOVATION AND BUSINESS ENVIRONMENT

INNOVATION

7.1

Innovation is essential for our businesses to grow, be competitive and succeed. We have highly innovative firms at the forefront of new technology and techniques in agri-tech and cyber security and resilience.

We need to ensure that more of our businesses have the opportunities to both understand the technology and processes that could benefit them and have access to the leadership and management skills needed to take advantage.

7.2 Innovation is also central to creating opportunities for businesses and individuals from the long-term trends of an ageing population and the combined effects of high levels of employment and shortages of certain skills. Improving productivity is both a goal and an opportunity, particularly in sectors such as agriculture and food production where we have high concentrations of firms and centres of innovation and research, such as Harper Adams University.

CASE STUDY

Building materials manufacturer Jesmonite's products are used around the world – earning the Bishop's Castle company a global reputation for innovation.

Jesmonite – described as the chameleon of the building industry for its ability to mimic a range of materials and finishes – was invented in 1984 by Peter Hawkins as a safe alternative to fibreglass and a lightweight alternative to cast concrete. The forward-thinking company's commitment to invention and problem solving has resulted in a range that now covers a myriad of applications.

- ▶ **Jesmonite helped HSBC in the building of a new headquarters in Birmingham that has been awarded the Gold Accreditation for Leadership in Energy and Environmental Design**
- ▶ **Products used in prestigious developments around the world including Middle East, Australia and film sets**
- ▶ **Jesmonite was named material of the year at the 2017 London Design Fair**

7.3 We will:

- ▶ Develop incubator, accelerator and grow on space at our key employment sites, such as Hereford Enterprise Zone, the Flaxmill, and Ni-Park, offering resources, mentoring and business support for new businesses in the early stage development and those which are rapidly growing. Through these we will encourage firms to be creative, learn about new ways of doing things and try new technologies.
- ▶ Bring together SMEs and larger firms (starting with construction and agri-tech), as well as our HEIs, to develop business-led networks, events and workshops for companies to understand the opportunities which exist in their sector to innovate and boost productivity.
- ▶ Set up an automation task force to help companies apply new technologies, for instance in AI, automation and robotics, building on successful schemes like the work of Harper Adams in connecting farmers to new innovations in autonomous crop production.
- ▶ Continue to work with local authorities, Clinical Commissioning Groups, the NHS and businesses to trial new innovative health and social care technologies.
- ▶ Support innovation in cyber security at the Hereford Cyber Security Centre, the development of hubs for composites and digital enterprise in Telford, and digital health in Shrewsbury and at the proposed Innovation Park in Oswestry linked to the RJA Orthopaedic Hospital.

BUSINESS ENVIRONMENT

7.4

The Marches has a supportive business environment and we want to enable more businesses to start and to grow. We have a high business survival rate of 80.2% after two years, compared to the national average of 75.6%, and a low business death rate of 9.1%, compared to the UK average of 11.6%.

7.5 In an economy with such a high proportion of small businesses and high level of economic activity there is a real opportunity to strengthen the ability of the overall business environment to support growth and innovation. This can be through providing the right kind of space, networking opportunities and support for smaller scale commercial research projects and business/FEI/HEI links to engage with real world technical and business solutions.

7.6 Our Growth Hub, which is in the top quartile of all national Growth Hubs, has supported nearly 9,000 businesses to date, using a decentralised model, which suits the needs of our area. We are also developing more start-up space at the Flaxmill in Shrewsbury, Shell Store in Hereford and Ni-Park in Telford. Developing this space and helping to develop a strong ecosystem will allow us to nurture innovative companies in the area.

7.7 Business representative organisations and business networks also have a key role to play in developing local supply chains and driving economic growth. We have a strong tradition of collaboration and networks between our companies, such as through our three Business Boards. Often these networks connect to wider geographies through their supply chains, such as Agri-Tech West and the Cyber Resilience Alliance. We should enhance these networks to grow our supply chains and share knowledge.

7.8 We will:

- ▶ Work with the Growth Hub and other local business groups to develop SME support packages, assisting them to develop leadership and management skills through training providers, understand their skills and technological needs and support them in expanding into new markets.
- ▶ Develop an Access to Finance Group, working with the business and professional services sector and the Growth Hub to highlight finance opportunities for growth orientated companies.
- ▶ Establish funding streams for SMEs in high productivity growth sectors: environmental technology, cyber security and resilience, agri-tech and innovative health and social care.
- ▶ Develop a Marches approach to encourage local networks, promoting different parts of the Marches with different strengths and supporting companies in manufacturing supply chains linked to the West Midlands.
- ▶ Investigate opportunities to establish a public-sector procurement charter that supports local SMEs and supply chains.



CASE STUDY

The Marches Growth Hub is now firmly established as the one-stop home of leading business support, advice and expertise in the region.

It ranks in the top quarter of all hubs across the country and is the gateway to 22 EU funded business support projects with a financial value of £22 million. Expert staff at the hub's three physical bases provide invaluable support to businesses of all sizes across the region.

- ▶ **Marches Growth Hub**
Shropshire helped more than **2,000 businesses** with their launch and growth plans in 2018
- ▶ **Marches Growth Hub Telford & Wrekin** secured **£1.4million** in grants for businesses in its first three years
- ▶ **Marches Growth Hub**
Herefordshire has helped over **1,100 businesses** with launch and growth plans in 2018

08. SKILLS

8.1

Skills are fundamental to our future success.

The education offer in the Marches is a significant strength and is vital in driving growth and attracting people to the area.

In a tight labour market with almost full employment our firms risk struggling to recruit, whilst, at the same time, people already in work have to keep pace as new technology and techniques drive new ways of doing business – particularly in our food production and manufacturing businesses.

8.2 There is clear evidence from the UK and overseas that skills institutions play a crucial role in the success of towns and cities. Investing in the general education, skills, knowledge and experience of our people, and in high-quality provision is a priority, as is ensuring that our learning providers – including colleges, universities and private training providers – continue to work closely with businesses and people at every stage of their careers. Our schools have a vital role to play in allowing young people to understand the careers available and to experience work, particularly in our more rural and less connected communities. We need to support businesses and skills providers working together to help individuals achieve their potential and to meet the changing skills needs of new and existing businesses as they grow. Brexit increases the impetus to upskill residents, enabling them to take on higher skilled jobs.

CASE STUDY

The Marches Centre of Manufacturing and Technology is pioneering training across the region and helping ensure we bridge the skills gap for old and young alike.

The 36,000 sq ft facility in Bridgnorth, which is 12 months old, is employer-led and boasts over £4m of new technology including the latest robotics, metrology, CNC machines and 3D printing. It will train around 100 apprentices over the coming year.

- ▶ **The LEP has awarded £2.5m to colleges for high-tech skills training**
- ▶ **£4.7m of growth deal funding to support take-up of apprenticeships**
- ▶ **20,000 higher-skilled jobs to be created by 2037**



8.3 We will:

- ▶ Continue to work with learning providers to ensure that private and public investment is targeted at providing the high-quality facilities and provision needed to retain young people and reflect the opportunities that exist locally and nationally. We will ensure students have the information they need to understand the opportunities available.
- ▶ Work with SMEs in our major sectors and skills providers (starting with construction but looking at opportunities in advanced manufacturing and health and social care) to develop business-led networks that encourage links with learning providers. These will include developing and maintaining links with learners who enter the workforce and exploring opportunities to fund further learning jointly between the public sector and employers.
- ▶ Work with the health and social care sector to explore the development of a Marches Digital Care curriculum for 16 to 18-year-olds, providing core skills and expertise in new care techniques and technologies.
- ▶ Continue to promote the value of apprenticeships, including higher level and degree apprenticeships, and support SMEs to take on apprentices.
- ▶ Build on the work of our local authorities, Young Enterprise and Careers and Enterprise Company programmes to develop a 'Future Leaders' scheme. This will offer schools the opportunity to engage with businesses locally to provide short term mentoring, workplace experiences and real world problem solving projects for 13 to 14-year-olds, developing employability skills and showcasing the opportunities available in the Marches, before making GCSE choices.
- ▶ Further support the development of specific partnerships between learning providers and businesses, particularly in our growth and emerging sectors, e.g. environmental technology.
- ▶ Continue to support businesses with workforce development and upskilling initiatives (including apprenticeships) so that they retain competitive advantage.
- ▶ Work with businesses and learning providers to support work readiness, lifelong learning and upskilling relative to the needs and opportunities of local businesses, particularly those in growth sectors, and explore expanding employer-led learning.

09. INFRASTRUCTURE AND PLACES

9.1

Our places are a key asset for our economy. Business and people locate and flourish in places that are well connected, offer a high quality of life and where people have the skills those businesses need.

Our infrastructure is absolutely vital in linking people up with opportunities and companies with markets and labour. Our aim is to secure investment for the future infrastructure we need to grow and build on our supply chain and economic links with major global economies, whilst maintaining the high quality of place that makes us an attractive location.

INFRASTRUCTURE

9.2

Infrastructure is fundamental to a modern, successful, productive, growing and sustainable economy. The Marches has committed to identifying ways in which it can improve and develop its infrastructure, as outlined in the Rail Study Report, Strategic Transport Corridors Report, Freight Strategy and Energy Strategy.

Our transport links drive economic growth, support the development of new housing and employment sites, and connect the area to surrounding economies. Unlocking these sites will also require significant investment in water management, civic infrastructure, utilities including secure energy generation and supply, broadband and mobile coverage, as well as transport.



CASE STUDY

The £40m Hereford City Centre Transport Package will create a new link road between the A465 and A49, unlocking land for development and providing investment opportunities for retail, leisure and tourism.

It will create a new urban village, boost regeneration along Commercial Road, Newmarket Street and Bluecoat Street and create 760 jobs and 800 new homes.

- ▶ The LEP's new freight strategy for the Marches and Mid Wales could realise £149m benefits for the region
- ▶ LEP driving infrastructure improvements in Shrewsbury, Telford and across the region
- ▶ Transport connectivity is the glue that binds communities and the economy together

9.3 The Marches road network is an important strategic asset and is well used, with an estimated 2.6bn miles of motor vehicle travel every year. This total has increased by 22% since 2000. Over 7.1m entries and exits were recorded at railway stations in the Marches in 2016/17, an increase of 3.4% over the previous year.

9.4 However, there are a number of challenges affecting parts of the Marches road and rail networks, particularly in rural areas. Many main arterial roads are single carriageway, causing poor average speeds, long journey times and poor reliability. Urban centres also experience congestion. Rail links to London would benefit from more frequent, reliable and direct services. These issues limit the movement of people, goods and services, affecting both residents and businesses. Our geography and dispersed population result in higher operational costs for public transport systems, hauliers and industry.

9.5 We will continue to work with our partners at Highways England and Midlands Connect to overcome these challenges and deliver strategic transport infrastructure (rail and road). It is important to recognise the critical environmental infrastructure requirements, such as drainage and flood risk management, which need aligning with other infrastructure delivery. This is to ensure investment in road and rail is resilient to environmental risk and the integrated opportunities are harnessed to maximise the most efficient and effective delivery.

9.6 High-spec broadband and mobile coverage is also essential for high productivity growth. Given the shift towards remote/agile working and an internet-based economy, provision of ultrafast broadband across the area is vital to support home-based businesses and home-workers, as well as larger companies based in rural areas. In 2015, the Marches secured £7.7m of Growth Deal funding to roll out superfast broadband. Many areas now have superfast broadband (30-300Mbit/s), with a high percentage of premises in Telford, Newport and south Herefordshire having access to ultrafast broadband (300Mbit/s+).

9.7 However, there remain large areas of the Marches with slow broadband, especially in more rurally dispersed areas. Connectivity challenges affect rural areas more severely but many businesses in urban areas report inadequate broadband for their business needs.

9.8 To help businesses thrive, we will seek to deliver Government's ambition of full fibre broadband coverage across the UK by 2033. We will continue to work with Building Digital UK (BDUK) to bring about programmes that will deliver superfast broadband and full fibre networks, providing new opportunities, particularly around the evolution of 5G technologies.

9.9 We will put in place a digital strategy, work with businesses to find solutions, and support the three local authorities with their current and future interventions to address digital connectivity challenges. We will continue to support the innovative use of technologies by institutions and businesses in the Marches to test new disruptive operating models, such as Harper Adams' trials of automated agri-tech.

9.10 It is important for us to attract companies to relocate to the Marches by providing high quality employment sites that are accessible, close to housing for staff, and have a ready supply of energy and other utilities. These sites need to be 'shovel ready', as companies are often unwilling or unable to wait long periods for remediation works or planning permission to begin development. Strengthening our relationships with utilities companies and other infrastructure key stakeholders will be key to this.

9.11 We will:

- ▶ Invest in priority schemes with the agreement of our partners, including local authorities, Highways England and National Rail.
- ▶ Ensure a pipeline of strategic sites across the Marches are 'shovel ready' for development with physical and digital infrastructure and utilities in place.
- ▶ Support capacity and speed improvements on major rail lines: The Marches line, Shrewsbury to Birmingham, Hereford to Birmingham, and Shrewsbury to Crewe (all future HS2 links).
- ▶ Ensure that technical studies for infrastructure projects are completed in advance to make effective funding bids and secure more capital investment.
- ▶ Work with the local electricity network operators (DNOs) and energy companies to understand planned work, constraints and opportunities.
- ▶ Work with partners to roll out electrical charging points for businesses and residents given the shifting balance of private vehicles from diesel and petrol to electric vehicles.
- ▶ Improve high speed broadband in all gap areas of the Marches to ensure that there is ubiquitous access to superfast broadband and ensure that priority urban centres and growth corridors have access to fibre, which will enable 5G digital solutions and ultrafast broadband access.
- ▶ Work closely with local authorities and businesses to develop a digital strategy that will find solutions to digital connectivity challenges.
- ▶ Work with local authority partners, bus operators and anchor tenants to facilitate conversations to improve public transport links to address accessibility issues to key training and employment sites.
- ▶ Work with local authorities to explore land value capture mechanisms that can be used to invest in transport infrastructure.
- ▶ Work with partners to improve environmental infrastructure delivery through integrated place-based working to understand current and future risks and identify opportunities to deliver net environmental gain, helping to establish the right conditions for growth and reducing the extent to which people and businesses are disrupted by environmental capacity constraints.

A HIGH QUALITY PLACE

9.12

The Marches is a beautiful place with a high quality of life. People choose to live here and visit because of the many outdoor experiences that our countryside offers; the quality of our historic towns, large and small, and the opportunities of our larger urban centres.

These include fast growing business locations with rapid connections into the West Midlands. Our communities are supportive and inclusive, blending strong local traditions and history with a welcoming of the new and diverse and a renowned local arts and cultural offer.

9.13 At the same time, housing affordability and provision vary significantly across the Marches. Whilst house prices and rents are relatively affordable in some areas, particularly in Telford, in other parts of the Marches median house prices are as high as ten times median annual salaries. Moreover, at the lower end of the housing price spectrum, the picture is worse. Lower quartile house prices are as much as twelve times that of lower quartile annual salaries in parts of the Marches. Available evidence suggests that, in part, this reflects a lower proportion of one and two-bedroom houses in the Marches, which would increase average prices. There is also a shortage of rental properties available (both through private provision and through housing associations.)

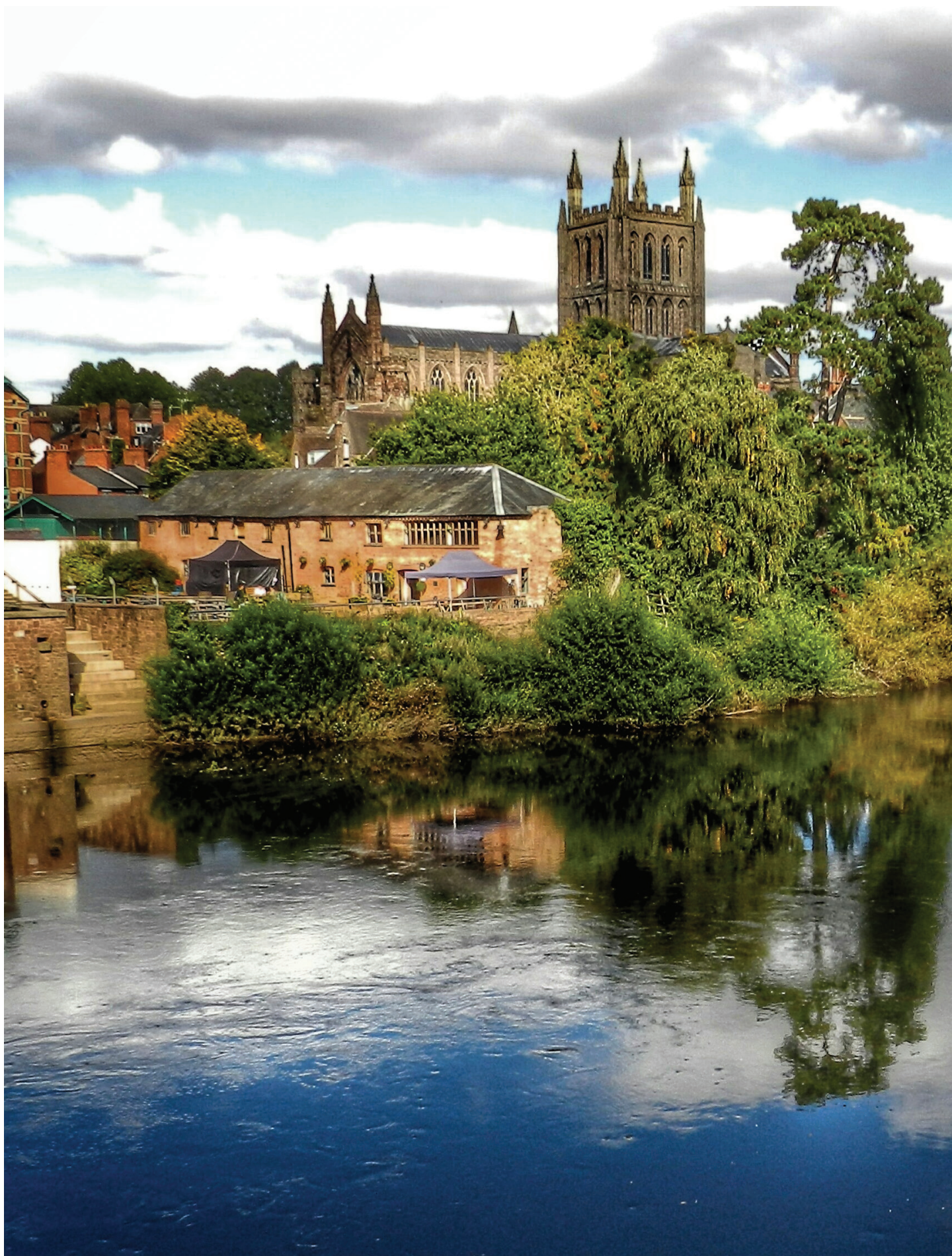
9.14

Our approach to place reflects our two main types of economic centre:

- Our three main urban centres of Hereford, Shrewsbury and Telford
- Market towns across the Marches, which are important economic and employment centres serving the rural hinterland, with different specialisms and opportunities.

9.15 Some of our key development locations, e.g. the former Ironbridge Power Station and Clive Barracks at Tern Hill, present us with opportunities for innovative approaches to housing, employment land and infrastructure development to meet the needs of our local communities. How we implement the actions and the priorities in this strategy will reflect the unique and varied economy and requirements of our places. From employment land, housing choice, technology adoption and showing young people the careers available locally – many of the priorities in this strategy will require distinctive local delivery and design.





HEREFORD

9.16 Hereford is an historic cathedral city, a centre of commercial and cultural importance and also a gateway to surrounding countryside and leisure opportunities. Recent expansion to the retail area has seen the redevelopment and renewal of the Old Market.

9.17 Hereford and its surrounding area is home to major food and drink brands, such as Avara, Heineken, Bulmers, Westons Cider, Chase Distillery and Tyrrells. There are also specialist engineering firms and manufacturers, such as Special Metal Wiggins, KGD and ATN Europe. As part of the Cyber Triangle, Hereford has a growing nationally significant cluster of cyber and business security and resilience firms, including ETL Systems, Serbus, Simtech-IT, Xreach, Zovolt and Hex Security.

9.18 Hereford has a strong education offer that is expanding further with the creation of a new university focused on meeting the national demand for engineering skills and employment ready graduates. NMiTE will be a new anchor institution and is key to further developing the town's attractiveness to new professional businesses and people. This will involve the construction of a campus and student accommodation in the city centre, along with laboratories and workshops at the Hereford Enterprise Zone at Skylon Park.

9.19 Hereford has the potential to significantly expand employment land, integrated with the provision of new incubator and grow-on facilities at Skylon Park. More than £22m has been invested in the development of new business premises at Skylon Park, attracting 37 new companies to the Marches. The new Centre for Cyber Security will be an asset for the city, attracting investment and encouraging the growth of the cyber cluster.

9.20 Hereford is well connected to the road and rail network, both east to west and north to south. Current investment in the Hereford City and South Wye Transport Packages is key to delivering wider economic objectives. The Southern Link Road (the first leg of the Hereford relief road) will improve access and reduce congestion. A major priority is to deliver the Hereford Transport Package, which includes the Hereford Bypass and other walking, cycling, bus and public realm improvements. The bypass will significantly improve existing congestion bottlenecks, enhance north to south transport connectivity, provide an alternative route for freight, and open up further growth opportunities by unlocking new housing and employment land. Housing affordability and securing the right type of housing offer for young families and professionals is a further priority.

Other infrastructure priorities include the pilot partnership project between the Environment Agency, Herefordshire Council and Dŵr Cymru Welsh Water to test a new strategic approach to drainage and flood risk management in which catchment management across Hereford is aligned with the local economic growth programme.



SHREWSBURY

9.21 Shrewsbury is a renowned historic market town with excellent cultural and heritage assets, including its Tudor buildings, castle, Music Hall and Theatre Severn, surrounded by beautiful countryside. It has an exceptional education offer, with high-performing schools, a large college offering academic and vocational programmes and a new University Centre, all with strong links to local businesses and career opportunities. Shrewsbury has long been a gateway town for leisure and business connections to north and mid Wales and south Shropshire, with a high quality cultural and sporting offer. The birthplace of Charles Darwin provides opportunities to highlight the area across a number of sectors, including education and the visitor economy.

9.22 Partners in Shrewsbury have come together to develop a radical approach to rethinking the town centre, bringing together the local authority, the Town Council, Shrewsbury Business Improvement District, businesses, community groups and education providers. The result of this groundbreaking partnership is the Shrewsbury Big Town Plan, which will see fundamental redesign of how the town works. It will enhance the town's accessibility and offer, attract new investment in housing and workspaces and new sustainable transport routes and green corridors. Transformational once in a generation projects including the Flaxmill and Riverside schemes will place high quality design at the heart of development. This is in keeping with the high-quality built and natural environment that already exists in the town, showing how a successful historic town can succeed with 21st century ways of living, travelling and working.

9.23 Shrewsbury's future success will be based on a thriving food sector, and strong engineering and manufacturing firms including Caterpillar, Salop Design and Engineering, EAE Automotive Equipment, Sentinel Manufacturing and ABP Food Group.

9.24 Shrewsbury is well connected – under an hour from the centre of Birmingham by rail with two trains an hour and with a direct rail service to Manchester (under 90 mins). In order to maximise the economic potential of its location, we will continue to lobby West Midlands Railways and Transport for Wales to increase capacity and reliability of trains on these lines. HS2 will bring travel times to London via Crewe down to under 2 hours.

9.25 Shrewsbury is well connected to the motorway network via the M54 and is where the A5 and A49 corridors intersect. The North West Relief Road (NWRR) will provide a new, single carriageway road linking the northern and western parts of Shrewsbury. This will unlock capacity and allow for better ease of movement in the town centre. With new bridges over the River Severn and its flood plain and the Shrewsbury–Chester railway line, it will connect to existing roads with new roundabouts. The NWRR will link with the existing Battlefield Link Road in the north and the planned Oxon Link Road in the west. Each of these provides access to important employment and development areas, e.g. the Oxon Link Road will be delivered as part of the proposed Shrewsbury Western Sustainable Urban Extension. Following the submission of the outline business case to Department for Transport (DfT) in 2017, we will continue to work with key partners to lobby for funding and raise awareness of the economic opportunities associated with the NWRR.

TELFORD

9.26 The birthplace of the industrial revolution, Telford is now a fast growing, diverse modern business location at the forefront of opportunities and challenges around productivity and automation in advanced manufacturing. Telford is meeting the need for a more technically skilled workforce and at the same time is addressing inequalities through an innovative and all-age programme focussed on work readiness and progression in both wages and skills.

9.27 The town's strength in advanced manufacturing is supported by the presence of Harper Adams University, one of the leading institutions at the forefront of the agri-tech revolution, and the University of Wolverhampton which has made a multi-million pound investment in a centre of advanced manufacturing on its Telford Innovation Campus. The University of Wolverhampton has also established University Centre Telford (Southwater) in Telford Town Centre to promote part-time and lifelong learning. In terms of college provision, the newly launched Telford College provides a range of important academic programmes and vocational training that responds to business needs and is essential to a pipeline of skilled workers.

9.28 Telford is strategically placed with good motorway and rail links – contributing to and benefiting from the wider West Midlands economy. Across a range of sectors, Telford is located at or close to the core of several global, value added supply chains in automotive, with the JLR plant located at nearby i54, and other advanced manufacturing and engineering. A key growth area in Telford is manu-services – this is significant given that some manufacturers can generate up to 40% of revenue from services associated with a manufactured product.

9.29 Telford is a gateway location between engineering/tech and food production and processing firms, and an important logistics and distribution hub. Telford also has a growing sector in information and communications technologies (ICT) with the renewed investment of Capgemini in the town and the location here of HM Revenue & Customs (HMRC)'s specialist ICT hub. As a result, Telford has a proven capacity to attract investment with a strong track record of foreign direct investment (FDI) and attracting UK growth businesses. The borough is now home to more than 150 foreign companies with large numbers of American, German, Japanese and Taiwanese investors, including household names such as Ricoh, Epson, Xerox, Denso Europe and Maxell. As well as this, the MoD is developing its new National Defence Fulfilment Centre in Donnington. Telford has a relatively balanced economy with larger businesses complemented by a strong SME community.

9.30 Relatively low land values and a deal-focussed approach to employment land means Telford responds quickly and flexibly to business demand. Telford & Wrekin Council has adopted a borough wide enterprise offer not limited by zone or sector.

9.31 Telford is delivering growth. As a legacy of its status as a New Town, the borough has a number of major residential and employment sites, amongst the largest in the region. Through a strategic Land Deal with Homes England and the Marches LEP, the council controls the disposal of all public land with a commitment from Government to reinvest £44.5m from Homes England land sales. This is being used to support site preparation and infrastructure in order to remove risk and accelerate housing and employment sites to the market.

9.32 Through the Telford Local Plan, adopted in 2018, the borough is committed to delivering 17,280 homes by 2031. The town is ranked number one by the Centre for Cities for housing growth (2018).

9.33 The Telford town centre has seen a £250m public/private sector regeneration programme establish it as a regional retail/leisure/conference hub benefitting from the adjacent 450-acre Urban Town Park – one of the largest in the country – and the Telford International Conference Centre. The Telford Shopping Centre is currently investing a further £200m to expand its footprint and consolidate its regional position.

Together Telford Shopping Centre, the International Centre and the Ironbridge World Heritage Site create a strong visitor offer for Telford, which attracts significant numbers of business and leisure visitors each year.

9.34 Telford has a diverse population, younger relative to other parts of the Marches. It also has some areas that are amongst the most deprived in the country, reflected by the Assisted Area status, with contiguous links to the Black Country. Supporting balanced growth that benefits all areas of the borough and giving all residents access to new economic opportunities is an essential part of our approach.



OPPORTUNITY TOWNS

9.35

Our market towns are places of opportunity, each with distinct strengths and specialisms. Our Opportunity Towns include:

WHITCHURCH has a population of just over 10,000 residents and has sectoral strengths in transport and storage. There are plans to expand the provision of employment land with support from enhancements to utilities and infrastructure, including broadband and 5G.

OSWESTRY a large town with a population of 17,400, has strengths in food processing, packaging and logistics and is home to the Robert Jones and Agnes Hunt Orthopaedic Hospital, a national centre of excellence. Key priorities for Oswestry include utility provision to unlock further development.

LUDLOW has 11,000 residents, and is a renowned national food destination, with a thriving visitor economy and strengths in precision engineering and agricultural machinery. There are plans to expand employment space and upgrade transport and communications infrastructure.

LEOMINSTER has 11,700 residents and is an important centre in production and manufacturing. It has plans for a sustainable urban extension, including a £12m bypass and a minimum of 1,500 homes. There are also plans for a 10ha expansion to Leominster Enterprise Park.

ROSS-ON-WYE close proximity to the M50 makes Ross-on-Wye, with its population of 10,600 residents, an important gateway to Herefordshire. Potential projects include Model Farm, seeking to deliver innovative industries on a site of 100,000 square meters.

MARKET DRAYTON with a population of more than 12,000, sits close to major road and rail networks and has the potential to benefit from investment in HS2 at Crewe Hub Station.

It is home to national companies, including Müller Dairy and Services (UK HQ) the Addo Group (formerly Palethorpes) and Culina Logistics alongside high-value precision manufacturers. Tern Valley Business Park has 5 ha of employment land, providing additional opportunities for business growth and investment.

NEWPORT, WELLINGTON, OAKENGATES, DAWLEY, MADELEY, AND IRONBRIDGE with a combined population of 13,500 residents, these six towns are closely interlinked with the Telford new town. These towns have a rich industrial heritage and are now at the forefront of innovation in manufacturing and agri-tech. Newport has plans to expand employment space through the development of Ni-Park. Other projects include road and utilities improvements to increase capacity and support employment sites. There are also plans for electric car charging point installation in these towns.

BRIDGNORTH a large town in Shropshire with 12,000 residents, has a large manufacturing sector with supply chain links into the West Midlands. Opportunities for additional housing and employment land are currently being considered to meet the town's growth aspirations.

BROMYARD has a population of 4,500 residents and economy centred around agriculture and the provision of services to surrounding villages. It has current plans to build a housing development of 500 new homes and identify sites for new employment land.

LEDGBURY has 9,600 residents and strengths in manufacturing, due to its major Heineken facility. Key projects include producing a neighbourhood development plan and building a sustainable urban expansion with 625 new homes.



9.36 We will support our opportunity towns with actions that are targeted effectively and recognise their specific characteristics, strengths and opportunities. Such interventions will drive economic growth, availability of employment land, housing, town centre regeneration, skills and community inclusion. We will do this through a Marches Opportunity Town programme.

We will work with local business and community partners to develop, manage and deliver the programme in a series of phases, beginning in early 2019:

- ▶ **Phase 1 Evidence** – challenges and opportunities, building on any existing studies
- ▶ **Phase 2 Priority development** – working with local businesses and leaders, covering:
 - **Connections**
 - **Business/employment land**
 - **The changing nature of town centres**
 - **Skills**
 - **Incubation/support**
 - **Networks**
- ▶ **Phase 3 Implementation** – working with local public and private partners to secure funding and deliver agreed priorities. This programme will not rely solely on public sector funding and will build on existing strategies, partnerships and plans where appropriate.

RURAL AREAS

9.37 Our rural places are important for their contribution to our high quality of life, our land-based sectors and they support many other businesses.

9.38 We have taken a proactive and collaborative approach with input from the Marches Nature Partnership and the Rural LEP Group to consider our challenges and build on our opportunities. In feedback to Government about national policy development, we have collectively sought to emphasise the need for robust evidence about rural communities and businesses and their needs.

9.39 The Marches LEP has also highlighted the following potential opportunities to DEFRA:

- ▶ Digital connectivity, including the uptake of online services; telecare and telehealth by older residents;
- ▶ Use of One Public Estate approaches to land management;
- ▶ Mobility and transport innovation, e.g. electric vehicles, connected and autonomous vehicles;
- ▶ Innovative approaches to energy generation, storage and transmission and clean growth.

9.40 We have also emphasised the importance of supporting the land-based sector, our rural SMEs and communities, including through any successors to the LEADER programme.

HOUSING

9.41 Our area is expecting to see significant housing growth over the next two decades. We are currently working with Homes England to ensure that more people have access to a home that they can afford. The Local Plans and planning frameworks currently in place are very supportive of housing growth in the right places and provide a good platform for development. Nonetheless, it will also be important to:

- ▶ Address other barriers to development
- ▶ Ensure the right quality, type and tenure of housing
- ▶ Ensure that housing supports enhanced quality of place.

9.42 The most important barrier to development is a lack of correct infrastructure. This includes not only road and other transport connections but utilities such as energy, gas and water, flood defence, and broadband that are essential to support higher property values. Local planning authorities are addressing each of these barriers, by working with utilities providers to understand where there may be network constraints, and putting in place flood defence and mitigation measures.

9.43 We are also working proactively to address site specific issues: such as site assembly/land ownership issues, and site remediation issues. The Telford Land Deal is an important example of how we are working with Homes England. In Telford and Shropshire, we are also working closely with the West Midlands Combined Authority to address these issues where there are overlaps with wider challenges across the West Midlands.

9.44 We are working to support an improved mix of housing, with more affordable homes, and more homes that address the relative lack of two to three bedroom homes. All of our local authorities either have housing companies and/or work closely with local housing associations to provide a broader range and tenure of housing.

9.45 We are supportive of modern methods of construction, which can help increase the speed of housing delivery and provide more sustainable homes. There are several construction companies in the Marches that are using modern construction methods, mainly offsite. We will support this trend so that we can deliver more homes to a higher standard and support the sector in developing new and innovative approaches.

INVESTING IN OUR BRAND

9.46 The attractiveness of the Marches as both a place to live and do business is a major strength, and we want more businesses and people to share in and drive our future success.

We will:

- ▶ Work with our investment (Invest in Telford, Invest in Shropshire, and Invest Herefordshire) and tourist partners (Shropshire Tourism, Visit Herefordshire and Discover Telford) to develop a campaign to attract families and young people to locate here. This will use physical and digital connectivity, housing choice and affordability, education and employment alongside quality of life as drivers, and/or a 'Start your business in the Marches' campaign.
- ▶ Establish a visitor economy commission/study to develop detailed recommendations about improving levels of spend, quality of accommodation offer and lengthening the season.

10. MAKING THIS HAPPEN

10.1

In this Strategic Economic Plan, we set out a clear vision about what we want to achieve and the actions and strategic investment priorities that will enable us to do so.

10.2 In the months ahead, we will work with partners to prioritise existing and future funding, with delivery continuing the successful journey the Marches has taken to date. Implementation will be overseen by the LEP Board with individual local authority and other partners leading on relevant projects and programmes.

10.3 We will also further develop our business and productivity focussed actions through our Local Industrial Strategy (LIS), which will build on this plan and the opportunities it sets out. The evidence shows that the Marches has significant potential to achieve productivity growth in high value sectors, and that we can achieve a sustainable balance between accommodating the growing population and high-quality housing that highly skilled people and families need, whilst also protecting and nurturing our natural environment and capital.

10.4 Government has stated that it wants all LEP areas to have a LIS in place by early 2020. We are ready to push on with developing a LIS focused on our growth ambitions through intensive work with local businesses in our key sectors, our HEIs and other regional partners.

10.5 Our partnership working is a major strength. We will work with Government to co-create our LIS and welcome the opportunity to draw on the findings of the 'trailblazer' strategies that are currently being developed around the country.

10.6 On overall SEP delivery we will continue to work with our local authority partners to address the infrastructure and housing challenges which are critical to economic growth and attracting and retaining a highly skilled workforce.

10.7 It is important that the LEP continues to be a voice for businesses and we will continue to work with the three local Business Boards to address the challenges emerging from the LIS work. We will establish sector-specific groups that bring together HEIs and businesses to identify the opportunities in our emerging sectors.

10.8 Recognising that much of the future funding landscape is still uncertain, we will continue to look at how we can best use our resources to support productivity growth. We welcome the improved capacity funding for our LEP and will seek to use this to increase strategic and delivery capacity. We welcome the opportunity to work with Government to consider how the UK Shared Prosperity Fund could operate, and how best to address the UK's Grand Challenges from the perspective of the Marches economy.



APPENDIX 1

The Marches LEP would like to thank individuals and teams from the following organisations who supported consultation events held throughout summer 2018

Agri-Tech West Alliance partners	Highways England	Marches Skills Provider Network
Building Better Opportunities partners	Ironbridge Gorge Museum Trust	NMiTE
Cities and Local Growth Unit (Department for Business, Energy and Industrial Strategy/Ministry of Housing, Communities and Local Government)	Landau Ltd	North Shropshire College
Construction Industry Training Board	Local MPs: - Lucy Allan MP - Philip Dunne MP - Daniel Kawczynski MP - Jesse Norman MP - Owen Paterson MP - Mark Pritchard MP - Bill Wiggin MP	Professionals Partnership (Shropshire and Telford & Wrekin)
Cyber Resilience Alliance partners	Marches Business Environmental Network	Public responses to online survey
Derwen College	Marches Community and Voluntary Sector Assembly members and partners	Shrewsbury Business Improvement District
Environment Agency	Marches Growth Hub - Herefordshire	Shrewsbury Colleges Group
Federation of Small Businesses	Marches Growth Hub - Shropshire	Shropshire Business Board members and guests at consultation events
Growing Mid Wales	Marches Growth Hub - Telford & Wrekin	Shropshire Chamber of Commerce
Harper Adams University	Marches Growth Hub Steering Group	Shropshire Construction Training Group
Hereford Enterprise Zone (Skylon Park)	Marches LEP Board members	Shropshire Council (Cabinet Members and Directors)
Herefordshire & Ludlow College	Marches LEP Energy Strategy Steering Group	Shropshire Council officers
Herefordshire & Worcestershire Chamber of Commerce	Marches LEP Higher Education Group	Telford & Wrekin Council elected members
Herefordshire Business Board members and guests at consultation events	Marches LEP Skills Board	Telford & Wrekin Council officers
Herefordshire Council officers	Marches LEP Transport Officers Group	Telford Business Board members and guests at consultation events
Herefordshire Council Scrutiny Committee	Marches Nature Partnership	Telford College
Herefordshire Group Training Association		University Centre Shrewsbury
		University of Wolverhampton

APPENDIX 2

Key documents and research reviewed:

Cyber Resilience Alliance – A Science and Innovation Audit Report	Local Plans for Herefordshire, Shropshire and Telford & Wrekin
Delivering Digital Enterprises in the Marches Feasibility Study	Marches and Mid Wales Freight Strategy
Economic Development Strategy for Herefordshire 2011-2016	Marches LEP Annual Reports 2016, 2017 and 2018
Economic Growth Strategy for Shropshire 2017-2021	Marches LEP Energy Strategy
Enterprising Telford – Driving Growth and prosperity: Economic Development Strategy 2016	Marches ESIF Strategy 2014-2020
Growing Mid Wales Framework for Action	Marches LEP Rail Study
Hereford Enterprise Zone strategy documents	Marches LEP Skills Action Plan
Herefordshire Council Corporate Plan 2016-2020	Midlands Connect – Our routes to growth
High Potential Opportunity – High Productivity Food Production – Commercialising New Technologies in Telford	Scoping Study – Agri-Tech West
Invest in Telford – Telford & Wrekin: Competitiveness & Growth	Sector Needs Assessments (Advanced Manufacturing, Defence and Security, Environmental Technologies and Food Manufacturing and Processing)
Investing in Strategic Transport Corridors in the Marches	Shrewsbury Big Town Plan
	Shropshire Council Corporate Plan 2018/2019
	The Economic Value of the Adult Social Care Sector – England
	The Marches & Mid Wales Joint Appraisal Framework



Cameron House
Knights Court, Archers Way
Battlefield Enterprise Park
Shrewsbury SY1 3GA

☎ 01743 462 026

✉ enquiries@marcheslep.org.uk

🐦 @marcheslep

in The Marches LEP

www.marcheslep.org.uk