

BUILDING THE FUTURE. NOT FIXING THE PAST

In recent years, Worcestershire has seen the strongest growth out of all Local Enterprise Partnerships in higher level workforce skills¹, and economic productivity², along with the third highest growth in prosperity¹.

This is the record of a place that is forging solid foundations for growth and is confident of achieving sustainable prosperity.

Our [Strategic Economic Plan](#) is owned by the private, public and third sectors alike and remains the cornerstone of our ambition.

Our Place, Our People and Our Businesses are all aligned for further growth. We are already well on track to exceed our target of £2.9 billion increase in GVA by 2025 thanks to the £71.71 million Growth Deal investment and significant private and public sector leverage.

Led by a fully representative Board and supported by a 21-strong Business Board and a focus on infrastructure, homes, innovation, enterprise, skills and business productivity and work together with our local and regional partners to deliver a better business environment for the business community.

Our initiatives will make a genuine contribution to the Midlands Engine for Growth through greater connectivity as well as creating a stronger network of science parks and innovation centres alongside skills and finance as part of an integrated business offer.

We have a clear vision and a [Strategic Economic Plan](#) with ambitious targets that are owned by the private, public and third sector agencies across the area. We are aiming *“to build a connected, creative, dynamic economy that delivers increased prosperity for all those who choose to live, work, visit and invest in Worcestershire.”*

Building on our strong foundations for growth achieved in recent years, the Worcestershire economy has substantial potential to return a higher rate of growth than other areas of the country through greater levels of productivity, a highly skilled workforce, expansion of the business base and investment in research, development and innovation.

WORCESTERSHIRE – KEY DRIVERS FOR GROWTH.

Given the existing strength of the local economy and our investments have enabled the Worcestershire economy to grow at a faster rate, by exploiting the significant opportunities associated with the area. These include:

- *Worcestershire’s excellent location at the heart of the UK, offering:*
 - a cost effective central location with high quality business accommodation with upwards of 1,000,000 people living within a 45 minute drive

¹ [“An inclusive growth monitor for measuring the relationship between poverty and growth”, Joseph Roundtree Foundation \(2016\).](#)

² [“Sub-regional productivity: March 2016”, Office of National Statistics \(2016\).](#)

- in excess of 200 hectares of employment land for expanding businesses identified at our four Game Changer sites including [Worcester 6](#) and [Malvern Hills Science Park](#)
- *World class connections and infrastructure:*
 - excellent strategic access to the strategic road network, major airports, sea ports and rail freight and HS2 terminals
 - at the centre of the UK's growing supply-chains in automotive, aerospace and advanced materials, Worcestershire is home to many major manufacturers – with proportionately more employees in Worcestershire (14% of the workforce) than the West Midlands (12%) or England (8%).
 - home to an internationally recognised Cyber Security and technology cluster, with world class software, internet and Cyber Security, electronics and Agri-tech/Agri-food companies pioneering new products and services
- *Access to a high quality, skilled workforce:*
 - strong performing schools with 90% assessed as good or outstanding for overall effectiveness by Ofsted
 - growing Further Education sector including Colleges and Training Providers such as [Worcester Group Training Association](#) recently rated as Outstanding by Ofsted
 - high value technology employment and ten universities within an hour's drive provide Worcestershire with access to talented and highly skilled recruits
- *Good quality of life, provided by:*
 - high quality education
 - historic, cultural and sporting heritage – important visitor destination
 - attractive living environment

WORCESTERSHIRE LEP – OUR RESPONSE

Our response to industrial strategy reflects the alignment with our strategic economic plan and looks to the future about the type of interventions that Worcestershire would require to support growth of our locations economic strengths. Despite Worcestershire's strong performance of GVA and productivity growth this still leaves us ranked 23rd out of 38 LEPs – therefore there is still much to do to close the gap on the best performing areas of the country. In order to create jobs, pay for excellent public services we need to foster more business to start up and grow into scale up. [The Scale-up Report on UK Economic Growth](#) (Scale Up Institute; 2014) identified that there were 248 Scale Up businesses in Worcestershire.

We recognise that the 10 pillars provide the backbone of the strategy, however the Worcestershire LEP role and remit means that we do not have a view on all ten pillars and our partnership organisations of Local Government, Higher and Further Education and private sectors businesses, or local business representative organisations will contribute their own views in these areas, that are more pertinent.

PILLAR 1 – SCIENCE AND INNOVATION

We agree that Government has a key role in facilitating the exchange of ideas between business, academia and government research. The Industrial Strategy focuses on innovation of new ideas as well as adoption of existing technologies and puts much emphasis on universities.

In county areas there can be disconnect between the business community and academia there is a need to create a brokerage service not based in universities, as previous schemes have followed this approach such as Knowledge Transfer Partnerships. The growth and jobs that universities generate through their research capacity is hugely valuable. However the lack of universities' role in connections to suppliers and customers means they are only part of the solution to increase innovation. A new scheme needs to have outputs that take the needs of the local business community to academia, building on the needs of the supply chain of large companies or a cluster focus that can be built on research specialisms. We suggest this is based in the Growth Hub and provides a framework for engagement and joint working.

The Strategy suggests the creation of a UK Research Council and Innovation Agency for investing in the conceptual areas that will maximise the chances of the evolution of Intellectual Property and ultimately its exploitation in the UK. Currently, we are generating IP through R&D but we, as a country are not necessarily as good at monetising this IP and creating jobs as a result, this is particularly the case in Worcestershire compared to the rest of the UK. This was one of the reasons for the introduction of the Patent Box regime, however this has not been successfully rolled out to areas such as Worcestershire and therefore a closer relationship between the toolkit and Growth Hub is required.

We incentivise companies to innovate (R&D tax credits, grants, etc.) but as soon as their innovation has reached a certain stage of development the available support falls away – they no longer qualify for grants or R&D tax credits. We have to design a system that sees the products development and ensure the support is through the whole life cycle. We would be willing to trial a new approach.

PILLAR 2 – SKILLS

Improving and developing the skills of an area ensuring alignment to the local economy and a holistic approach to economic growth, which combines inclusive growth and providing individuals with an opportunity to fulfil their potential is fundamental to the success of the Industrial Strategy locally.

The primary and secondary education sector needs to be focused on providing a wide foundation of skills, with as many young people achieving a good standard of English and Maths as possible. We therefore support the focus of the Industrial Strategy on this area and believe that local centres of excellence based in FE colleges must work in partnership with the local secondary sector to collaborate on best practice teaching in an applied setting.

We support the concentration on technical skills and these must be put on an equal footing to academic qualifications. The curriculum taught should have significant input from Industry/private sector and should be linked at the appropriate time with work experience. This framework should deliver basic skills excellence for all, getting industry involved so it is delivering applied skills. Once this breath of knowledge is learnt the business community must be responsible for training the specific industry skills.

We are very supportive of the suggested approach in the Industrial Strategy on Technical Education. We believe a long term view has to be taken by government and the need for

such an approach is vital particularly to pre-employment Technical Education. We have seen too many short term initiatives such as Young Apprenticeships that were extremely successful in Technical sectors. As these focused on pupils age 14 years upwards who completed part time apprenticeships with an employer as part of their school study. Almost 100% went onto a higher level technical apprenticeship post 16, and yet these have now been discontinued.

The Technical Education System needs simplifying; there are far too many qualifications and potential career paths that are unnecessarily over complicated. Whether the 15 routes now proposed are the right ones and the right number is difficult to answer. However the LEP is best positioned to conduct a rigorous labour market analysis and keep it updated to determine what is required by the local labour market. This then needs reference to the national economy, as all skills provision cannot just fit the local market. We support and recognise the needs of some sectors like nuclear need a national skills plan.

With reference to examples from other countries, Germany is often quoted, however this has been developed over decades, with two basic principles – firstly a focus on providing pupils with a very strong foundation in practical skills & knowledge and, secondly strong ties with industry, particularly the so called German Mittelstand, the small to medium sized manufacturing companies, often family owned, with strong links to vocational education through work experience and apprenticeships. They provide a very strong and powerful link to real outcomes being part of the vocational education system.

The one element we particular disagree with this system is the segregation of children at 14 by academic capability in Germany. This means if you are not academically bright, then you are guided down the vocational education route. We believe strongly that we require pupils of all academic capability to have the option of vocational/practical education to ensure we attract the best and the brightest to technical professions.

The application process for Further Education and apprenticeships equally requires a Clearing House system as with Higher Education. There remains an issue of impartial Information, Advice and Guidance (IAG), which provides 1-1 support and simple and easy to use signposting/information hub. The lack of impartial IAG arises as a consequence of schools and colleges wanting to retain local learners in order to meet their own growth and volume targets. Specialist training providers still find it difficult to attract referrals of 16 year olds - as opposed to the school's own 6th form; therefore this impartial advice service could be delivered by the LEP.

We have a continuing skills shortage in what is regarded as traditional skills, engineers, carpentry, plumbing, electricians and bricklaying as well as specialist areas such as butchery. There is a genuine shortage of these skills and there is also a shortage of colleges and training providers offering the opportunity to gain these skills through the apprenticeship route, therefore the funding a financing of areas of skill shortage compared to those of over supply needs to be considered.

We need to promote these skills to young people and make them aware of the long term sustainable employment that gaining these skills will provide them. We also need to ensure that educational institutes and training providers focus on providing the support for these areas. Incentives and grants could be to people undertaking training in these skills and educational institutes and training providers should be tailoring their provision to meet these needs. Sector bursaries could be offered.

We have a need to provide more housing and infrastructure in the short, medium and long term and we need educational institutes focused on providing those sector skills, particularly at higher levels and in new technologies in house building such as solar power.

Increasingly however, digitalisation will impact all sectors of the economy. Pretty well all markets & sectors will become digitalised in some shape or form, therefore the following aspects increase in importance:

- Importance of data mining & data analytic.
- Importance of service provision.
- Many sectors will see disruptive change to their traditional sales channels coming from digitalisation. Manufacturing remains vitally important, but how what you make is sold will change, and in some cases radically.

Skills requirements will evolve and change faster than ever before and therefore close connection between the education and business communities locally will be vitally important. With innovation and technological change being key drivers for future business and economic sustainability, no sectors will be unaffected by changing future skills demand and the increased need for retraining and upskilling. This will need to be developed and enhanced within every company, and therefore maintaining close links to schools, colleges and universities so they understand the changing skills requirements of industry will again be vital. In terms of delivery of training, we need to develop more of a virtual online approach to ensure flexibility of delivery. An example of this is the blended learning consortium of further colleges, which provides online support and lectures across a range of subjects and curriculum provision.

Finally, the term Lifelong Learning has been an overused expression but we do need to promote the positives of continuous learning and developing skills that meet the needs of employers. Awareness of higher qualification opportunities and progression pathways needs to be raised to ensure clear pathways to higher level jobs and facilitate career progression. The continual economic demand from businesses for more STEM, Tech, Digital and Management skills will require greater accessibility for these valuable skillsets to individuals throughout their working lifetime, therefore financial support for workforce training in key areas such as leadership and management, digitalisation and transferable skills must be encouraged within a long term view of workforce development.

PILLAR 3 – INFRASTRUCTURE

Continued investment in connectivity infrastructure is required to keep the UK competitive and reduce regional disparity in economic performance. This has to cover digital connectivity as well as physical transport. We would want to engage with government on potential new funding models to achieve higher rates of private sector investment to match public sector investment. The Industrial Strategy appears to suggest a 'hands off' approach to support; we would suggest a far more proactive approach.

We are supportive of alignment of planning infrastructure with growth in terms of housing and employment, although funds should be designed to intervene and bring the infrastructure forward to deliver the site.

It is essential that active travel infrastructure is made more mainstream/mandatory and should have a higher investment priority than other modes to really push sustainable development. In future, it might be that local authorities require a mandatory Urban Integrated Transport Strategy/Plan as a component of future Local Development Plans with developers' contributions pooled towards this plan, rather than focussing on specific issues, therefore having a wider strategic approach.

Finally, transport planning and civil engineering skills are in high demand due to lack of supply. For example, despite a significant number of excellent universities in the West Midlands, not one of them is currently offering a Transport Planning MSc. The Midlands Engine region needs transport planners to support growth. If the UK wishes to develop, possibly subsidising colleges and universities across the UK to provide these skills and create the supply of graduates, together with bursaries this could help to stimulate interest.

PILLAR 4 – SUPPORTING BUSINESSES TO START AND GROW

Similar to the UK, Worcestershire has had a strong record of business starts and has seen a number of businesses grow and scale up in the locality. The likes of Gtech are the fastest growing companies in the Midlands ([Midlands Insider](#), Feb 2017). In Worcestershire we have embraced the Scale Up Institute approach and training and are now working across local partners - the University of Worcester, Chamber of Commerce and LEP to deliver a step by step short course to guide the entrepreneur through the process of growing their company. Our local Scale Up programme will refer companies to the regional Goldman Sachs 10,000 small business growth programme. The Scale Up programme identifies a range of barriers to growth; these are access to skills and talent, building leadership capacity, access to market (pillar 6), finance and risk capital and infrastructure (pillar 3). Therefore we would conclude that this pillar is too focused on the finance and risk capital issues.

Often Scale Up Companies do not identify and utilise with public and private sector business support and guidance at the right stage of growing their business. The local Growth Hubs are both proactive and reactive to engaging with local businesses and are utilising all the partner networks to identify these companies. However, it is often when they have a difficulty with premises, planning or another regulatory issue that the public sector support identify them. We need to be more targeted and utilise HMRC data alongside local data sources to proactively contact these companies.

Regarding the lack of risk and short term nature of finance support the key to improving this situation is reducing the short term nature of UK funding institutions. Venture capital often requires returns in 3-5 years. We welcome the introduction of the British Business Bank, although in its infancy, it appears to have been restricted by the public sectors natural risk aversion and therefore although adds to the supply of finance does not remove the short termism. We suggest that government looks to relax the rules on pension funds that do take a longer term view. At present they can only invest in blue chip or the stock market and if the regulatory framework was right a mixed finance approach may lead to more realistic time periods to generate a high more sustainable rate of return.

A number of successful business mentoring schemes have been established in the past, however when rolled into a national scheme - Mentor Me - this lost momentum and focus. Often a growing company with an experienced mentor can avoid the pitfalls and call in the most appropriate specialist advice in a timely manner. Also, the strength of the management team is vital to giving confidence to the financiers/backers or business angels and them having a higher appetite for risk. The basis of a mentoring scheme needs some national advice and guidance on insurance, training, recruitment and contracts. This should be established at a national level, but delivered locally, as local areas know who and how to recruit mentors to support their local business community, will make sure an initiative successful. We would suggest this is commissioned by the LEP and implemented by the Growth Hub.

PILLAR 6 – ENCOURAGING TRADE AND INWARD INVESTMENT

We support the analysis of the Industrial Strategy where companies that export perform stronger in the local economy and there is a need to build trade relationship post-Brexit and further support for increasing exporting in key sectors such as defence; where Worcestershire has much to offer.

The UK must continue to remain a competitive and attractive location to invest and grow a business. However, export and Inward Investment support has always been most effective when delivered locally or regionally, even when there is a national agency at the forefront of promotional activities.

DIT has done an excellent job in creating a pro-business brand (GREAT) that each location across the Country can align and synergise with. This brand has provided a strong banner when working to attract international firms and foreign investment.

In terms of resources, it seems that England as a brand is under- represented compared to Wales, Scotland, Ireland and even London. Each of these areas has far greater resource and autonomy to promote their respective locations in a way that is relevant to their industries, strengths and challenges.

We feel there is an opportunity to create sector focussed propositions for England which can draw on key assets, and provide a more rounded and accurate picture of the respective capabilities, skills, opportunities and challenges from across England.

A good example of what an England-focused proposition could look like is the Netherlands Foreign Investment Agency. Holland promotes itself as the gateway to Europe, highlighting its geographical position. It also has very simplified propositions focussing on either operations or sectors ie: Headquarters, Sales & Marketing, Manufacturing or R&D, or Agri-food, IT, Life Sciences or Aerospace, just to name a few. By having a simplified sector/operations proposition, with an overview of key assets, accessibility and reach, the Netherlands are able to articulate simply and powerfully a pro-business, easy access business environment.

The Worcestershire LEP has identified both Cyber/Tech and Agri-tech as sectors of particular strength within our region and working with our partner LEPs. These sectors reflect our greater assets, capabilities and reach leads to a greater compelling proposition to attract more investment.

Measuring the impact of FDI on growth with a view to understanding what locally is required would be useful in shaping how LEP's can work proactively to attract further investment.

A key challenge is raising awareness of local strengths to a global audience, and so the Midlands Engine or most appropriate geography (Cyber Severn Valley) can provide a larger platform for local representation.

Reviewing the gap and disparity of GVA across the Country further re-enforces the need to have a locally and regionally focussed strategy which can respond to specific challenges whether these are skills, access to finance, sector strategies or policy.

PILLAR 8 – CULTIVATING WORLD LEADING SECTORS

At Worcestershire LEP we have identified our key sectors where we have a strength within our Strategic Economic Plan –Advanced Manufacturing, Cyber Security, Defence and IT and Agri-tech/Agri-food. We recognise these sectors’ strengths often are part of wider supply chain and therefore as part of our submission we would like to have a further conversation with government on delivering productivity improvements, accelerating growth and innovation, and boosting skills.

Our Sector Submissions include:

Agri-tech/Agri-food – in partnership with the Marches LEP, Stoke and Staffordshire LEP, Cheshire and Warrington LEP including 3 Universities and 3 Land based Colleges.

Cyber Security – in partnership with Marches LEP, Gloucestershire LEP and Swindon and Wiltshire LEP where we have the assets of GCHQ, SAS in Hereford, Malvern Hills Cyber Security Cluster and Wiltshire MoD assets.

PILLAR 9 – DRIVING GROWTH ACROSS THE WHOLE COUNTY

Locally should be the place where decisions and changes are made, not just another conversation or layer or consultation, equally these discussion should not be about local areas having to go back through an extensive bidding process only for Central Government to decide on what the local priorities are. Worcestershire and other shire counties have been successful in the last five years on driving growth and improving productivity. The market is responding to the changing demands of the world of work and more flexible, home based, innovative companies can now trade with the world and do not need to be located in a conurbation or have a labour supply close to the company office or premises.

Although a wider strategic approach can be required often the execution has to be at a local level that the individual or business can recognise. These can be general or specific to that locality and in order to support the development of structures, a longer term approach needs to be taken by Government to meet the economic needs of an area. The drive to compete can result in better outcomes but also the time and space to collaborate this is vital for ‘best practice’ and impacts to be evaluated.

The development of sustainable and devolved sub regional growth funds of a revenue and capital mix is vital to deliver private sector investment, growth and productivity gains. The alignment with partner institutions such as universities, Further Education and Local Government is critical to deliver the benefits of growth to be realised across the whole country. We therefore call for the industrial strategy to drive new ‘deals’ with shire and county areas to take control of their destiny and provide leadership in partnership between the public and private sectors, with democratic accountable to achieve higher levels of economic growth and remove barriers to growth.

PILLAR 10 – CREATING THE RIGHT INSTITUTIONS TO BRING TOGETHER SECTORS AND PLACES.

The LEP is a successful structure for Worcestershire and other shire counties. It provides the ability for partners to align behind a strategy which involves business, local government and

further and higher education. The economic performance of the shire counties has been stronger than the core cities and metropolitan areas over the last five years. Also, as the global economy becomes more digitalised, the location of businesses close to labour markets is not as essential as in the past and therefore the attractive environment and urban/semi-rural living in the UK will continue to drive economy growth in areas such as Worcestershire.

In order to foster this growth the Local Government role of community leadership and delivery of place shaping through planning, transport and housing to improve the quality of life and cultural offer is vital. LEPs create strategic plans to give business a role and voice in shaping the future of their local communities. It is important that government support is given at a national level to reinforce the role of the partnership at a local level. It is at this local level that delivery of the Industrial Strategy will need to take place to have an impact. However, areas such as Worcestershire cannot be 'myopic' in their outlook and collaboration with neighbouring and other geographies is important to support local economic strengths however without local connecting agencies the right support will not spread out from London or other core cities to such areas.

We recognise we have to work with other areas such as the Midlands Engine to create added value to our local economy. Whether transport or outward promotion, the Midlands Engine provides Worcestershire with a powerful voice. However, issues like skills the Midlands Engine can only provide 'key messages' and delivery of skills and training can only be executed at a local level, for example apprentices will not travel in terms of time and cost to institutes such as the regional colleges such as HS2 in Birmingham.

We also work with The Marches, Gloucestershire, and Swindon and Wiltshire LEPs on key sector development to build on strengths and areas of collaboration around the Cyber Security. These collaborations will emerge naturally where the need arises and across geographies that have a shared purpose.

We support a review of the LEP role in delivering local growth and look forward to an early discussion with Government. We believe that we can do more and play a greater role with more resource. As an example, the trusted role that the LEP has between the local partners means it can take more of a role in offering independent careers advice to schools, colleges and universities. Through our Growth Hub we can do more to identify and support Scale Up businesses to grow and thrive in the local area, and finally the LEP can act as a coordinator to drive a local strategy; unlocking more than just Government funds, but also greater private sector investment in the local area.

In reference monitoring and evaluation, we continue to take best practice advice from the [What Works Centre for Local Economic Growth](#) we would be interested in piloting new methodology on ensure our investments see the maximum local impact and we learn from best practice. It must be acknowledged if the LEPs are to have a greater role in the local economy, they have to be resourced on a sustainable basis. This has to be a joint approach between local partners, however in some cases Central Government cannot expect the entire burden to fall on local partners and commercial income, as the private sector will need to see a direct return on investment; which does lead to conflicts of interest and other concerns.

GENERAL OBSERVATIONS

The scope of the UK-wide Industrial Strategy and specific features will balance sector specific needs with broader cross-cutting objectives to tackle the underlying issue of improving productivity. It recognises LEPs as a fundamental part of the local architecture for growth and their continued drive on tangible delivery which will shape the Industrial Strategy's impacts and outcomes on the ground.

The WLEP has established a very good reputation with Government for its ambition, innovative development and leading ability to achieve effective delivery, particularly in the context of ESIF programme and project delivery. In terms of ERDF and EAFRD (Rural Development) Programmes, the WLEP has been identified as an "early adopter" leading other LEP areas positively as well as delivering faster-paced, tangible results benefitting SME businesses. On the basis of this successful delivery reputation, the WLEP offers to be a locality which contributes and shapes new Government policy thinking and, in turn, future local-to-national programmes.

Many LEPs, including Worcestershire, are demonstrating significant growth in rural productivity. While there is no specific distinction between urban or rural areas and needs, there does need to be a practical recognition that rural areas offer high scale SME growth contributing to domestic and global objectives and need focused, target programme support in the future to address issues such as the post Brexit position regarding migrant workers, subsidies for agriculture, complete mobile and broadband coverage as well as general business support and leverage to improve business expansion.

SMARTER REGULATION POST BREXIT

A modern Industrial Strategy needs the holistic integration of "smarter regulation". It warrants a stand-alone Pillar which frames how better regulation is a fundamental component of helping SMEs and sector supply chains increase productivity and competitiveness, business growth, cultivate global trade and attract inward investment.

It is surprising that the Industrial Strategy does not make more explicit statements or commitments about better and "right –touch" regulation being integrated, especially within all pillars, in terms of aiding business growth, competitiveness and inward investment.

The regulatory landscape for SME businesses is improving for the better in UK. The collective angst amongst corporate and SME businesses has arisen through perceived and real "regulatory gold plating" emerging from EU legislation and directives which accumulate and foster a complex, confusing and burdensome regulatory environment for businesses. The Industrial Strategy presents a golden opportunity to boost further productivity and secure regulatory reform post-Brexit as the UK decouples from the EU regulatory system.

LEPs have pioneered Better Business for All (BBfA) which has changed SME grass roots perceptions, attitudes and achievements in localities while Government, through Regulatory Delivery, is tackling national policy frameworks, regulatory culture shift and system reform in parallel. A strong BBfA partnership has been forged between Worcestershire Local Enterprise Partnership (WLEP) and Worcestershire Regulatory Services (WRS) and driven a transformational local regulatory culture to meet SME business needs. A BBfA Charter sets out a shared vision and ambition working with allied local-to-national regulators through

Regulatory Delivery, BEIS in supporting Micros, SMEs and social enterprises with regulatory self-compliance. A corresponding rolling action plan focuses on priority initiatives to deliver the Charter principles.

Local regulators are a key component of LEP Growth Hubs as they cross small business thresholds frequently and provide essential intelligence gathering to aid authorities. WRS is a key partner in Worcestershire Business Central (the Worcestershire Growth Hub) providing constructive regulatory support and practical advice alongside all front-line business support to micro/small businesses. BBfA principles are integral components for economic growth across Worcestershire and the Growth Hub connects its direct front-line help to businesses with other services and providers to offer a consistent, co-ordinated support package.

Businesses have face-to-face contact with regulatory officers more than any other Council service. Businesses want mature relationships with local regulators based on mutual trust where support for self-compliance is the top priority while enforcement and prosecution is pursued as the last resort. This approach is demonstrating nationally that it allows regulators the time and resource to pursue the rogue traders through legislative avenues.

These BBfA principles should be scaled-up, accelerated and consolidated at a national level weaving through the entire Industrial Strategy as well as featuring in all Pillar approaches and Sector Deals. The ambition should be to attain a simplified “joined up” regulatory environment establishing a level playing field ensuring fair and competitive trading.

SUMMARY OF KEY POINTS

Science and innovation

The role of universities is to focus on their strengths of cultivating high quality graduates and transactional technology transfer with industry, whilst focus on specialisation. However universities are not the answer to commercialisation of ideas and Intellectual Property.

This area requires different kinds of support from government through the corporate tax systems to specific initiatives which support the whole lifecycle of innovation. This needs to differ from what we have now, and Worcestershire LEP would welcome being part of that strategic discussion and consultation on UK research and innovation.

Skills

Further education centres of excellence on basic skills provision must work with secondary schools to ensure a transfer of best practice and a transition in terms of teaching and learning. Consideration should be given to a qualification of functional skills verse GCSE.

Independent Informational Advice and Guidance linked to the local labour market is required. With additional resources LEPs are ideally placed to deliver this service across schools, colleges, universities and business.

The skills funding system needs to provide greater financial incentives to the individual and institutions to address skill shortages and influence student choice. This should also be applied to workforce learning.

The digitalisation of the economy means we support the Industrial Strategy's approach to learning and skill development in this area. There is an important role which the LEP can play to join together the local educational establishments with business to ensure applied learning on the latest technology is achieved. This would include the delivery of courses through a blended learning approach of on line and face to face tuition.

Infrastructure

Public Sector investment in Infrastructure needs to be the enabler of employment and housing development and therefore alignment with local plans, local transport plans and statutory infrastructure bodies is vital.

In high quality environments such as Worcestershire semi urban /rural landscape digital connectivity is critical. As the online global market and new working practices develop, the location of employees in a city centre location is no longer required. The essential infrastructure need to support this shift is digital connectivity and therefore the Industrial Strategy has to deliver greater levels of public and private sector investment.

Business Support and Growth

We are very supportive of the Industrial Strategy's approach to business growth and scale up business support. At a local level, we have set up a communication structure between our partners to be proactive in identifying scale up companies. However data sharing in order to identify these companies is difficult. We would like to see a commitment to have a data sharing agreement in place between HMRC and Local Government, so improving the identification of these companies that can then be proactively managed by our local growth hub to signpost these growing business to the most appropriate support from the public and private sector and remove their barriers to growth.

In terms of finance, the British Business Bank role needs have a greater focus on fixing market failure and creating an environment of reshaping the UK financial short term view on risk and return. This could be done by reforming Pension Funds' ability to invest in SMEs.

Finally, we support the need for greater integration of mentoring within public sector business support. However, national guidance is required on training, recruitment, risk, and insurance. However, the establishment of these networks is better done at a local level to support local communities.

Encouraging Trade and Inward Investment

Better connection and more support from the Department of International Trade to local areas is required in order to develop meaningful inward investment propositions.

Driving growth across the whole country

We call for the industrial strategy to drive new 'deals' with shire and county areas to enable them to take control of their destiny and provide leadership in partnership with the public and private sectors, with democratic accountability to achieve higher levels of economic growth and remove barriers to growth. We would welcome a further discussion with Government on this issue.

Creating the right institutions

Worcestershire and its LEP has been successful since 2010, we have create alignment and focus around a joint vision and strategic economic plan. We support a review of the LEP role in delivering local growth and look forward to an early discussion with Government. We believe that we can do more and play a greater role with more resource.

An example of this is to work with Government on trialling and piloting new initiatives, and we believe that in the post Brexit era, smarting regulation will have an important role to play.