

Response to Government's Innovation Strategy in the West Midlands

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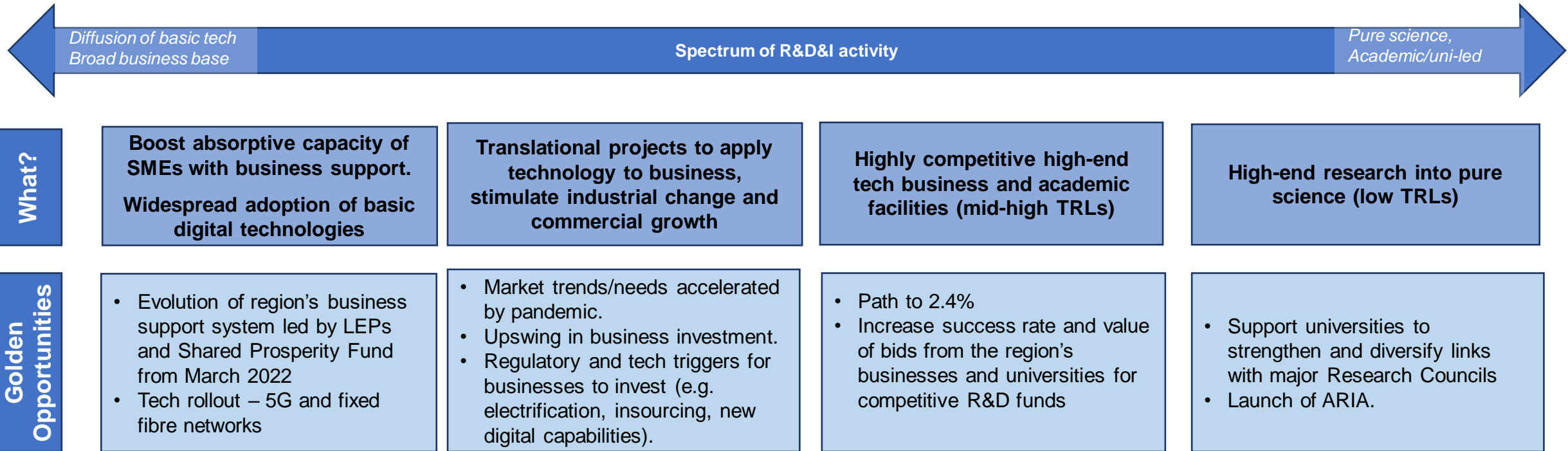
West Midlands
Combined Authority

Delivering inclusive growth

Themes

1. Is our interpretation of Government's focus in the innovation strategy sound?
2. How does this feel according to where the West Midlands' economy is at and the opportunities we see?
3. What does success looks like for the West Midlands?
4. How partners in the West Midlands respond:
 - Practically: Champion what's effective; lessons from the West Midlands Innovation Programme?
 - Strategically: Be bold about "levelling-up" and working alongside Government and agencies.

A view on the Innovation Strategy...

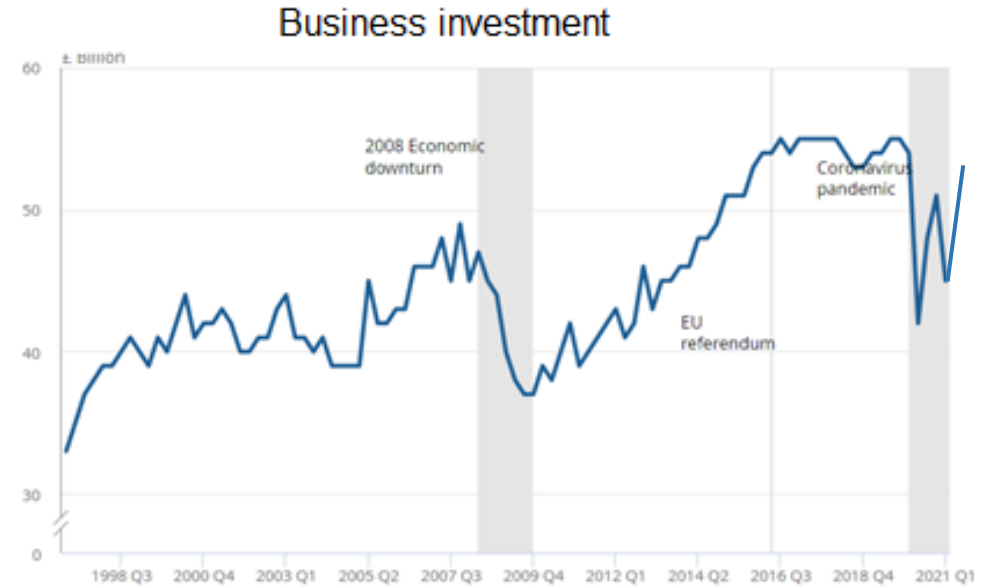
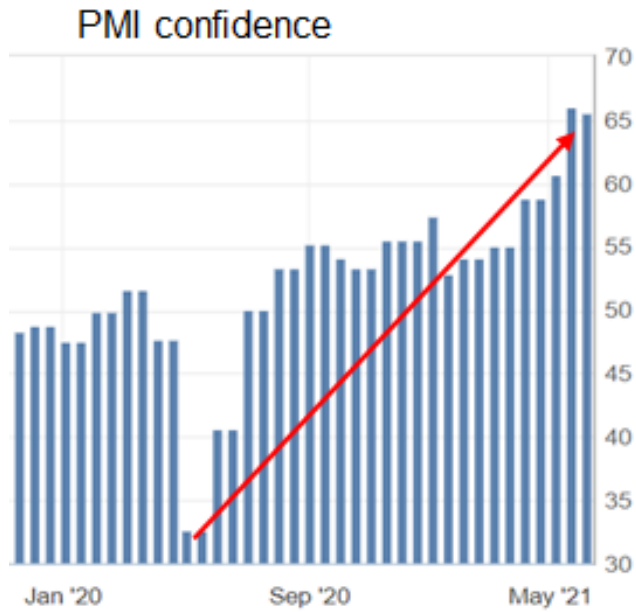


Drivers for innovation

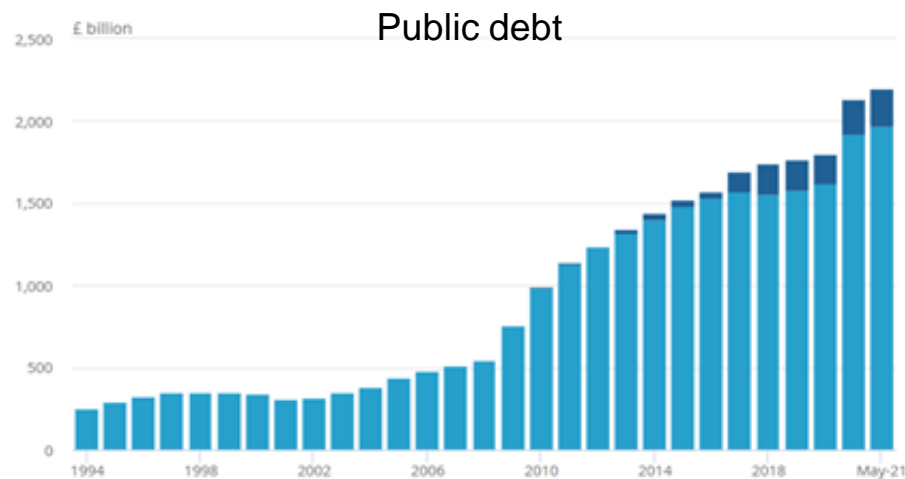


How does the economy feel?

Cyclical



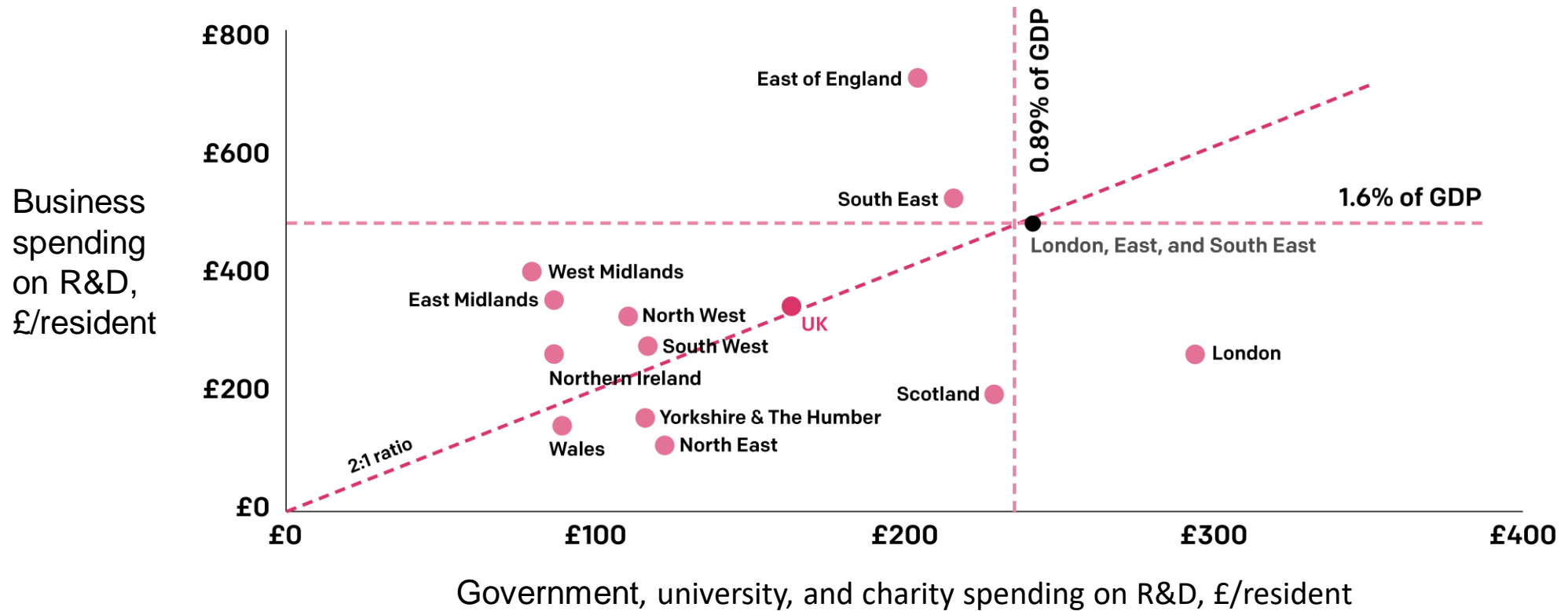
Structural



£14bn
productivity gap

Levelling-up R&D investment

Spending on R&D by NUTS1 region within the UK, 2016 (split by market-led (business) and non-market-led (govt and charity))



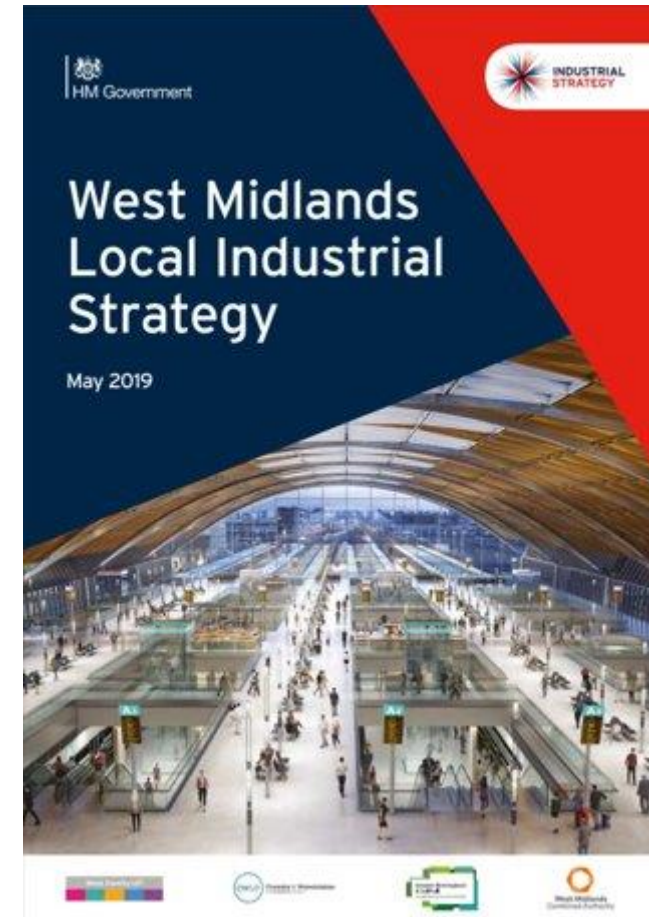
A golden thread of place?

“We will bring together different departments and work closely with the devolved administrations to agree a more detailed strategy for R&D in places, as a key element of the wider Levelling Up white paper due in the autumn. This is an opportunity to ensure that we are taking a comprehensive place-based approach to economic growth, with R&D one of the vital measures we can take.”

Unleashing Business	<ul style="list-style-type: none">• Quite strong in linking FDI and trade incentives to areas of regional competitive advantage.• Could go further on links between business finance and business support on innovation adoption.
People	<ul style="list-style-type: none">• UKRI (through Innovate UK) lead role in identifying critical innovation emerging skills gaps.• Help to Grow: Management programme to strengthen business leadership on adoption of innovation.
Institutions and Places	<ul style="list-style-type: none">• Mainly about making UKRI simpler for businesses to deal with.• <i>“Our evidence shows that we need to tailor R&D interventions to the needs of different places, a point echoed by the Place Advisory Group.... We will also work with local places to develop proposals for a cross-government approach to supporting the adoption and diffusion of innovation amongst local businesses, in places with less developed Research and Innovation capacity.”</i>
Missions and Technologies	<ul style="list-style-type: none">• Understand the region’s position on the seven technology families.• Collaborating on the ‘Innovation Missions Programme’• Further Prosperity Partnerships leveraging private investment in R&D

A clear plan for our sectors

Sector strengths			
Low carbon technology Energy and clean growth	Aerospace Precision component manufacturing	Logistics / transport technology Future mobility	Metals & materials Innovative supply chains
Life sciences Devices Diagnostics, real life testing	Professional skills Skills and a full services sector	Rail Digital rail High Speed 2	Construction Offsite modern manufacturing Land remediation
Creative Games, Next Gen content, process and product design and designer maker	Food & drink Machinery, food & fluid control tech, Photonics R&D	Automotive Battery development Drive train CAV	Tourism Shakespeare's England Commonwealth Games Business City of Culture



A 'West Midlands Plan for Growth'?

A focused proposition to Government which:

- Explains why economic recovery in the West Midlands is vital to the UK.
- Stresses this is being driven by private investment and confidence. The region has therefore prioritised clusters where significant investment is underway and there are opportunities to spur further growth.
- Provides insights into each of up to 5 clusters showing:
 - **What they are** – which companies are investing, what's the wider cluster (inc. supply chains), what's the nature of the region's competitive advantage, what are the cluster's major needs to amplify/accelerate growth?
 - **The publicly-funded interventions to catalyse growth.**
 - **Scale of impact** – what this means for jobs, wages, exports, etc.
- Quantifies the overall impact for the region.