

Loughborough Area of Innovation

Momentum & Cross-cutting priorities

Responding to the Industrial Strategy

Sustaining momentum – what happens next?

- Action Plan:
Focussed, collaborative, added value action
- Build wider support and engagement
- Start 'year one priorities' from January 2020



Cross-cutting priorities

- **Integrated** *Draw on many existing activities, harnessing, complementing, filling gaps*
- **Nimble** *Exploit the simplicity of the approach and ability to move fast*
- **Process** *Focus on processes and technologies rather than sectors*
- **Sustainable** *Long term sustained efforts to address long standing deep-seated issues*

Loughborough Area of Innovation Summits

Suggested Next Steps & Key Themes from Discussions

Foundation One: Ideas & Innovation

Key Themes from Discussions:

- The region is less good at accessing public innovation funding due to limited awareness and understanding of the funding streams which are available.
- There is a low appetite for risk in the region, with innovation and investment in R&D viewed as a risk by more established sectors.
- HEIs are currently not structured in a way to assist SMEs in their innovation as they require quick answers and solutions to problems.
- It is currently hard to identify a USP for the region, with multiple sectors all playing a role in the industry within the area.
- A sector focus may not be the best approach to driving productivity in the LAI. Instead a process approach could prove beneficial, with cross cutting technologies and skills to assist this.

Suggested Next Steps:

- Seek alternative models to access government funding, through geographical region investment (similar to the US approach to Silicon Valley). This could help to share the risks of innovation and encourage greater investment in R&D.
- Develop greater links between students and businesses of all sizes, to collaborate on projects in a more flexible, agile way.
- Consider the messaging around the USP for the LAI and the businesses and places within it.

Foundation Two: People & Skills

Key Themes from Discussions:

- There are currently numerous existing initiatives in the East Midlands to engage young people with STEM and wider career opportunities, but these are currently operating in isolation from each other.
- Parent awareness of career opportunities for their children is limited, especially in emerging industries such as AI and IoT.
- It is also difficult to encourage businesses to engage with young people as they are often unaware of the benefits to them of doing so.
- This lack of parental awareness and business engagement means that young people are often not aware of possible careers which they could aspire to.
- The digital skills gap has increased over the past 18 months, and upskilling of the existing workforce is recognised as a real challenge for businesses to implement. Budgets are tighter, with training & development often the area most frequently sacrificed for attempting to maximise quick returns and short-term gains.
- Education providers operate less flexibly than the business environment (9-5 vs flexi) so opportunities for employees requiring upskilling are fewer and logistically difficult to reconcile with their work commitments.

Suggested Next Steps:

- Collaborate to produce a co-ordinated (possibly re-branded) & cohesive approach to engaging young people with career pathways using current initiatives (better than a new initiative to add to what already exists).
- Address the urgent need for upskilling by piloting more flexible approaches within education providers, to better assist local businesses with training their employees.
- Build on new initiatives in Maths Education (including a recent £6.5m research grant) to raise core abilities in areas such as Maths, English and digital skills.

Foundation Three: Infrastructure

Key Themes from Discussions:

- An increase in affordable housing is required to sustain growth in local businesses.
- Local infrastructure must also be equipped to deal with increases in populations following these areas of growth.
- There is a challenge to improve the digital infrastructure, through providing super-fast connectivity, so that it matches the growth in physical infrastructure. Acknowledging the need to future proof the improvements in digital infrastructure, so that the digital economy can thrive in the LAI.
- The impact on the existing infrastructure from increasing numbers of electric vehicles needs to be considered.
- Big Data & analytics are growing in importance – receiving and understanding the information provided through data collection is required to benefit the infrastructure in the LAI.
- There is a need for a coherent energy infrastructure plan for the region, with a focus on renewable energy where possible.

Suggested Next Steps:

- Review regional and national infrastructure plans and policies to identify how they can support growth in the LAI and to ensure that they provide for long term requirements.
- Ensure timely provision of infrastructure at priority employment sites such as LUSEP, Uniper, East Midlands Airport and the rail freight interchange.
- Identify the fundamental USP for the LAI to be based around – and how this is best reflected in ‘place marketing’, such as at MiPIM and within Midlands-wide promotions.
- Assist in developing longer-term planning of infrastructure improvements to meet the future demand required due to electric vehicles, including training next generation engineers.

Foundation Four: Business Environment

Key Themes from Discussions:

- Availability of resource (both skills & staff) is a key issue, due to businesses finding it hard to identify where to recruit people from and so preferring to retain staff than replace them.
- The skills gap has increased over the past 18 months, particularly digital skills.
- The new working environment has seen company values and work culture become of greater importance to prospective applicants, with more emphasis placed on work-life balance.
- Small businesses are currently experiencing difficulty in continuing the leadership of the company, as people appear to increasingly prefer an improved work-life balance over senior leadership positions.

Suggested Next Steps:

- Support organisations as they transition to innovative cultures and working styles.
- Encourage collaboration between organisations to use specialisms to help develop clusters in specific areas or technologies that can drive higher productivity.
- Support collaboration between education providers and organisations to ensure that required skills sets are available and support the ecosystem.

Foundation Five: Place

Key Themes from Discussions:

- The LAI is currently seen as a good place to commute from (and so is a good place to live), but it lacks the job opportunities & businesses to keep people in the area.
- Leadership on investment bids for communities within the LAI from a public sector perspective is needed.
- The town of Loughborough hasn't caught up with the University in terms of quality & culture. It struggles to receive the investment partly due to the success of the University. There is a need for greater imagination and future vision for funding bids to improve this.
- The LAI currently needs to improve the physical and soft infrastructure to help attract individuals and organisations.

Suggested Next Steps:

- Identifying ways for the healthy lifestyle, sport & STEM activities at the centre of Loughborough University culture to spread to Loughborough town & other areas in the LAI.
 - An identity for the LAI needs to be built around these themes.
 - Positive promotion of the local area to attract leading individuals & organisations into the LAI (similar to Birmingham & Manchester).
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