

Local Industrial Strategy Executive Summary

Draft

the UK's clean growth region



A globally recognised, technology-driven, creative and inclusive economy which is leading the transition to a post-carbon economy through sustainable food production and sustainable energy generation.

*Cover photos:
Turbines off the All Energy Coast,
researchers at Quadram Institute and
crops at the Norwich Research Park*



Foreword

Building on centuries of innovation, Norfolk and Suffolk is pioneering the technologies and science needed to power, feed and connect a growing national and global population for a cleaner and more sustainable future.

It is the epicentre of the world's largest market for offshore wind energy with expertise in all forms of energy generation. Planned investment will make it the leading supplier of renewable energy to the UK, providing power for more than 58 per cent of UK homes.

It is home to BT's global research and development headquarters at Adastral Park, Ipswich – the UK's leading patent filer for artificial intelligence technologies, where global standards and coding for the internet were pioneered and the single-mode optical fibre was realised.

Norfolk and Suffolk is at the cutting edge of digital innovation, with a globally competitive communications technology and digital creative sector anchored by nationally recognised tech clusters centred on Ipswich and Norwich's fast-growing digital creative hubs.

With specialisms in telecoms, cyber security, quantum technology, artificial intelligence, Internet of Things, user experience design, marine and microbiome research, the area has some of the highest concentrations of knowledge-intensive jobs in the UK.

Home to the largest agri-food sector in the UK, the area boasts world-leading research into plant and soil technology, agricultural systems and health. Norfolk and Suffolk continues to push the boundaries of food and health science, from agriculture pioneers such as Coke of Norfolk and Turnip Townshend to scientists at the John Innes Centre leading the global search to develop new antibiotics discoveries.

There are few places which are so uniquely equipped to make telling contributions to the major challenges facing the world in the 21st century – food and energy security, healthy ageing and living with environmental change in a world where technology is advancing rapidly.

This Local Industrial Strategy has been adopted by local partners. It has been submitted to Government and is awaiting their approval.

*Below: Dudgeon
Offshore Wind Farm*



There are few places which are so uniquely equipped to make telling contributions to the major challenges facing the world in the 21st century

As global, national and local economies adapt to climate change and the transition to a zero-carbon economy, Norfolk and Suffolk is taking action to bring together expertise and emerging technologies across different disciplines and sector boundaries to provide new solutions and clean growth opportunities.

With an economy worth £36bn, Norfolk and Suffolk makes a significant contribution to UK plc and investment here delivers growth. The area strives to be a place with a productive, highly skilled workforce; a place where high-growth businesses aspire to be.

This Local Industrial Strategy is based on strong evidence and sets out the actions local partners are taking and how they are working with government to continue to make this one of the best places in the world to live, work, learn and succeed in business.

The main urban centres of Ipswich and Norwich are dynamic, fast-growing centres with a rich cultural offer and are core to future economy growth. Norfolk and Suffolk market towns are also important and are a significant anchor points for businesses and individuals.

Record numbers of people are engaged in the economy, with 81 per cent of the working age population in Norfolk and Suffolk active, and employment levels exceeding the national average. Skills levels and wages, however, are lower but that gap is closing. Initiatives across Norfolk and Suffolk are improving opportunities for those furthest from the labour market.

Norfolk and Suffolk is strongly connected with the rest of the world. Felixstowe is the UK's largest container port and handles about 42 per cent of its container trade. Norwich Airport, via Schiphol, connects people to over 400 global destinations while other airports like London Stansted are within close reach. The area benefits from important links to London and Cambridge, boasting the UK's most modern fleet of railway rolling stock.

This Local Industrial Strategy reflects the opportunities and needs of Norfolk and Suffolk's growing economy and how it will respond in a fast-changing world. Local partners have put in place a strong partnership that has a track record of delivery. This Local Industrial Strategy shows how Norfolk and Suffolk is going to continue to collaborate across disciplines and boundaries to provide new solutions and the infrastructure that its communities and businesses need.

Norfolk and Suffolk is taking action to bring together expertise and emerging technologies across different disciplines and sector boundaries to provide new solutions and clean growth opportunities.







Executive summary

Norfolk and Suffolk – the UK’s clean growth region.

A globally recognised, technology-driven, creative and inclusive economy which is leading the transition to a post-carbon economy through sustainable food production and sustainable energy generation.

With an economy worth £36bn¹, Norfolk and Suffolk makes a significant contribution to UK plc, with globally competitive clusters and growing specialisms from agri-food and clean energy to information and communications technology and digital creative.

Clean growth sits at the heart of this Local Industrial Strategy. Norfolk and Suffolk is at the forefront of tackling the challenges and opportunities of climate change. The area's major strengths in energy generation and usage, and high-tech sustainable agri-food, present major opportunities.

The cross-sector opportunities are particularly exciting, delivering solutions such as energy self-sufficiency in farming, or using older gas platforms for sustainable energy generation, for example, to make a major contribution to the UK's transition to a post-carbon economy.

The Norfolk and Suffolk economy has clear and well-defined potential for growth alongside these major opportunities. This Local Industrial Strategy sets out a series of coherent and specific actions that will drive productivity and growth across the economy as a whole, so that all businesses and communities benefit from sustainable and inclusive growth with clean energy, improved wages and better-quality jobs, innovative transport solutions and support for the ageing population.

The scale of the productivity prize is significant. If Norfolk and Suffolk was operating at the same productivity rate as the UK average, it would contribute an additional £4bn gross value per annum.

As global, national and local economies adapt to climate change and the transition to a zero-carbon economy, Norfolk and Suffolk is taking action to bring together expertise and emerging technologies across different disciplines and sector boundaries to provide new solutions and clean growth opportunities.

This Local Industrial Strategy sets out a series of coherent and specific actions that will drive productivity and growth across the economy as a whole.

Left: Turbines off the All Energy Coast

¹ Norfolk and Suffolk Local Industrial Strategy evidence base – contains all data in this document unless otherwise stated.



Clean Energy: Powering the world

Norfolk and Suffolk is well placed to be a global exemplar for clean, low carbon energy production, exporting services and skills globally, whilst increasing the availability of affordable sustainable energy for local communities and businesses.

Norfolk and Suffolk has expertise in all forms of energy generation and sits at the heart of the world's largest market for offshore wind energy. Planned investment in renewable and nuclear power generation will make it the leading supplier of renewable energy to the UK, providing power for 58 per cent of the UK's homes.

As well as a key role in the production of energy, Norfolk and Suffolk is also playing a leading role in the transition to a zero-carbon economy. Working with the Greater South East Energy Hub to deliver local projects at scale that benefit communities, private investors and businesses operating in the low carbon sector is a priority. Transforming the local energy system and new innovations in wider energy resource use will drive productivity gains across all businesses.

This strategy sets out a range of actions that local partners will take to maximise the clean energy opportunity including:

- Developing an ambitious research and innovation programme that will build on existing clean energy research strengths across the regional universities, Cefas and ORE Catapult, working closely with industry to deliver increased innovation and productivity, new research collaborations and cross-sector translational projects.
- Enhancing the capacity and capability of Norfolk and Suffolk's ports with a series of ambitious projects to attract and capture investment in operations and maintenance, manufacturing and construction to serve the offshore energy market.

- Expanding OrbisEnergy's scope from offshore renewables to 'clean energy', delivering an ambitious innovation and growth programme focussing on supply chain development, new technology solutions, investment in skills and talent, attracting investment, increasing global exports and supporting collaboration across industry to develop a shared all-energy workforce.

Planned investment in renewable and nuclear power generation will make it the leading supplier of renewable energy to the UK, providing power for 58 per cent of the UK's homes.



Agri-food: Feeding the world



Above: Scientists at Quadram Institute

Norfolk and Suffolk has the innovation and expertise to develop, pioneer and apply new approaches to sustainable agriculture, utilising clean energy and innovative water management, and increase value-added processing and exports through the application of new technologies and systems.

Norfolk and Suffolk has the largest agri-food sector in the UK, and world-leading research into plant and soil technology and agricultural systems. Agriculture is changing fast. Opportunities such as automation are transforming agriculture, streamlining crop and livestock production, and informing crop and soil modelling. At the same time, soil degradation, biodiversity loss and climate change alongside a growing global population are driving new challenges and consumer behaviours.

Norfolk and Suffolk is home to an advanced and nationally significant food and drink sector, with globally renowned companies. There are many more quality processing businesses with potential to grow in domestic and international markets.

There is a substantial opportunity to add value to the economy with an increase in processing and high-tech production methods, automation, enhanced use of information technology and other innovations.

This strategy sets out a range of actions that will be taken forward to maximise the clean agri-food opportunity including:

- Invest in a Food Innovation Hub based at the Honingham Food Enterprise Zone to deliver business growth through innovation, productivity, processing, exports and supporting new start-ups.
- Collaborate with partners including Lincolnshire, Cambridgeshire and Peterborough leveraging the existing strengths of Agri-Tech East to realise the collective power as the UK centre for high-tech, precision agriculture and food production.
- Develop a world-leading hub for plant and microbial research at the John Innes Centre.

→ ICT and Digital Creative: Connecting the world

Right: The new STEM Innovation Campus at West Suffolk College will train the next generation of engineers, innovators and manufacturers



Above: Norwich is a hub for digital creative businesses

This strategy will grow and secure the information and communications technology and digital creative clusters at Adastral Park and Norwich as national assets. It will build the integrated networks that businesses need including the UK's first advanced high-speed optical wireless network.

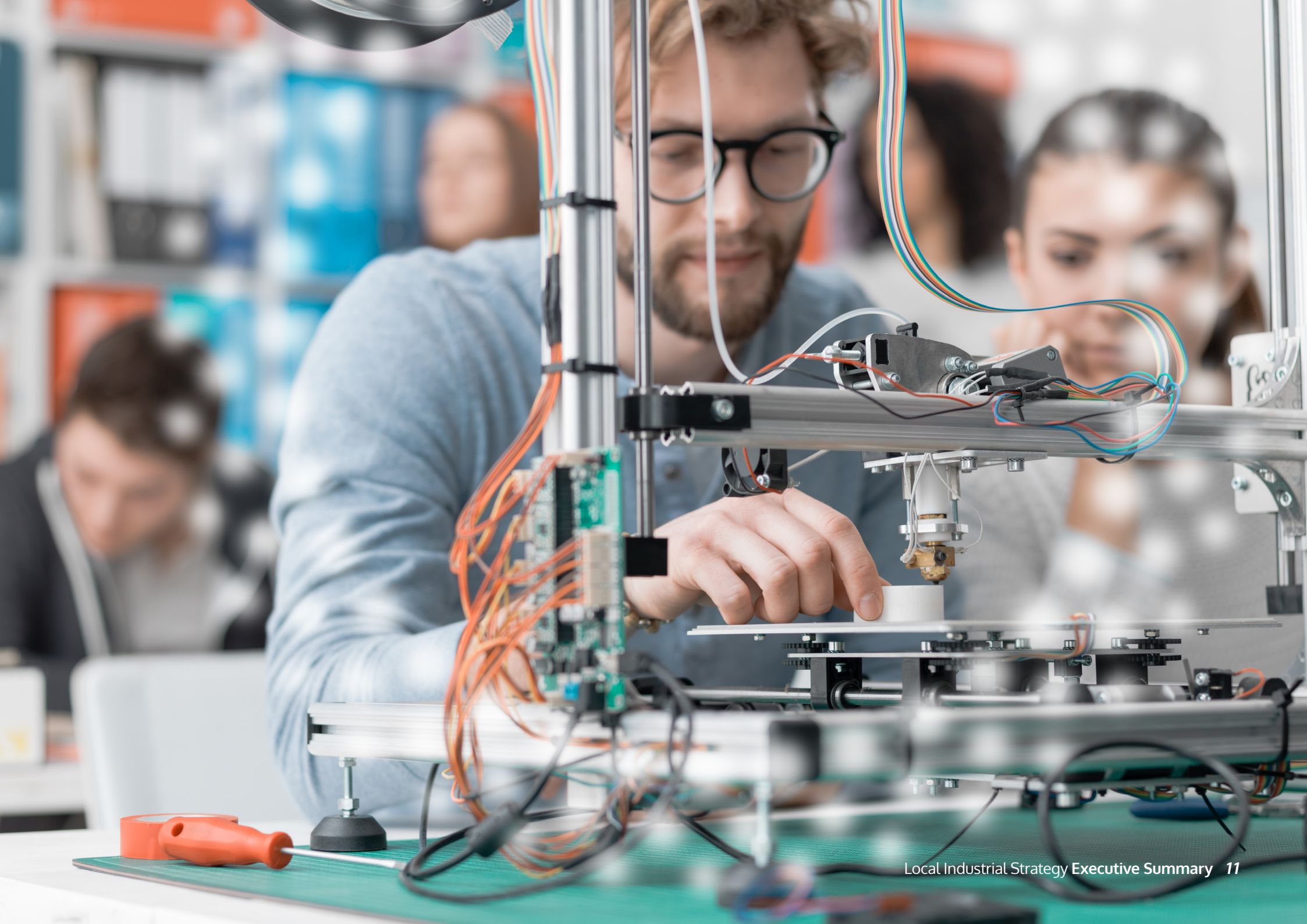
Norfolk and Suffolk's ICT and digital creative opportunity is both fast-growing and high-value. It is at the cutting edge of digital innovation, with distinctive strengths in telecoms, cyber security, quantum technology, artificial intelligence, Internet of Things and user experience design.

It is also imperative in supporting productivity growth and technology-driven innovation across all local sectors, for example through agri-tech and the application of advanced intelligent information technology supporting the low carbon energy transition. It is anchored by nationally recognised tech clusters centred on Norwich's fast-growing digital creative hub, and at Adastral Park near Ipswich.

This strategy sets out a range of actions that will be taken forward to maximise the ICT and digital creative opportunity including:

- Deliver the Adastral Park 2025 vision to take the site to a new level as a major national strategic asset and growth engine for the UK.
- Create a new digital hub in Norwich for the incubation of start-ups and accommodation of scale-up businesses in the digital and creative cluster.
- Develop the economic case for a Smart Emerging Technology Institute (SETI) and testbed – a unique advanced high-speed optical and wireless network (including 5G) which interlinks Internet of Things testbeds to support large-scale experiments and data transfer.

Adastral Park has been identified by Government as one of the UK's High Potential Opportunities for investment.





The foundations of productivity

This Local Industrial Strategy also recognises the strengths and the importance of a number of underpinning sectors in the Norfolk and Suffolk economy – financial services, culture and the visitor economy, ports and logistics, advanced manufacturing and construction. Tackling the productivity challenges in these sectors is a key part of the Local Industrial Strategy.



Ideas: Norfolk and Suffolk has strong innovation assets, but innovation is concentrated in a small number of innovative firms, and world-class research assets, including Norwich Research Park and Adastral Park near Ipswich. There is a long tail of non-innovative businesses.

Together local partners will widen the cross section of businesses innovating and investing by providing the right support and access to the finance needed to increase productivity through innovation, particularly focusing on clean growth and the networks needed. Collaboration, learning and partnership between science, research and business, across different sectors and disciplines, will be strengthened by:

- Introducing a new integrated offer and programme of activity that will stimulate collaboration and innovation. This will include an innovation research and development fund, innovation ambassadors and an innovative projects revenue fund.
- Developing next-generation innovation infrastructure, including an exemplar assisted living community for an ageing society, and exploring the possibility of the Port of Felixstowe becoming an exemplar for blue tech.
- Creating partnerships with other parts of the UK to scope out shared and complementary capabilities to drive forward new innovations and access to new markets.



People: Norfolk and Suffolk has a diverse and growing population. Employment levels are higher than the UK average. The area is a desirable place to live, quality of life is constantly ahead of the national trend with a consistent net inflow of people of all ages, including families and skilled professionals.

Skills levels are increasing in Norfolk and Suffolk faster than in the UK as a whole. But there is more to be done, particularly in digital skills needed by businesses of all sectors.

Local partners will continue to work together to grow an inclusive economy with a highly skilled workforce where skills and employment provision meets business need and the aspirations of individuals by:

- Closing the skills and labour gaps, especially in digital and technical skills, and continuing to build skills across the strategic opportunity areas by delivering sector skills plans, supporting opportunity areas in Ipswich and Norwich and delivering the youth pledge.
- Providing a range of opportunities that enable all residents to upskill throughout their lives, including developing a digital skills programme and working with industries to scale up existing initiatives.
- Improving aspirations and continuing to develop employability and work readiness amongst young people, including developing an apprenticeship levy transfer scheme and enhancing the New Anglia Enterprise Advisor Network and Careers Hub.



Infrastructure: Boosting infrastructure enables success. Places and communities are interconnected, depend on transport links and draw on many of the same labour markets and supply chains. Local partners will work to increase local investment in energy and water efficiency, storage and management infrastructure, alongside existing transport, housing and digital services that will enable all residents to take advantage of economic opportunities by:

- Delivering an integrated approach to infrastructure and inter-regional connectivity to maximise clean growth impacts locally and for UK plc.
- Delivering the right mix of sustainable, energy efficient, intelligent homes, commercial space and communities that are fit for the future.
- Developing exemplar low carbon energy generation, networks and storage which benefit local businesses and communities.



Business Environment: Norfolk and Suffolk has a strong business environment and is a great place to build and grow a business, with stable and resilient firms, strong levels of business support and good business survival rates. The area is home to internationally facing businesses which export £2.9bn of goods and £2.4bn of services. However, there is an

opportunity to encourage a wider cross-section of businesses to engage in exporting, with current levels of exports lower than comparator areas. There is an extensive network of business advice services across Norfolk and Suffolk, centred around the New Anglia Growth Hub, the single point of access for all business support.

Local partners will increase the number of businesses growing and scaling up, and the number of new businesses with high growth potential; and raise sustainability, productivity and wages amongst the wider business base. Businesses will be supported in their efforts to expand market access and attract inward investment by:

- Providing industry leadership that drives actions and takes advantage of the opportunities that exist within and across clean energy, agri-food and ICT and digital creative through establishing industry councils.
- Sharpening the high-quality business support offer to ensure it meets the changing needs of businesses adapting to new ways of working and new technology, including an integrated inward investment and business location offer, expanding Invest East, a free 'investor-led' programme and delivering supply chain programmes.



Norfolk and Suffolk is an outstanding place to live and do business



Places: Norfolk and Suffolk is an outstanding place to live and do business. 140 miles of coastline, three Areas of Outstanding Natural Beauty and a diversity of landscapes, internationally important wildlife reserves and historic sites. The main urban centres of Ipswich and Norwich are dynamic, fast-growing centres with a rich cultural offer and are core to future economy growth.

Norfolk and Suffolk will build on the place-focused approach to improving access to skills and employment agreed in its Economic Strategy, recognising the different requirements of its towns and urban, coastal and rural areas, connecting pockets of deprivation which exist alongside the largest future opportunities. Local partners' actions will include:

- Communicating a clear, ambitious offer to the world central to attracting the people, investors and businesses of the future.
- Accelerating investment on the Enterprise Zones to help drive economic growth.
- Developing a shared investment prospectus with Arts Council and National Lottery Heritage, ensuring that cultural infrastructure is maintained and developed, including specific new development in market towns and places where there is significant new housing.

→ Making it happen



Norfolk and Suffolk partners know that the economy is most successful when they work together for the benefit of the people who live, learn and work here.

This strategy looks to 2036, is based on a robust evidence base and has been developed by a strong local partnership of businesses, local authorities, universities and colleges and the

voluntary, community and social enterprise sectors. It builds on the priorities and targets set by local partners in the Norfolk and Suffolk Economic Strategy, the local blueprint for inclusive growth and productivity gains, with an overall goal to transform the economy into one of the best places in the world to live, learn, work and succeed in business.

A number of tools and systems have been put in place to support delivery:

- Shared evidence base
- Delivery and investment plans
- A common investment prioritisation framework
- A shared inclusive growth toolkit
- An annual stock-take of progress
- An evaluation programme.

Left: Norwich Research Park is home to 3,000 researchers

Technology and Economic Change

Global Change

Demographic and Climate Change

National Industrial Strategy

Strategic Drivers

*Norfolk and Suffolk Economic Strategy
'a strategy for growth and opportunity'*

Clean Growth: The UK's clean growth region

At the forefront of tackling the challenges and opportunities of climate change. Strengths in energy generation and usage, and high-tech, sustainable agri-food present major opportunities, in particular the cross-sector opportunities which will have a major contribution to the UK's transition to a post-carbon economy.



Clean energy powering the world

The epicentre of the world's largest market for offshore wind energy. The only place in the UK where all forms of energy generation exist together.



Agri-food feeding the world

Advanced and nationally significant agri-food and drink sector, with globally renowned companies. World-leading research base, at the forefront of global food and health research.



ICT and Creative Digital connecting the world

Global centre of research and development and innovation in communications technology. Fast growing digital creative hub, with an international reputation for producing graduates who excel.

Underpinning Sectors *Financial services, culture, the visitor economy, ports and logistics, advanced manufacturing and construction*



Ideas: Improving collaboration across businesses and sectors,

driving up levels of business innovation, whilst increasing the adoption and diffusion of new technologies.



People: Continue to grow an inclusive economy with a highly skilled

workforce where skills and employment provision meet business need and the aspirations of individuals.



Infrastructure:

Deliver integrated infrastructure to enable productivity

gains and clean growth and to create places that people want to live and work.



Business Environment:

Creating more high growth businesses,

increasing entrepreneurship and helping businesses take the decisions they need to be agile, productive and responsive.



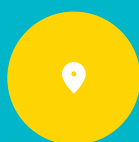
Place: Transforming the Norfolk and Suffolk economy into one of the

best places in the world to live, learn, work and succeed in business.

Economic profile at a glance



A large, diverse economy, but with productivity challenges



Micro (0 to 9 employees)

88.4 % businesses | 30.0 % employment | 19.3 % turnover



Small (10 to 49 employees)

9.7 % businesses | 13.5 % employment | 13.3 % turnover



Medium (50 to 249 employees)

1.6 % businesses | 10.6 % employment | 13.0 % turnover



Large (250+ employees)

0.4 % businesses | 45.8 % employment | 54.4 % turnover

62,750

independent enterprises

46.8%

survival rate of start-ups

£35.8bn

contributions to the UK plc

0.7%

average annual productivity improvement

2nd

fastest growing area for high-growth firms



Opportunity for businesses to innovate and export



£2.9bn of goods exported



£2.4bn of services exported



50% growth in Science and R&D employment since 2007

compared with 19% UK average



A growing population



31.6%
rate of net
migration of
16-50-year-olds
compared to -14% UK average



3.6%
growth of
residents
*compared to 3.7%
nationally*



23.5%
of residents
aged **65
and over**
compared to 18.2% in the UK



9,000
positive net
migration
trend of
residents
per annum

Inclusive growth

The inclusive growth gap is closing. A faster rate than national average and all comparator areas.



2.8%
growth in
NVQ3+ levels



Housing affordability is
x8.7
times higher than
earnings *compared to UK 7.8*



Norfolk and
Suffolk lags
behind the
share of pupils
achieving a 9-5
pass in English
and Maths
compared to



76.8%
employment rate of
population aged 16-64
in work *compared to 75% across the UK*



40% in 2017/18
43.9% East of
England
43.5% in the UK



£487.50 per week
average full-time earnings
compared to £537.50 UK average



7%
apprenticeship uptake
compared to 6% national average



Connectivity and Commuting

Felixstowe is the UK's largest container port



42%
of the UK's
container
trade

29m
tonnes of
imports and
exports

70%
of containers
delivered to
'Golden Triangle'

330
rail
movements
per week



92%
of Norfolk
properties

94%
of Suffolk
properties

**have access to
superfast broadband**



Over **400**
destinations connect
to Norwich, Stansted
& Schiphol airports



90 minutes
by rail to Norwich
from London



60 minutes
by rail to Ipswich
from London



Housing and commercial property



Median property
prices 2017

£218,000
Norfolk

£228,000
UK

£236,000
Suffolk



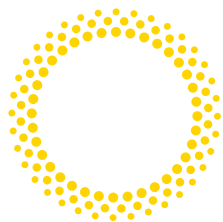
£80/m²
average commercial
property price
compared to £105/m² average in England



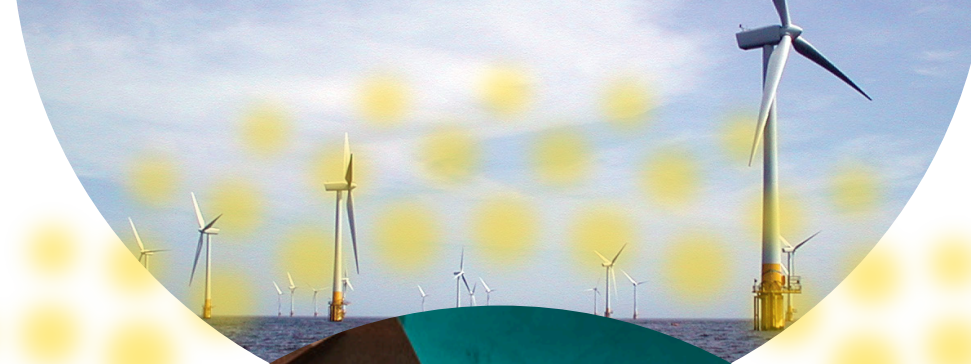
58%
of homes in Norfolk and
Suffolk will be powered
by energy generated in
the region by 2030



Felixstowe Port



Norfolk
& Suffolk
Unlimited



Tel: 01603 510070
Email: info@newanglia.co.uk
newanglia.co.uk

NEWANGLIA

Local Enterprise Partnership
for Norfolk and Suffolk

Published January 2020