

Leicester and Leicestershire Local Industrial Strategy Prospectus

Helping to build a Britain for the future
July 2018



Exciting Growth Opportunities

These targeted and tailored interventions will increase the productivity, earning power and reach of our priority growth sectors and support our urban, rural and wider regional economy.

Space Technologies

- Develop 20,000m² of new R&D and manufacturing workspace for the space industry.
- Create a space technology cluster and support development of a low cost satellite manufacturing facility.
- Assemble land and deliver infrastructure required for the next phase of Space Park Leicester.

Life Sciences - Health and Medical Technologies

- Develop the Life Sciences Opportunities Zone (LSOZ) at Charnwood Campus to support growth of this existing successful cluster by:
 - Creating an agile business hub
 - Delivering a targeted skills academy
 - Establishing a shared diagnostics and NHS data centre
- Develop a new sports rehabilitation centre at Loughborough University linked to the Defence and National Rehabilitation Centre.
- Develop a Sports Innovation Hub at Loughborough University.
- Develop the fourth wing on SportPark to host additional national bodies to make SportPark the most important sporting hub in the UK.
- Expand on the work of De Montfort University's Digital Health and Care Unit to deploy market-ready digital technology.

Advanced Manufacturing and Engineering

- Develop an East Midlands Manufacturing Zone pilot to reduce planning restrictions and stimulate investment within the sector linked to an International Free Trade Zone.
- Accelerate the development of the MIRA Technology Park by delivering site infrastructure and commercial floorspace.
- Create a leading advanced manufacturing cluster at the Loughborough University Science and Enterprise Park (LUSEP) Enterprise Zone by delivering site infrastructure and commercial floorspace.
- Develop a Global Sports Manufacturing and Business Hub at LUSEP.
- Create a Food Enterprise and Technology Centre and Food Park in Melton Mowbray.

Advanced Logistics

- Develop a Logistics Institute of Technology led by North Warwickshire and South Leicestershire College to supply the technical skills required to improve productivity within the sector.
- Develop a low carbon pilot to support the sector to develop and adopt new technologies to deliver clean growth.
- Develop and support the global cargo capability and potential Free Trade Zone at East Midlands Airport.

Textiles - Design and Manufacturing

- Deliver a fashion and textiles Skills and Technology Hub to upskill the workforce and introduce and test new technologies.
- Establish a productivity investment fund to unlock business premises and enable the sector to invest in new technology and innovation to enhance productivity.
- Host a Compliance Task Force Pilot and work with national enforcement bodies to develop an ethical supply chain to build retailer confidence in UK sourcing.
- Develop De Montfort University's 'Impact by Design' initiative to support growth of SMEs by providing responsive and holistic support for design innovation.

Enabling Sector Growth

- Support the delivery of the road and rail improvements in the Midlands Connect Strategy.
- Support the delivery of the Strategic Growth Plan by delivering 96,500 homes from 2011-31, 90,500 homes from 2031-50 (187,000 homes in total from 2011-50).
- Regenerate key strategic sites to deliver ½ million sq. ft. of office space within Leicester city centre together with associated cultural and visitor economy growth.
- Develop next generation digital connectivity to enable maximum coverage of full fibre and ultrafast broadband in preparation for future 5G pilots.
- Capital investment in our Further Education infrastructure to ensure it is fit for the challenge to meet future skills needs.
- Invest in towns for the future making them attractive to investors, talent looking to relocate here and visitors to the area.
- Develop high quality incubator and grow-on space adjacent to town centres providing spaces for our SMEs to grow and innovate.
- Support our networks of rural businesses to underpin our heritage and wider economy through tourism, art and culture and local food and drink production.



Leicester & Leicestershire

This Prospectus outlines our priorities to grow our economy and deliver the ambitions of the Industrial Strategy and the Midlands Engine Vision for Growth. A Local Industrial Strategy for Leicester and Leicestershire provides a unique opportunity to transform our economy, deliver inclusive growth and increase the earning power of our residents.

Leicester and Leicestershire is a place of teamwork and winning against the odds. It's a place of spirit and determination and doing, rather than just being. We have a radical past and our eyes are firmly on the future. Our place has made life-changing discoveries such as DNA, delivered top-flight sports performance and we are leaders in social change and mobility.

This is a place where a king's body was lost and then found over half a millennium later - a story of discovery and 21st-century science, innovation and technology which is at the heart of our strategy. It's a place of handsome red brick, of makers and markets, of crisps and curries, of stilton, red Leicester, and fine pork pies. This is the place at England's crossroads, a Midlands melting pot of people and ideas.

Our place generates nearly £23.5 billion GVA per annum and we are home to 42,400 businesses providing 485,000 jobs for our people. Our ambition is to be the most productive economy in the Midlands by 2030 contributing at least £30 billion each year to the UK economy. We have one of the youngest and fastest growing populations in the country and our ambition is to build 187,000 new homes by 2050.

We are one of the most self-contained economies in the country with our city right at the heart of our county. We could not be more centrally located with road, rail and air links with the rest of the UK and the world. We are connected globally by language with one of the most diverse communities in the country linking us to places across the world. Our strong cultural, educational and trade links with India and China are second to none and we will use these relationships to boost trade and investment.

Our three universities supply over 17,000 talented graduates with international connections every year and are constantly generating exciting new ideas and technologies. Combined, these competitive advantages provide us with the ability to create, make and distribute innovative new products and services around the world.

Our strategy plays to our strengths. We will focus on high productivity sectors to generate fast growth and address the 'long tail' of productivity by supporting industries and businesses to make them more productive. We will develop new futures for traditional sectors such as textiles and logistics and lead in new industries such as life sciences, space technologies, engineering and advanced manufacturing. We will also use our education, technology and innovation strengths in life sciences, health and sport to ensure we and our nation has a healthier workforce and population.

East Midlands Airport is the UK's busiest 'pure' cargo airport handling over 360,000 tonnes each year and is the UK hub for DHL and UPS.

Leicester City winning football's Premier League title was identical to the odds on Elvis Presley being found alive: 5,000-1 against.

Professor Jeffreys invented the revolutionary technique of DNA fingerprinting in Leicester in 1984 which was used to identify the remains of King Richard III.

Horiba MIRA has one the largest automotive proving grounds in the world and is leading the development of autonomous vehicles technology.

Diwali celebrations in Leicester are world renowned, and in fact are known as the biggest outside of India.

Leicester has had instrumentation in space every year since 1967 and by 2024 instrumentation will have been to Mercury, Mars and Jupiter.

12 of Team GB's 67 Rio 2016 medals were won by Loughborough athletes.



Leicester & Leicestershire: The Place



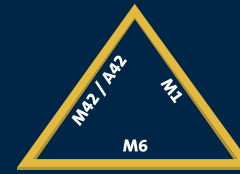
Contributing
£23.4 bn
per annum in GVA to the
national economy.



GVA growth of over
£4 bn
in the last four years.



42,400
businesses employing
485,000
people.



Located at the
centre of a logistics
golden triangle.



22 million
people accessible within a
three hour drive.



An hour by rail to
London and direct
rail links also
to Birmingham,
Nottingham and
Sheffield.



The UK's
sixth
fastest growing city
in 2015-16.



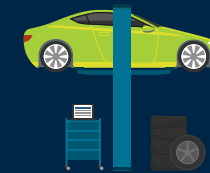
A young, dynamic
and multicultural
city with global
connections.



A strong retail,
tourism and
cultural offer.



Two Enterprise Zones
covering four sites,
each with distinct
sector specialisms.



The UK's only
automotive
focused EZ at MIRA
Technology Park.



The UK's only
Life Sciences
Opportunities Zone at
Charnwood Campus.



Historic market towns
contributing over
£1 billion
to the urban and
rural economy.



Food enterprise zones
reinforcing the protected
designation of two world
famous food brands - Melton
Mowbray pork pies and
Stilton cheese.



Three universities undertaking world-
class research & supplying over
17,000
graduates each year with
international connections.



Internationally
renowned for sporting
**excellence
& success.**



25
national sporting bodies
located at the SportPark
in Loughborough.



Loughborough University
home to the National
Centre for Sport & Exercise
Medicine National Institute
for Health Research



A high performing
Further Education
sector providing a
strong vocational
offer.



Innovative high-
profile businesses
such as Horiba
MIRA, Triumph and
PepsiCo.



East Midlands Airport the
UK's No.1
pure freight airport.



Proposed to connect
to HS2 at the new
East Midlands station
at Toton.

Space Technologies

We will develop a world-leading cluster of space technology businesses across the LLEP area including a hub for space industries in Leicester, translating space research and earth observation data into new commercial applications, services and businesses that will contribute to the AI and Data Economy Grand Challenge.

Co-located with the National Space Centre which also hosts the National Space Academy Programme, Space Park Leicester is a joint initiative led by Leicester City Council and the University of Leicester. The first phase to develop a new University Space Campus and associated business workspace will begin in the summer of 2018 and local partners have already invested £23 million in the project which is located on one of our Enterprise Zone sites. The further development of Space Park Leicester will support a priority sector for the UK and unlock a major economic growth opportunity, creating high quality jobs, attracting new businesses and investors, and addressing the global skills needs of the sector.

Profile

- Contributing £186 million per annum in GVA
- Employing up to 3,000 people
- 95 businesses
- Home of the National Space Centre
- Space Park Leicester Phase One completed by 2020
- Potential to develop low cost access to space infrastructure
- Link to the AI and Data Economy Grand Challenge

Life Sciences – Health and Medical Technologies

We will build on the nationally significant cluster of life science businesses in the health and medical technology sub-sectors in Loughborough to add to the strength of the sector in the Midlands and contribute to addressing the AI and Data and Ageing Society Grand Challenges. We benefit from world-leading academic and clinical expertise, with a world renowned Biomedical Research Centre focused on lifestyle diseases and deep expertise in exercise science.

We are home to the National Centre for Sport and Exercise Medicine and National Institute for Health Research. We also have the largest single NHS trust holding data across a large and stable ethnically diverse population. We will apply our education, innovation and technology strengths in the sector to deliver workplace health and wellbeing to support a healthier workforce and population. We will also expand on the work by De Montfort University to support the ageing population to remain in their own homes with the help of digital technology.

The Charnwood Campus in Loughborough is the UK's only designated Life Sciences Opportunities Zone. The site presents us with a unique opportunity to grow life sciences, health and medical technology businesses on this Enterprise Zone site to support the growth of the existing cluster in the our wider area.

Profile

- Contributing £150 million per annum in GVA
- Employing over 3,500 people
- 130 businesses
- The UK's only designated Life Sciences Opportunities Zone at Charnwood Campus
- National Sports Medicine Institute at Loughborough University
- Links to the AI and Data and Ageing Society Grand Challenges

Growth Opportunities

- Develop 20,000m² of new R&D and manufacturing workspace for the space industry
- Create a space technology cluster and support development of a low cost satellite manufacturing facility
- Assemble land and deliver infrastructure required for the next phase of Space Park Leicester

"The future of Space Engineering is changing towards low cost satellite constellations and capturing a substantial share of this new market supports the UK's ambition of £40 billion in sales by 2030. We have supported the University of Leicester in the outline design of a low cost satellite manufacturing facility at Space Park Leicester. This is an important element in the UK's national infrastructure, supporting the UK's upstream sector growth ambitions."

Ben Olivier, CEO
Thales Alenia Space UK

"I'm immensely proud to have grown Morningside from a garage start-up into a top 100 Leicestershire company with revenue of over £65 million. The local academic support and the support infrastructure have aided our growth. We have a unique opportunity to build a world-leading life sciences cluster here, that will not only drive productivity and exports, but also support a healthier workforce and reduce pressures on the NHS."

Dr Nik Kotecha OBE, CEO
Morningside Pharmaceuticals

"We are proud to be an integral part of the Life Science Opportunity Zone and continue to experience the benefits of being located within the surrounding life science community. We look forward with anticipation to continued growth and the mutual opportunities we all may avail of as more organisations choose to relocate or expand, on the Charnwood campus."

Alan Armstrong, CEO
Almac Group

Growth Opportunities

- Develop the Life Sciences Opportunities Zone at Charnwood Campus to support growth of this existing successful cluster by:
 - Creating an agile business hub
 - Delivering a targeted skills academy
 - Establishing a shared diagnostics and NHS data centre
- Develop a new rehabilitation centre at Loughborough University linked to the Defence and National Rehabilitation Centre
- Develop a Sports Innovation hub at Loughborough University
- Develop the fourth wing on SportPark to host additional national bodies to make SportPark the most important sporting hub in the UK
- Expand on the work of De Montfort University's Digital Health and Care Unit to deploy market-ready digital technology



Advanced Manufacturing & Engineering

We will develop our extensive manufacturing base to become highly productive and export-orientated that will contribute to addressing the Future of Mobility and Clean Growth Grand Challenges.

Leicester and Leicestershire has one of the strongest manufacturing sectors in the country and a history of production in textiles, footwear, food and drink, automotive and transport. This has resulted in a wealth of local manufacturing expertise, with extensive networks of small businesses that form supply chains for these industries. When combined with our logistic strengths, we have tremendous potential to increase our manufacturing exports in a post-Brexit economy.

Profile

- Contributing over £1.1 billion per annum in GVA
- Employing 22,600 people
- Over 1,800 businesses, with the majority of these being SMEs
- Home to the UK's only automotive focused Enterprise Zone at the MIRA Technology Park
- Links to the Future of Mobility and Clean Growth Grand Challenges

Growth Opportunities

- Develop an East Midlands Manufacturing Zone pilot to reduce planning restrictions and stimulate investment within the sector linked to an International Free Trade Zone
- Accelerate the development of the MIRA Technology Park
- Create a leading advanced manufacturing cluster at the Loughborough University Science and Enterprise Park Enterprise Zone (LUSEP)
- Develop a Global Sports Manufacturing and Business Hub at LUSEP
- Create a Food Enterprise Centre and Food Park in Melton Mowbray

Advanced Logistics

We will be a leading distributor of goods both nationally and internationally and lead the development of a highly efficient and technologically based logistics industry that will contribute to the Future of Mobility and Clean Growth Grand Challenges.

Our central location has made us the place of choice for national distribution centres such as Magna Park and the new SEGRO Logistics Park East Midlands Gateway. As retailing evolves from high street shopping to internet retail, we will continue to benefit from our locational advantage. The future will see an increasing significance placed on distribution sites that can offer road and rail interchange opportunities, particularly where rail provides a fast link for bulk freight to be brought to site.

Profile

- Contributing almost £1.7 billion per annum in GVA
- Employing 49,300 people
- Around 4,000 businesses
- Home to Magna Park, Europe's largest distribution centre
- New Strategic Rail Freight Interchange being constructed at the SEGRO Logistics Park East Midlands Gateway
- Developer plans are being prepared to develop a further Strategic Rail Freight Interchange linked to Hinckley
- The UK base for DHL, TNT and UPS as well as being a major air hub for Royal Mail
- Longlisted as a potential site for one of five Heathrow Expansion Logistics Hubs
- Links to the Future of Mobility and Clean Growth Grand Challenges

Growth Opportunities

- Develop a Logistics Institute of Technology led by North Warwickshire and South Leicestershire College to supply the technical skills required to improve productivity within the sector
- Develop a low carbon pilot to support the sector to develop and adopt new technologies to deliver clean growth
- Develop and support the global cargo capability and potential Free Trade Zone at East Midlands Airport

"Norton is a global brand and we are planning to invest in our plant and in local talent in Leicestershire. I believe this is the perfect location for us to expand and to help reinvigorate British manufacturing and grow exports."

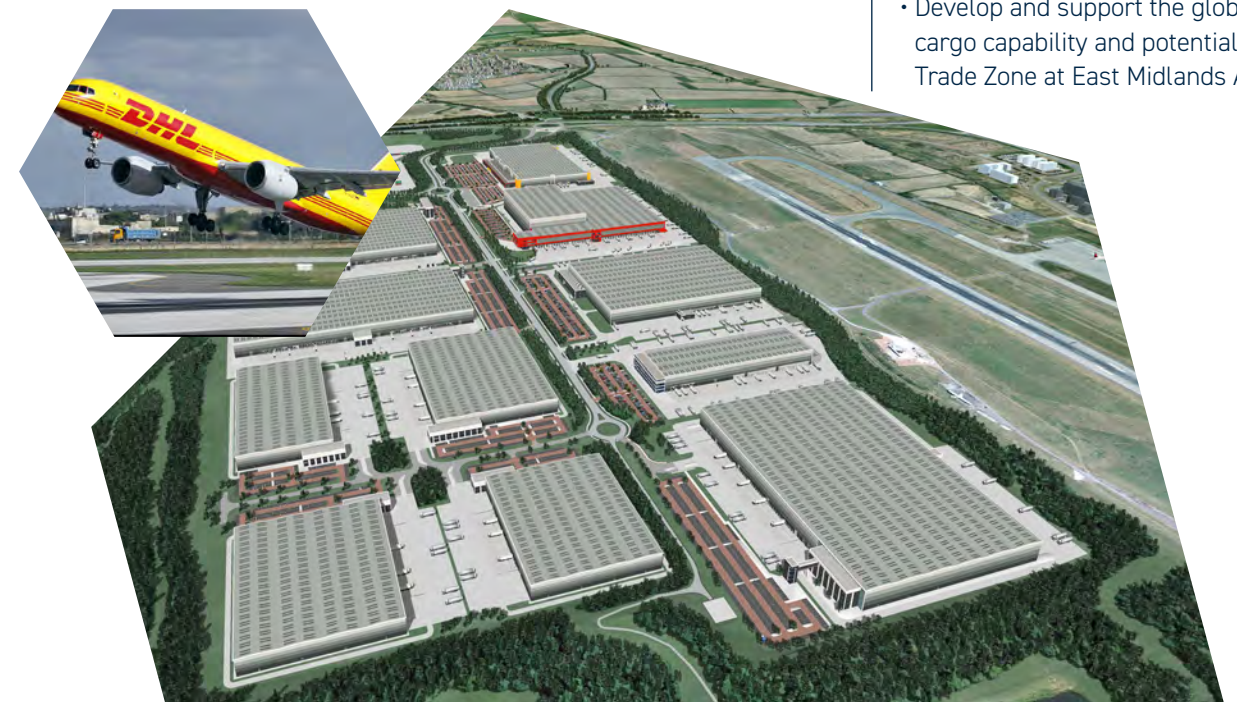
Stuart Garner, CEO
Norton Motorcycles

"The MIRA Technology Park offers industry-leading facilities, great access to automotive skills and a location in the epicentre of the UK automotive industry, with many companies choosing to locate their R&D operations with us. We continue to invest in world class, cutting edge R&D facilities such as our new Connected Autonomous Vehicle facility, which will enhance the UK's capabilities for the development of CAV technology and will make an important contribution to the Industrial Strategy's Future of Mobility Grand Challenge."

George Gillespie OBE, Executive Vice President
Horiba MIRA

"We are the largest express freight airport in the UK and our location at the heart of the country is a real strength and opportunity for the growth in advanced logistics. We need investment in strategic infrastructure, workforce skills and technology to ensure the sector can capitalise on this opportunity, deliver clean growth and continue to make a significant contribution to the region's productivity."

Karen Smart, Managing Director
East Midlands Airport



Textiles – Design and Manufacturing

We will deliver a renaissance in Leicester's fashion and textiles industry by investing in technology, innovation and skills so that we continue to attract reshoring of overseas manufacturing operations.

The UK fashion and textiles sector is seeing a significant upturn and has considerable potential within a post-Brexit economy. Many national fashion retailers are keen to bring production back to the UK and to source more locally, exploiting consumer demand for "fast fashion" and "made in the UK" branding. With our strong textiles heritage and extensive local expertise and supply chains, Leicester is uniquely placed to deliver on this opportunity.

Widely regarded by industry experts as one of the best in the world, the Contour Fashion department at De Montfort University (DMU) was established in 1947 to support the rise of innovative and technical local designers. DMU is leading a £4.68 million project over three years to address SMEs needs for a responsive and holistic support for design innovation. The 'Impact by Design' initiative will facilitate the successful development and commercialisation of new products, to enable improvements in UK economic productivity and growth.

Profile

- Contributing £612 million per annum in GVA
- Employing over 10,000 people
- Over 1,300 businesses
- The UK's second largest fashion textiles cluster
- A rich textiles heritage – Leicester clothes the world
- A 122% growth in jobs during 2015-16
- Vertical production capability through our ability to design, make and distribute
- Links to the Future of Mobility and Clean Growth Grand Challenges

Enabling Sector Growth

To support the delivery of economic growth across the LLEP area including our sector growth priorities we will:

- Transform our road and rail networks and deliver the next generation of digital connectivity.
- Build thousands more homes in strategic locations.
- Cultivate thriving business communities within our city, towns and rural areas.
- Develop nationally significant educational institutions to ensure that our existing and future workforce is equipped to innovate and develop new technologies, and services, to address the UK's Grand Challenges.

To do this, we will work with Government and business to deliver large scale infrastructure investment and ensure that this is directed in a way that maximises the return for Leicester and Leicestershire, the region and the UK.

Growth Opportunities

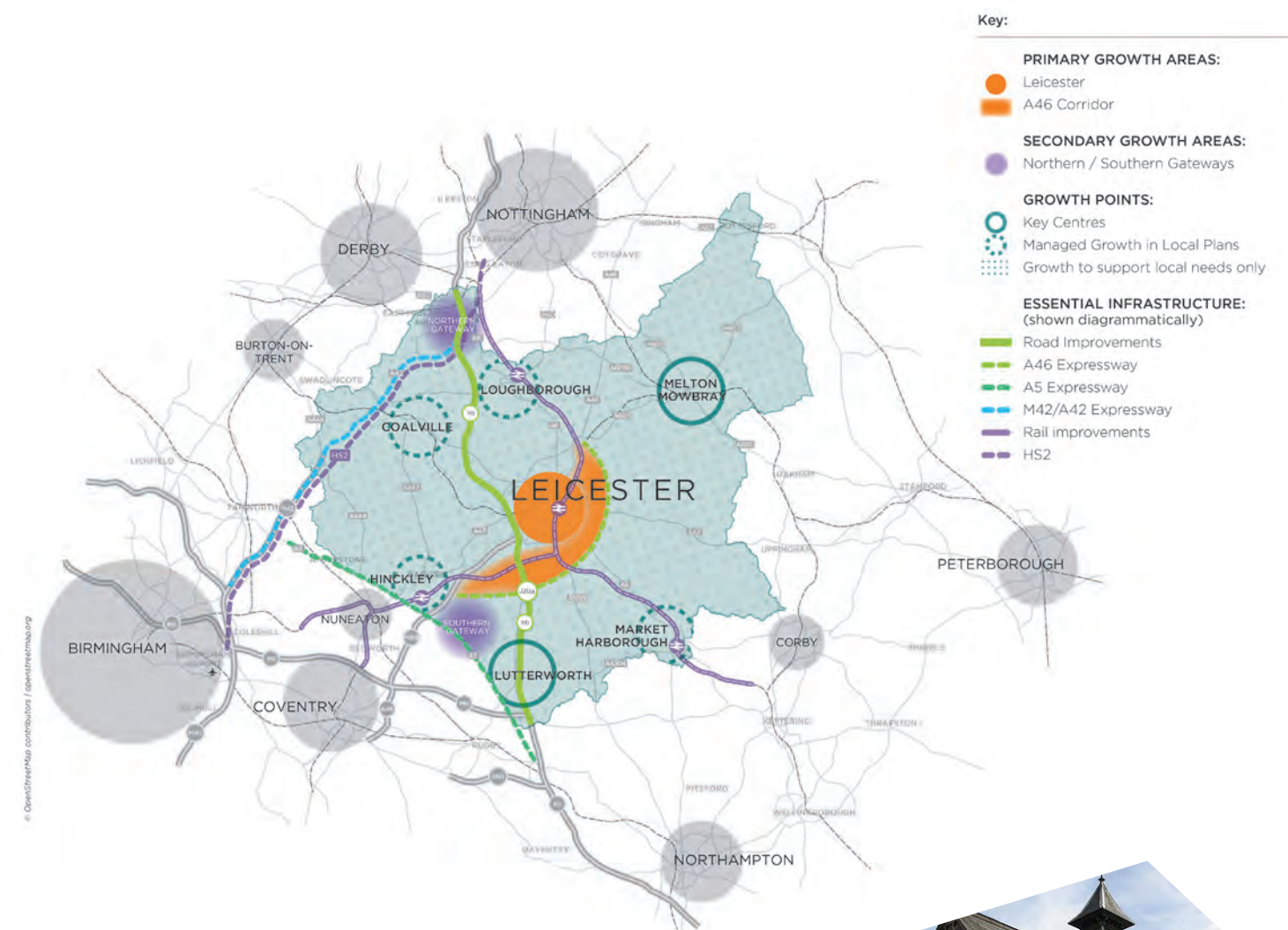
- Deliver a fashion and textiles Skills and Technology Hub to upskill the workforce and introduce and test new technologies
- Establish a productivity investment fund to unlock business premises and enable the sector to invest in new technology and innovation to enhance productivity
- Host a Compliance Task Force Pilot and work with national enforcement bodies to develop an ethical supply chain to build retailer confidence in UK sourcing
- Develop De Montfort University's 'Impact by Design' initiative to support growth of SMEs by providing responsive and holistic support for design innovation

"ASOS is pleased to see the LLEP prioritising the textile sector within its Local Industrial Strategy. We have ambitions to significantly increase the amount of sourcing we do in the UK and, based on our experience, there's the capacity in Leicester to help make that happen."

Simon Platts, Sourcing Director
ASOS

"It's really encouraging that the LLEP is taking such a pro-active role in supporting our industry which, after many years of decline, is going through a resurgence. We need to capitalise on this and need continued government support to ensure that we can maintain the momentum."

Sat Singh Sodhi, Managing Director
Euro-Rose Knitwear Limited



Building Homes

We will build 187,000 homes by 2050 (96,500 by 2031). We will deliver this growth in strategic locations enabling us to develop new communities with excellent connectivity, and good access to employment, schools, health services, shops and open space.

Physical Connectivity

The Midlands Connect Strategy identifies significant road and rail improvements which are critical to the delivery of our future plans. Their implementation will bring regional economies closer together and improve access for businesses to markets, suppliers, employees and consumers.

Road

We will work with Government to deliver the Midlands Connect Strategy including the A46 Expressway, M1 Junction 21 Smart Motorway and upgrading the A42 and A5 to Expressway standard which will improve road connectivity to East Midlands Airport, HS2 (Birmingham and Toton), MIRA Technology Park Enterprise Zone and Magna Park, relieving traffic congestion and enabling growth.

Rail

We will work with Government and partners to ensure fast and frequent east-west rail connectivity to Birmingham and Coventry. We will maximise the impact of HS2 to our city and towns through ensuring compatibility with Midland Mainline. We will also invest in rail freight infrastructure to ensure the efficient movement of goods and aggregates to the east and south of the country.

Skills

Beyond Brexit we will raise our game on the global stage and to achieve this we need the best skilled people possible. We will work with our schools, colleges, businesses and universities to ensure we are developing, and retaining, the talent our sectors need.

We will make significant capital investment in our Further Education infrastructure to ensure it is fit for the challenge.

Digital Connectivity

Our priority sectors require next generation digital connectivity to meet rapidly changing business demands and enable new technologies to be designed and implemented. We have a strong and innovative digital technology sector which we will exploit to develop and implement new technologies to support business and public service providers. We will work with Government to develop investment plans enabling maximum coverage of full fibre and ultrafast broadband and the delivery of compellingly priced internet of at least 1GB for every business. We will have the expertise and infrastructure to be a frontrunner for 5G testing and implementation pilots in the future.

Our City

Leicester is one of the fastest growing, diverse and entrepreneurial cities in the UK. Sustained investment in the city centre over the last decade has transformed perceptions with big names locating here, including IBM, Hastings Direct, PRS/PPL and with their supply chains seeking to follow. The city centre continues to

play a critical role at the heart of the city and county area in terms of the provision of professional and business services, retailing and the cultural and visitor economy. We will continue to invest in a range of interventions to support our visitor economy, residential and professional services growth, including the provision up to 1½ million sq. ft. of new Grade A office space within the city centre.

Our Towns and Rural Economy

Connected to our City by radial routes and with strong physical, functional, social and economic ties, our towns and rural areas are important generators of productivity. We will invest in towns for the future making them attractive to investors, talent looking to relocate here and visitors to the area. We will continue to develop high quality incubator and grow-on space adjacent to town centres providing spaces for our SMEs to grow and innovate.

We will support our networks of rural businesses underpin our heritage and wider economy through tourism, art and culture and local food and drink production.

Next Steps

The Government has stated that it will sign off the first Local Industrial Strategies from March 2019, prioritising areas with the potential to drive wider regional growth and focusing on clusters of expertise and centres of economic activity. We believe that we meet these criteria and that we are ready to begin discussions with the Government about the development of a Local Industrial Strategy for Leicester and Leicestershire.

To carry on the momentum of our Prospectus, during the autumn of 2018 we will begin the development of our full Local Industrial Strategy. We will develop detailed business cases for each of our growth opportunities to set out the return on investment for each intervention. We will also develop a set of performance measures to track the growth of our economy and demonstrate the value for money of any public investment.

We look forward to working with Government on the development of our Local Industrial Strategy and to building a Britain for the future by delivering the national Industrial Strategy and Midlands Engine Vision for Growth within Leicester and Leicestershire.



To receive news and information about the Leicester and
Leicestershire Enterprise Partnership (LLEP) programmes
and activities visit: www.llep.org.uk/newsletter



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