



heart of the
south west

local enterprise partnership

**MIT REAP:
FINAL PRESENTATION**

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Low but rising productivity, reflecting industrial composition which favours low productivity sectors

High employment rate but rising unemployed post COVID
Low wages and high levels of self employment

Peripherality
Poor connectivity
An ageing population
Rurality, and dispersed services

Low rates of business dynamism and density, lack of start up and scale ups

Overview of I CAP and E CAP Analysis

INNOVATION CAPACITY



Strong foundation of Universities



Broad based economy with some strong sectors



High presence of national laboratories



Strong network of education providers, and new SWIoT



Lower than average R&D Spend



Underperforms in commercialising innovation



Lower proportion of graduates and STEM skills in the workforce

ENTREPRENEURSHIP CAPACITY



Higher survival rates than national average



Good "Small high-growth firm" incidence rate



Low propensity to scale up and low proportion of high growth companies



Low business density and start-up rate



Export performance is weak

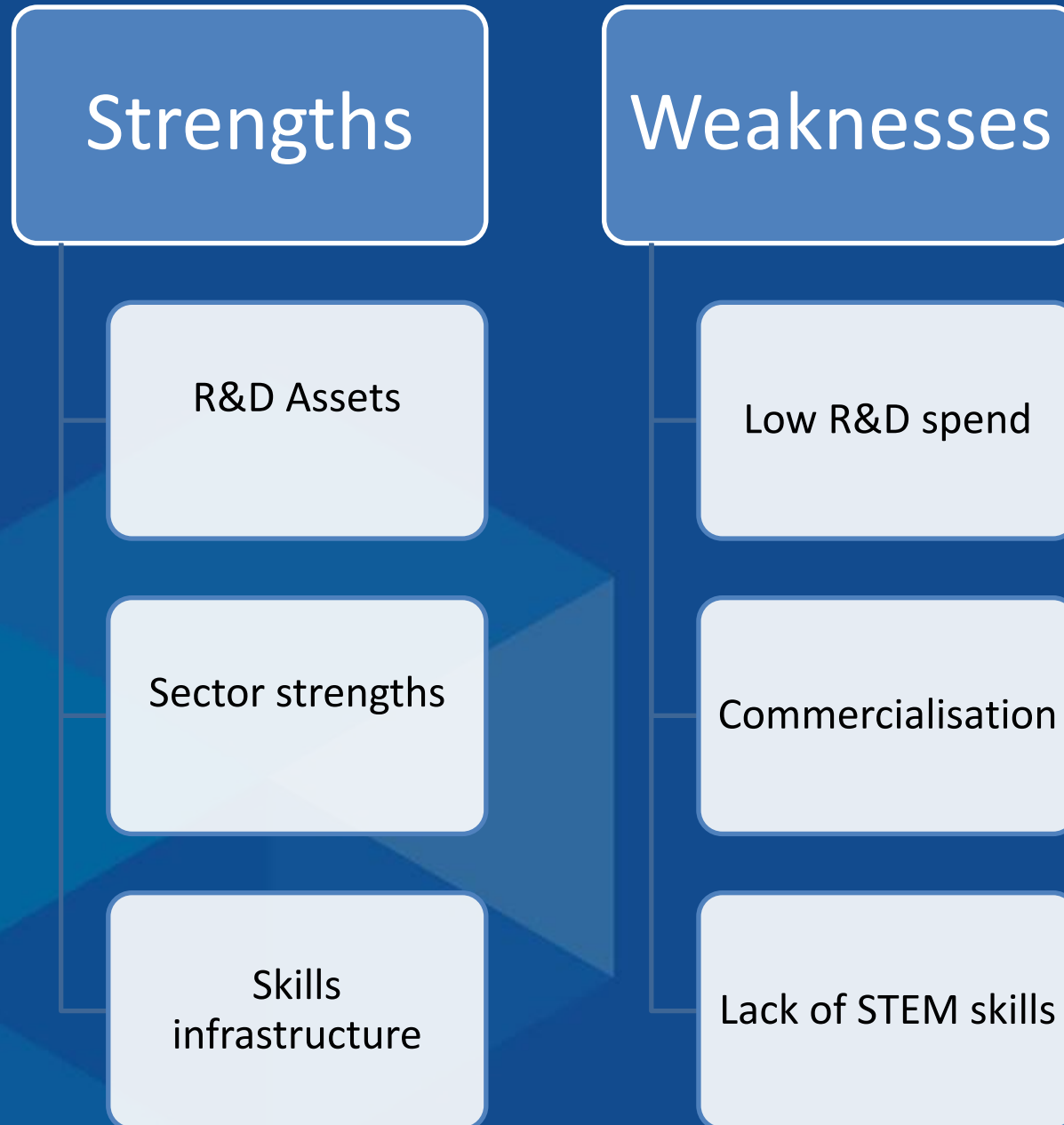


Firms seeking risk capital are not investment ready

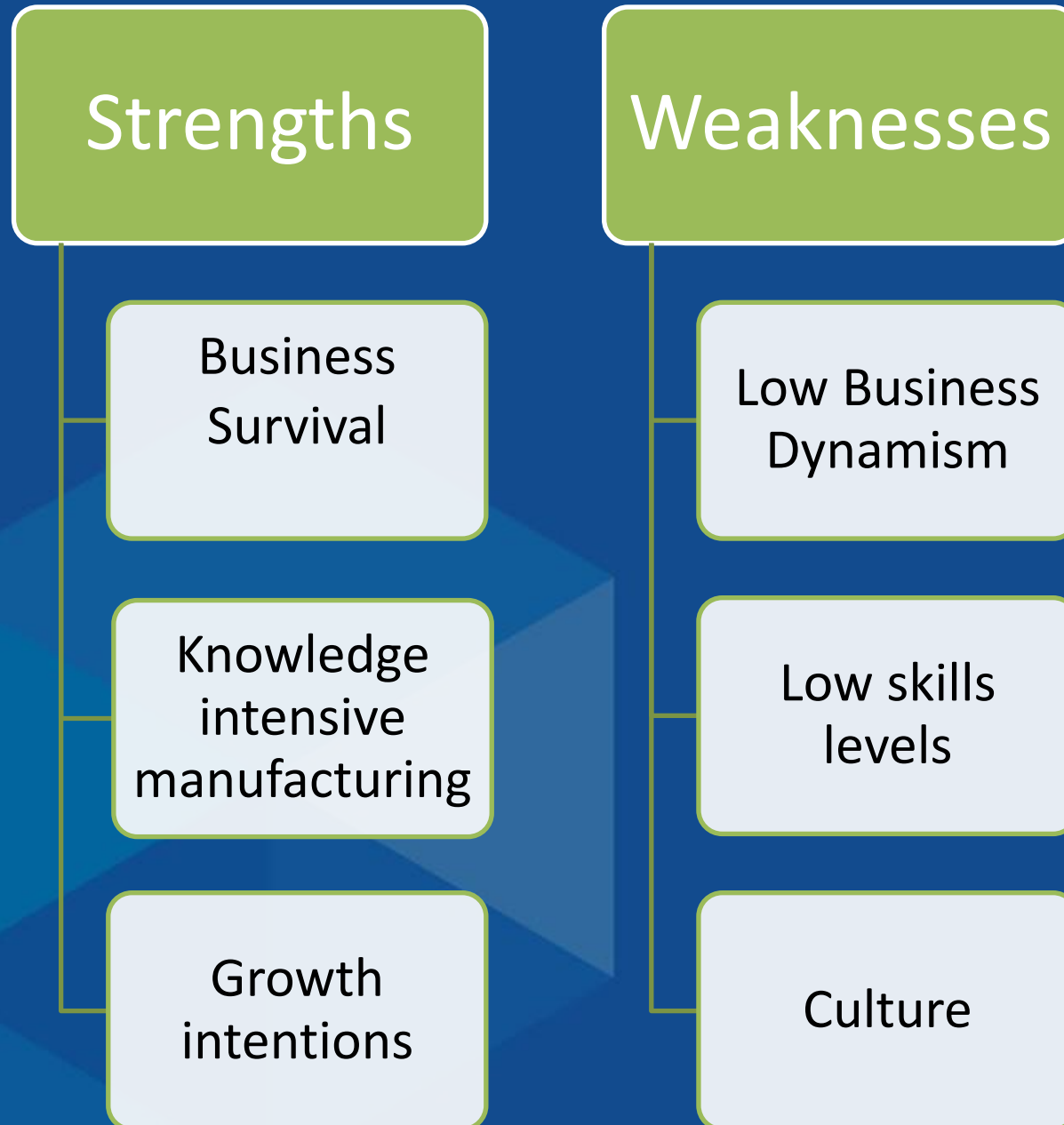


Poor access to funding including Risk Capital

I CAP Strengths and weaknesses



E CAP Strengths and weaknesses



OUR OBJECTIVE

To strengthen the innovation and entrepreneurship ecosystem within the region leading to more research intensive businesses being founded and achieving scale, and hence contributing to the region's economic recovery and to improvement in its productivity and prosperity.



Recommendations for Action

Heart of the South West LEP

- Develop a virtual South West Technopole
- Prioritise marine and environmental intelligence as an area of comparative advantage
- Support a culture of entrepreneurship
- Access to finance – establish an angel investor network
- Strengthening skills, including entrepreneurship skills

MUST WIN BATTLES

MUST WIN BATTLE 1 – Virtual South West Technopole

Create a virtual ‘South West Technopole’ – a virtual science park, providing advice and support to R&D intensive businesses regardless of location across the region and building sector-focused communities in our areas of relative strength.

MUST WIN BATTLE 2 – Prioritise marine and environmental intelligence

The region’s strength in marine and environmental intelligence should be formally acknowledged in the context of a current national focus on place-based R&D. In communication with central government, MPs and other stakeholders the LEP should make the case for this to be recognised, in order to prepare the way for future funding opportunities.



INDICATORS OF SUCCESS

Key indicators of success:

- Business investment in R&D per inhabitant increases from current 34% of national average to 50% of national average;
- Start-ups per inhabitant increases from 69% of national average to national average;
- Proportion of high growth firms increases from current 79% of national average to national average.

We would seek to achieve this five years from the interventions launching.



Next steps

**LAUNCH
INNOVATION
BOARD**

**FINALISE OUR
ACTION PLAN**

**SECURE
RESOURCE**

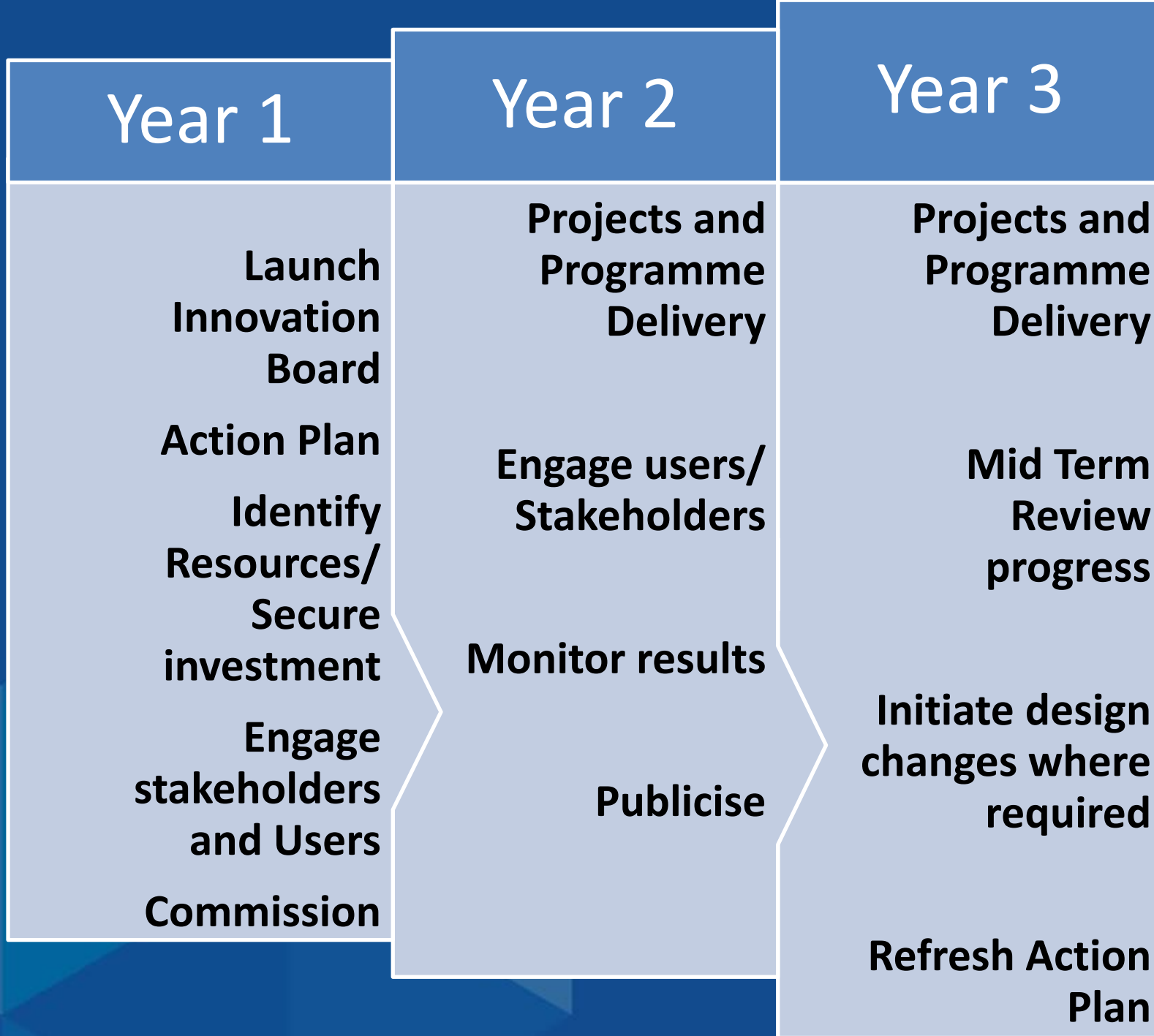
**DEVELOP AND
SPECIFY
COMPONENTS OF
ACTION PLAN**

**COMMISSION/
PROCURE SW
TECHNOPOLE**

**DISCUSSIONS
WITH MPs,
STAKEHOLDERS
AND
UNIVERSITIES ON
SW TECHNOPOLE**

**ONGOING
STAKEHOLDER
ENGAGEMENT TO
TEST AND
SUPPORT
DELIVERY**





Risks and Mitigations

Risks	Mitigations
Lack of capacity to deliver plan	<ul style="list-style-type: none">• Work with partners to secure dedicated resource• Ensure right skills on Innovation Board• Secure buy in from business organisations to support further user and stakeholder engagement• Engage University and business capacity
Failure to secure investment funding	<ul style="list-style-type: none">• Develop phased proposition which could secure investment from wide range of sources• Lobby Government (see below)• Secure wide spread support from business community including CBI
Failure to secure political support	<ul style="list-style-type: none">• Plan of action to engage MPs and opinion formers• Press and communications plan