

Annex A

Summary of the Strategic and Economic Context of the Marches



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The main Marches Stage 1 Report and all annexes Nos 1-23 contain the full details of the areas context, geography, demographic, and deprivation details. Below is an overview of the key facts.

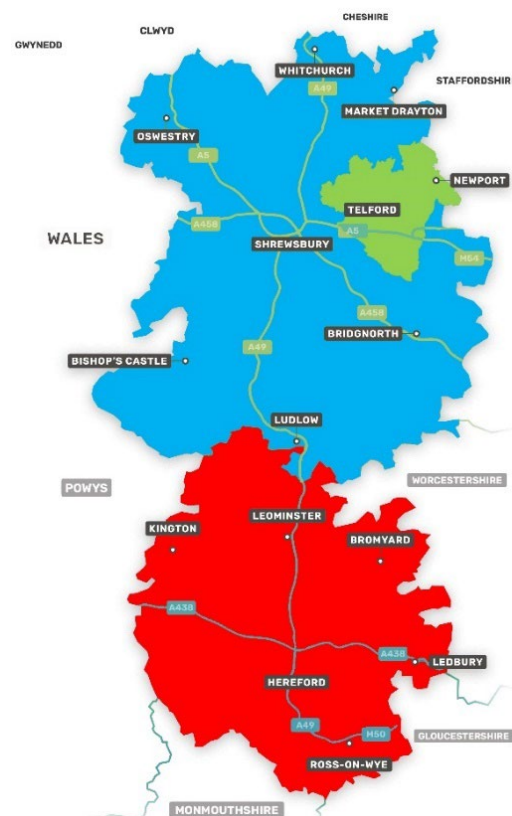
Marches Summary

The Marches is a large geographical area, dominated by rural areas. Made up of three local authorities, Herefordshire, Shropshire, and Telford & Wrekin. Only Telford boasts a dense population. The Marches LSIP maps the exact same geography as the Marches Local Enterprise Partnership.

Geography & Economy

Marches Area: 5,957 sq.km **Economy:** GVA: £14.3BN

- **Herefordshire** – Largely rural – population density 86 people per sq.km
- **Shropshire** – Largely rural – population density 102 people per sq.km
- **Telford & Wrekin** – Urban with city & town – population density 640 people per sq.km



UK Government Classification 2021 by Local Authority area / ONS population density data 2021. GVA, Marches LEP/ONS data.

Population & Key Facts

The population density is low across the Marches; the population being spread out over a wide geographic area. This creates its own issues for businesses and providers, their employees, or students. Telford & Wrekin's population grew by 11.4%, between 2011-2021, above the national average of 6.3% and 6.2% for the West Midlands. Telford's designation as a new town in the late sixties saw housing expansion and the incentive for businesses to take up residence which has

continued at pace since and explains the high-density population in that one small area of the Marches. *ONS statistics*

The national shortage of employment age citizens at various skill levels is further exacerbated by the rurality and pay rates available across the Marches. Pay rates are considerably lower than those of urban areas. Qualification rates are also below the average for Great Britain, partly due to the nature of the available occupations, historic and current, such as agriculture and manufacturing. With the entire western flank bordering on Wales this can create restrictions to collaborative working on skills and training.

Each sub area of the Marches has its own uniqueness in the makeup of the private sector businesses. For Stage 1 of the LSIP we investigated four sectors, which had relevance across all three sub regions. Sectors that had strong longevity and employ a good percentage of the population. The sectors selected, after research and reference to other stakeholders, were:

Engineering/Manufacturing including food and drink manufacture

There is a wide range of engineering and manufacturing across The Marches, ranging from field to fork food production, precision engineering for the motor industry, to large scale manufacture of components and plastic extrusion. There is an increase in the cross over from construction as we see the growth in off-site prefabrication, both for house construction and commercial, such as large agricultural buildings. The larger employers provide bulk employment, seeing staff travel into the area from as far as Mid Wales, however this pool of prospective employees is limited by the low population density, especially across the western side of the Marches and in Mid Wales.

Construction including environmental technology

Construction is a large employer within the Marches, with environmental technology growing at a fast pace. Construction suffers with skills being drained away to urban areas and larger infrastructure projects, so a constant supply of new skilled workers is required. Environmental technology is being strongly embraced across the Marches provider network. Construction is also closely linked to conservation skills, not just retrofit, due to the volume of the historic housing stock, as well as commercial stock. This is something the area's wide array of providers are supporting, and that draws in students from out of area. Agricultural technology crosses over into environmental, so this was also taken into consideration when reviewing skills needs, as agriculture is a vital part of the Marches economy.

Health & Social Care

Very much two sectors in one. There is a great deal of provision being focused on the extensive needs of the NHS which has proven fruitful and a good model for the expansion of provision. Like many businesses in the Marches, especially Shropshire and Herefordshire, NHS recruitment is hindered by the rural nature of the area. Social care, residential, domiciliary or day care service providers are a hard-to-reach group, bar a few larger service providers, due to the businesses tending to be very small, often one-unit providers. Working with specialist social care support organisations ensured good understanding of the training and recruitment needs of this part of the sector. This also provided pathways to reach these businesses individually to garner their thoughts.



Professional Services

A traditional range of professional services companies are located in the Marches such as legal and accountancy. There is also a growing digital sector, as well as specialist knowledge-led advisory services into sectors such as environmental. Digital is vital across all the sectors with the advancements in technology. Digital is fast changing the face of farming, to assist the industry in becoming more environmentally and sustainably friendly, which is enhancing many crossovers with the four sectors, providing a range of skills to a wider audience. Digital is being embraced in all three sub areas. A good example of this is the new Telford Station Quarter ongoing development, where Telford & Wrekin Council are investing in a regeneration of an area within the town, including the provision of a Digital & Enterprise Hub in collaboration with Telford FE College and other stakeholders. This hub teaches maths and digital skills, so vital to the local business economy, inward investment and raising the ambition of the young people of the borough. Digital skills were clearly highlighted in the LSIP key priorities as an important skill, employers require.

The Current & Future Economic Drivers for the Area

Each sub region has its own uniqueness in positives and negatives. Each Local Authority has a strong inward investment arm, raising awareness of the opportunities that their area offers, as well as supporting businesses currently located in the area to thrive. Herefordshire has just released its strategic economic plan to 2050, which is very in tune with all the Local Authorities.

“Our Big Economic Plan sets out what we intend to do to support economic growth to improve wages and opportunities for all our residents, whilst also reducing carbon emissions, tackling river pollution, increasing the sustainability of our supply chains and making it easier for businesses to improve productivity and grow. The actions set out in this plan are designed to support the opportunities and tackle the challenges ahead, drawing on the evidence and input from a wide range of partners.” Herefordshire Council 2023

Being rural, it is clearly understood by stakeholders that cooperative working is key if change and improvement is to take place. When dealing with large rural areas sharing the ‘workload’ amongst many partners ensures a wider deeper reach. Telford has the benefit of being densely populated and close to the urban expanse of the Black Country, however this brings its own issues in the form of the heightened risk of skills draining away to urban areas and some increased levels of deprivation.

Economic Improvements

For several reasons the wage rates fall well below the national average. History contributes to this, through the very nature of the industries and jobs prevalent in the Marches. Agriculture, for example, was traditionally a very low waged industry and this legacy continues, with Herefordshire having the lowest average wage of the three subregions. Manufacturing grew quickly in the 1970’s in Telford and at that time required a lower skill set, as employees transitioned from the old industries such as mining into manufacturing. It is hard to change that situation, but over time, and with a concerted effort to upskill, it will increase employees earning power, make businesses more productive and competitive in an increasingly high-tech world, as well as making the area

more appealing to those normally drawn to the higher waged urban areas. This is not a unique situation for the Marches, we see the low wage economy replicated in areas such as Stoke-on-Trent, where again mining, ceramics manufacture and steel have led to a legacy low waged economy. Understanding the root cause has helped put a strong focus on upskilling, rather than just producing newly skilled workers. Upskilling, that can support an economy much more quickly by giving experienced workers additional skills. This blended drive to provide upskilling and new skills is ideal for a rural area, where rurality, low wages and staff shortages often mean that traditional training is not easily accessed but a short burst of training can be accommodated. Technology is a key element for rural areas, allowing training to reach out to even the most distant parts of the Marches, bringing upskilling to staff who would previously not have had the opportunity to access.

LSIP PROJECT HELPING BUILD ECONOMIC SUCCESS FOR THE MARCHES

