

# **SMARTY Action Plan**

**Leeds City Region  
SMARTY Interreg Project**

**May 22**

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# Contents

<b>Section 1: Introduction</b> .....	<b>2</b>
General Information & Approval .....	2
<b>Section 2: Policy Context</b> .....	<b>3</b>
Background to the West Yorkshire Region.....	3
Economic Conditions of the Region .....	3
National Policy Triggers .....	7
Contribution to our Policy Instrument .....	8
Learning from Phase I of the SMARTY Interreg Project.....	9
<b>Section 3: Actions</b> .....	<b>11</b>
Action 1: Develop the West Yorkshire Innovation Framework.....	11
Action 2: Develop a Regional Innovation Challenge Competition Pilot .....	13
Action 3: Develop the Industry 4.0 Hub .....	16

Approval & Signature	
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<b>Date:</b>	20 May 2022

## Section 1: Introduction

Partners from regions across Europe have joined forces to exchange best practices on how policies related to Structural Funds can unlock Industry 4.0 to its full potential for their business ecosystems.

The SMARTY project has established a common basis of policy learning among its members to overcome Industry 4.0 adoption barriers through a variety of novel approaches, such as financing mechanisms, innovation hub services, digitalisation road mapping and supply-demand brokerage.

These best practices have been analysed through a project methodology that has graded such approaches based on their measurable impact in their host regions and their potential of transferability and relevance for adoption in other SMARTY regions.

### General Information & Approval

Produced by each region, the **action plan** is a document providing details on **how** the lessons learnt from the cooperation will be exploited in order to improve the policy instrument tackled within that region. It specifies the nature of the actions to be implemented, their timeframe, the players involved, the costs (if any) and funding sources (if any). If the same policy instrument is addressed by several partners, only one action plan is required.

<b>Project Name</b>	SMARTY Interreg Programme
<b>Partner Organisation</b>	13PP West Yorkshire Combined Authority
<b>Other Partner Organisations Involved</b>	The Textiles Centre of Excellence
<b>Country</b>	United Kingdom
<b>NUTS 2 Region</b>	Yorkshire & Humber
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<b>Policy Context</b>	This Action Plan aims to impact other regional development policy instruments.
<b>Name of Policy Instrument Addressed</b>	West Yorkshire Innovation Framework

## Section 2: Policy Context

### Background to the West Yorkshire Region<sup>1</sup>

The West Yorkshire Combined Authority (the “Combined Authority”) was created in 2014 and covers the West Yorkshire local authority areas of Bradford, Calderdale, Kirklees, Leeds and Wakefield. The Combined Authority also incorporates the Leeds City Region Enterprise Partnership (the LEP) which covers the same local authority areas outlined above, and previously also covered the local authority areas of Craven, Harrogate, Selby, Barnsley and York until early 2021.

The Combined Authority secured an ambitious devolution deal in March 2020 which provides the region with additional powers and funding to deliver a better and more connected regional economy. This included control of the regional Adult Education Budget, control over a new £38 million a year funding allocation where 70% of that funding is dedicated to revenue projects across the region, a new Mayor of West Yorkshire, and strengthening of ties and partnerships with national bodies such as Innovate UK and the Department for International Trade.

West Yorkshire is key to re-balancing the national economy of the UK and enabling the North of England to contribute fully to, and benefit from, national economic growth. It is the UK’s largest economy and population centre outside of London, with an output larger than nine EU countries, and is the biggest contributor to the Northern Powerhouse in economic terms. West Yorkshire is at the centre of the UK, is well-served by East-West and North-South road links and is within one hour’s drive of 7 million people.

We have over 2.3 million residents in West Yorkshire and the population is projected to grow by 8% to more than 2.5 million by 2043. West Yorkshire has an employed workforce of 1.1 million and around 95,000 businesses.

In addition, West Yorkshire is the United Kingdom’s largest regional finance centre and contains more manufacturing jobs than anywhere in the north of England.

Our region has a highly diverse population with many ethnicities, backgrounds and lifestyles represented, bringing great cultural diversity, a diversity which is celebrated.

### Economic Conditions of the Region

#### Productivity

The recession of 2008 opened up a significant productivity gap between West Yorkshire and the UK as a whole. While there is some evidence of recent growth, our productivity levels are around 87% of UK average (See Figure 1).

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<sup>1</sup> Information provided by the West Yorkshire [State of the Region](#) Report 2021.

In response to our productivity challenges, the Combined Authority has developed a [Business Productivity & Resilience Plan](#) that aims to close an £8.5 billion gap in productivity compared to average UK levels.

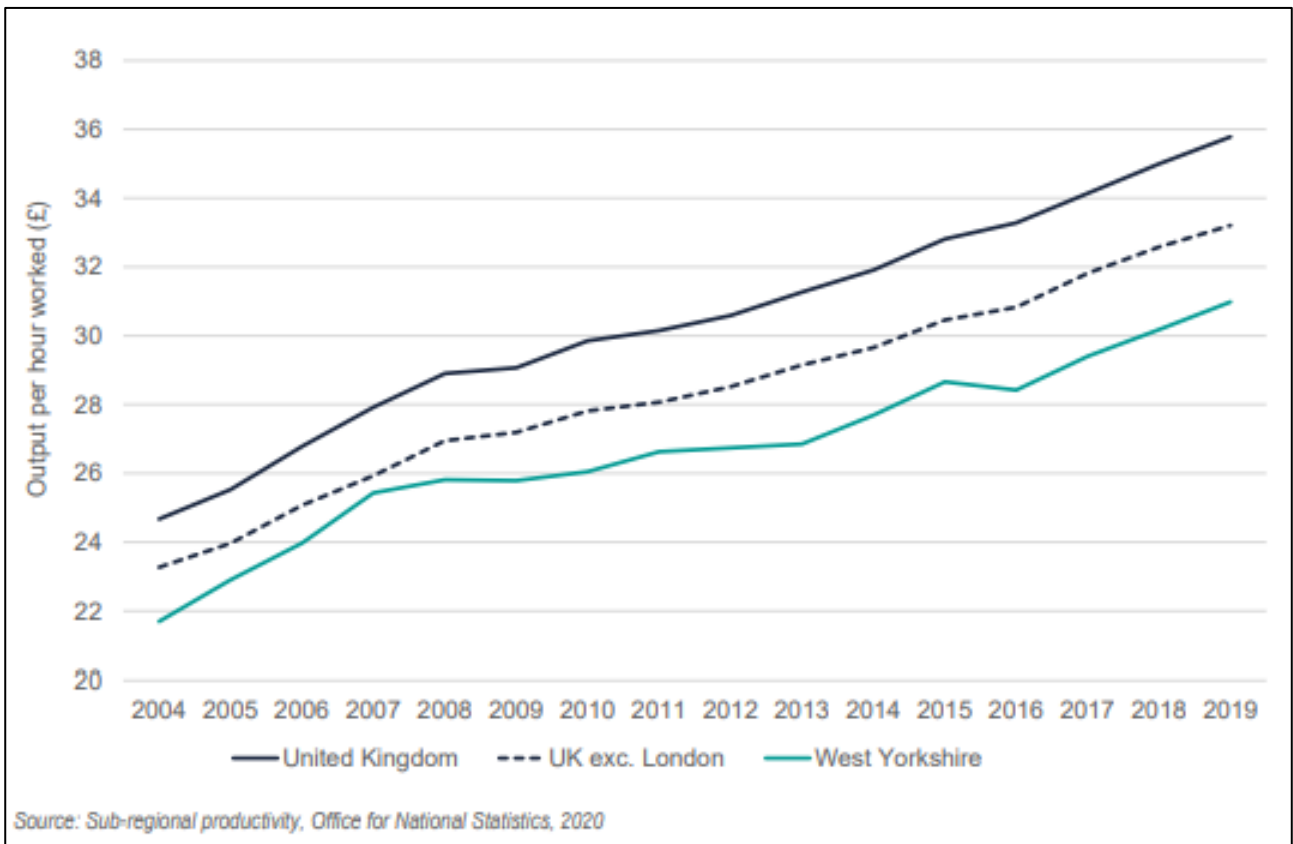


Figure 1: Unsmoothed output per hour worked, West Yorkshire and the UK, 2004-19

### Innovation

Around 7 in 10 businesses in Leeds City Region are engaged in innovation, according to the Leeds City Region Business Survey for 2020. A quarter invest in R&D, but national statistics indicate that the level of R&D spend is particularly low in Yorkshire and the Humber.

West Yorkshire has an internationally significant concentration of higher education institutions (HEIs) – helping the area perform well on higher education innovation and research and development spending.

In addition, around a third of businesses have introduced new technologies over the last twelve months and a similar number have introduced new or improved processes –the latter down from 45% in 2017. Around a quarter of businesses have invested in R&D, a figure consistent across the last three waves of the survey.

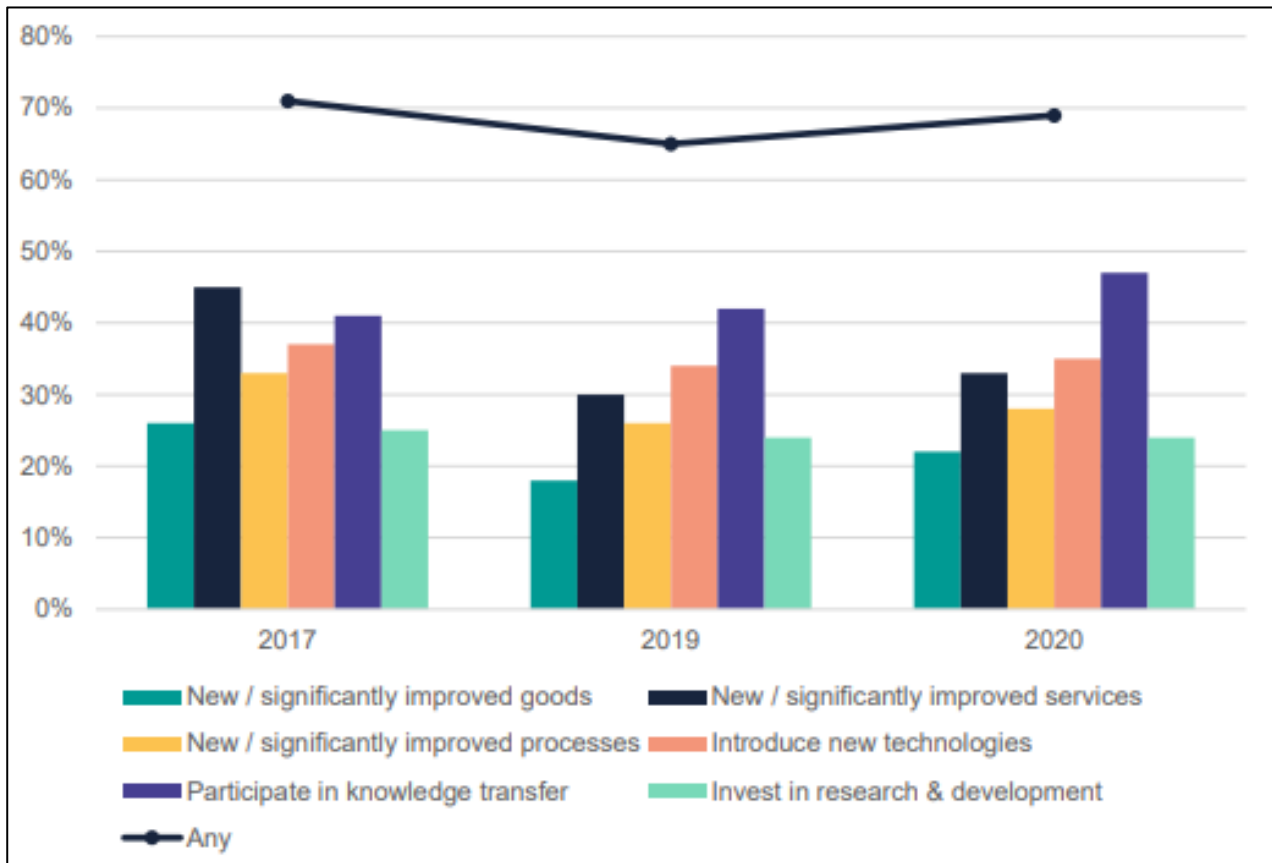


Figure 2: Leeds City Region Business Engaged in Innovation Activities - 2017-20

Other data suggests levels of investment in R&D are lower in Yorkshire and the Humber than elsewhere in the country. The Office for National Statistics analysis on Gross Domestic Expenditure on R&D (GERD), for example, shows the region had the lowest investment in R&D per £1m of GVA of any English region outside London.

This suggests that the level or scale of innovation taking place locally may be lower than elsewhere even if the proportion of businesses engaged is relatively high.

In addition, the region supports numerous research facilities which provide access to equipment, translational research expertise, meeting and business space. This includes:

- **Medical Technologies Innovation and Knowledge Centre (University of Leeds)** brings businesses together with world-class experts from across 35 UK universities to accelerate the commercial development of new medical technology products and services.
- **The National Institute for Health Research (NIHR) Leeds Musculoskeletal Biomedical Research Centre** is a collaboration between Leeds Teaching Hospitals NHS Trust and the University of Leeds.
- **Translate** – Realising Medical Technology Innovation in the Leeds City Region' is a £3m programme focusing on developing nationally leading capability in Medical Technology Innovation.
- **Nexus** provides business workspace and access to equipment, research expertise and relationship manager support at the University of Leeds.

- **3M BIC Huddersfield** facilitates business growth, encourages business to academia collaboration and actively promotes innovation. The centre caters for all business needs, from start-ups, SMEs to large corporates.

### Our Regional Manufacturing Sector

West Yorkshire has more manufacturing jobs than anywhere else in the north of England – around 112,000. For every 1 manufacturing job in the rest of the UK, West Yorkshire has 1.3 jobs.

As is demonstrated in the table below, our manufacturing sub-sectoral strengths are centred on textiles, furniture making, chemicals and electrical equipment.

Sector by SIC Code	Employees in West Yorkshire	Location Quotient (England = 1)
Manufacture of textiles	7,500	3.51
Manufacture of Furniture	7,500	2.23
Manufacture of other non-metallic mineral products	6,500	2.12
Manufacture of chemicals and chemical products	6,500	1.99
Manufacture of electrical equipment	4,000	1.61
Manufacture of wearing apparel	3,750	3.88
Manufacture of paper and paper products	3,000	1.69

Table 1: Manufacturing Jobs by SIC Code

Our manufacturing sector is also supported by a strong business support system that provides advice, guidance and funding opportunities for businesses. Some examples are:

- **Manufacturing Champions:** a tailored programme to help SMEs make improvements in their business and remove barriers to growth. Businesses receive support from a trusted growth manager who will develop an action plan for the business and identify opportunities for business improvement and growth and benchmark business performance to hit goals.
- **Resource Efficient Business Programme (ReBiz):** this programme provides advice and support for SMEs to become more resource efficient and adopt circular business models and practices. Support includes efficiency audits, consultancy support, opportunities assessments and business model review, development and planning.
- **Strategic Growth Programme:** a first-class package of bespoke support aimed at ensuring SMEs can realise their potential. Participants in the programme receive mentoring support and assessments to detail actions for growing their businesses.
- **Skills for Growth Programme:** connecting SMEs to local schools, colleges and universities to increase productivity and close the skills gap. Activities can be work experience, developing apprenticeship and graduateship opportunities and engaging with education through work experience and careers fairs.

## Departure from the European Union & Development of a New Policy Instrument

Following the UK's departure from the European Union, the UK no longer has access to European Regional Development Fund (ERDF) monies and programmes. As such, the Combined Authority has developed a new policy instrument that was shaped by the good practices and learning experience of the SMARTY Interreg Project and responds to the new policy dimensions for the West Yorkshire region within the wider UK, recognising the continuing importance of dialogue and learning with European partners on support to SMEs on Industry 4.0.

## National Policy Triggers

### Made Smarter Initiative

In 2017, the UK Government published the [Made Smarter Review](#) which outlined findings on the UK's opportunities and challenges related to industrial digitalisation.

The report outlined three areas which are preventing the UK from fully achieving a vision where the UK becomes a global leader in industrial digitalisation by 2030:

1. *Lack of effective leadership of industrial digitalisation in the UK:* There is currently no cross-sectoral vision or narrative on the opportunities associated with faster development and adoption of IDTs.
2. *Poor levels of adopting, particularly among SMEs:* In comparison to other advanced nations, the UK is behind in overall productivity. This is largely due to lower adoption levels of digital and automation technology. One of the reasons for this is due to the "ineffective and confused landscape of business support".
3. *Under-leveraged innovation assets to support start-ups/scale-ups:* While there is a strong research and innovation offer in the UK, innovation assets are under-leveraged and do not provide enough focus on industrial digital technologies.

In 2021, the Government launched a Made Smarter pilot programme for the Yorkshire and Humber region – providing advice to businesses on switching to advanced and automated technologies as well as improving employees' digital skills<sup>2</sup>.

### Plan for Growth

The Government developed a new Plan for Growth<sup>3</sup> in March 2021 focused on delivering three pillars of growth: infrastructure, skills and innovation.

The innovation pillar is of particular importance to industry 4.0. and the Government has outlined plans to secure this by:

- Delivering a national Innovation Strategy for the UK

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<sup>2</sup> [Made Smarter Pilot: Yorkshire & Humber](#)

<sup>3</sup> UK Government: [Plan for Growth](#)



- Providing more innovative businesses with mentoring and funding as part of the remit of the British Business Bank, and
- Launching schemes to help businesses embrace new technologies and practices to make them more competitive (including “Help to Grow Management” and “Help to Grow Digital” national schemes to help SMEs adopt productivity enhancing software and improve the way they do business).

## Contribution to our Policy Instrument

The SMARTY Action Plan will directly contribute to delivery of a priority outlined in the West Yorkshire [Innovation Framework](#). This is the policy instrument that this action plan will address.

The Innovation Framework is a regional strategic document which outlines a vision for West Yorkshire to be “globally recognised for developing an open, inclusive, thriving and coherent innovation ecosystem”. It was adopted in March 2021 as our new policy instrument, responding partially to the expiration of the region’s Smart Specialisation Strategy following the UK’s departure from the European Union. It has been influenced by good practices reported during the SMARTY Interreg Project.

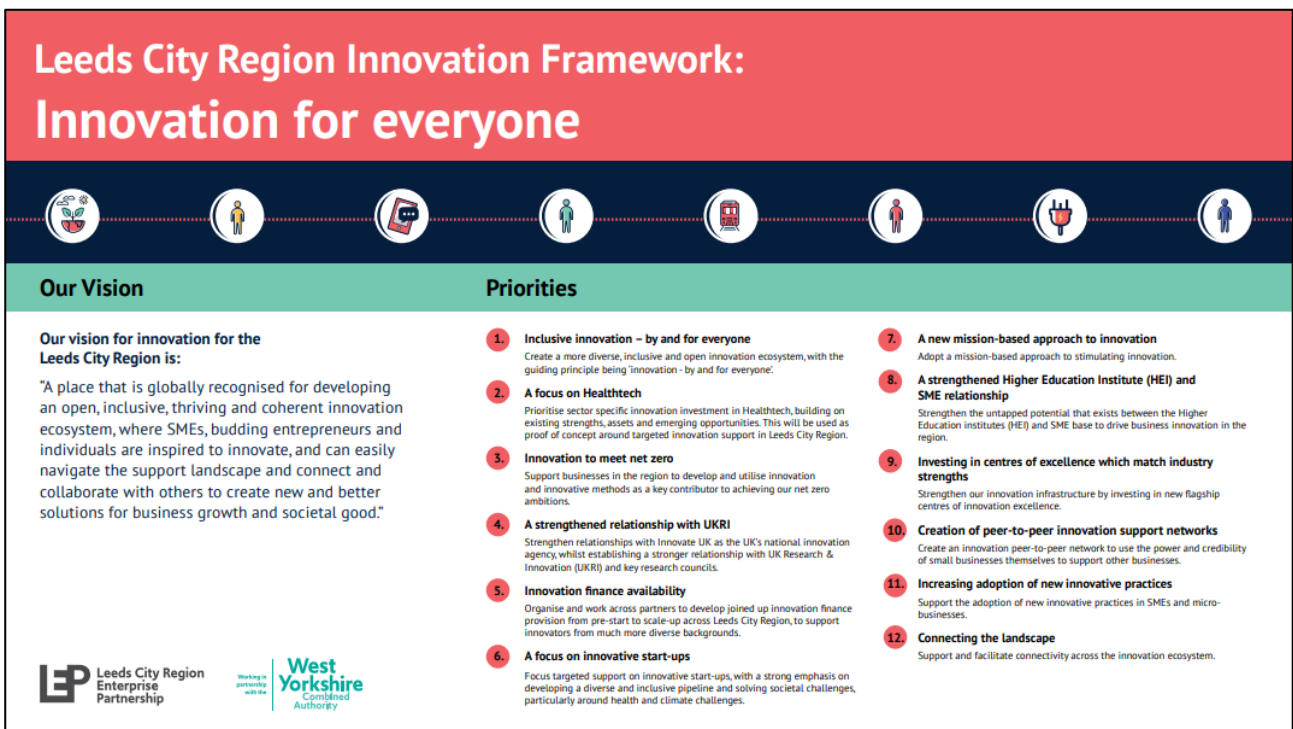


Figure 3: Innovation Framework: Plan on a Page

Priority 7 of our Innovation Framework outlines a vision to adopt a mission-based approach to innovation. We will achieve this through:

- Stimulating the market and building a culture of innovation across our business base by focusing on the biggest challenge the region identifies and using challenge-based competitions for industry and diverse communities to come together and address.

- Utilising the research power of our Higher Education Institutes, Colleges and big business to drive this activity through both institutional expertise and through supply chains.
- Creating linkages to investment opportunities for local investors.
- Concerted effort around communications and markets to support all innovation activity.
- Explore establishing a public engagement accelerator programme which combined small grants, bespoke support and partnering opportunities for innovators and those who need to engage the public on questions of science, research and innovation.
- Shouting much more loudly about innovation and the opportunities for both businesses and individuals.

The Innovation Framework will support SMEs to embrace industry 4.0 by:

- Being proactive in driving forward innovation for net-zero. This can be achieved by supporting SMEs to work collaborative with the research base to develop and utilise technologies that support net-zero.
- Creating the right messages to promote business improvement to SMEs – demonstrating the benefits of industry 4.0 through case studies, communication and marketing.
- Lobbying industrial partners and Government by taking existing learning from programmes the Combined Authority is involved in (such as SMARTY) to seek further funding that supports SMEs to adopt industry 4.0 practices. The best mechanism for this would be through seeking additional funds for the regional Made Smarter programme.

### Learning from Phase I of the SMARTY Interreg Project

The Combined Authority has found the learning experience and sharing of best practices on the SMARTY Interreg Project to be a fruitful process. The learning from good practices on the SMARTY project was ever more valuable as the Combined Authority was simultaneously undergoing an ambitious process to secure a regional devolution deal from which future investment decisions will be made.

Therefore, elements of many of the good practices from the SMARTY Interreg Project were incorporated into our new regional Innovation Framework:

Innovation Framework Priorities	Good Practice
<b>Priority 1:</b> Innovation to Meet Net Zero	Territorial Shared Agendas
	Incentives for R&D Projects for Circular Economy
	OIS-AIR Project
<b>Priority 7:</b> Mission-Based Approach to Innovation <b>Priority 8:</b> Strengthened SME-HEI Relationships	Industry 4.0 Alliances
	Centr@Tech
	Go Stop Programme
<b>Priority X:</b> Exploring Opportunities to Establish Demonstrator Facilities	Competency Centre Tuscany
	Factory of the Future

<b>Priority X:</b> Educating and inspiring SMEs around the opportunities to better utilise / use / exploit new technologies.	Gate 4.0
	ProACCIO

Table 2: Interface of Innovation Framework Priorities & SMARTY Good Practices

In addition to this, we have taken away the following lessons from SMARTY good practices presented during Phase I of the project:

- Catalunya Challenge Competition Programme (Semester 3):** This good practice demonstrated the successes of adopting cross-sector and cross-industry mission-led approaches to innovation. The good practice demonstrated that the challenge competitions approach to creatively booster regional levels of innovative activity and bring SMEs and business support services together is showing evidence of success. At a regional level, West Yorkshire does not host any challenge competitions that help SMEs to commercialise their products or services. We would like to use the practice presented on challenge competitions to further increase the number of SMEs engaged in innovation, lower the barrier of entry for challenge prizes and use them to solve societal challenges that affect the day-to-day problems many residents and businesses face in the region. By adopting an approach like this, we are confident that we could generate strong interest in innovation competitions, adopt a mission-led approach to innovation, and bring together SMEs who in many cases are traditionally the laggards when it comes to adopting industry 4.0 practices. By focusing on specific challenges, local innovation ecosystems can collectively pool resources and work together to research, design, test and commercialise new solutions that can come to market.
- The Gate 4.0 Hub in Tuscany (Semester 5):** We want more businesses in West Yorkshire to adopt industry 4.0 practices – whether that be augmented or virtual reality, to robotics and artificial intelligence or big data. We identified the Gate 4.0 good practice as a potential way to achieve this goal. The Gate 4.0 partnership approach, which brings together both academia and businesses, showcased the power of collaboration as a way to increase digital adoption among SMEs across manufacturing. The business to business and business to research approaches to helping business transform their operations was demonstrated through case studies such as using robotics and artificial intelligence to eliminate human presence from hazardous working environments.

We have also taken away the following reflections on our own regional policy interventions, as well as a series of general observations from our participation in SMARTY:

- We have a good innovation ecosystem in West Yorkshire that builds on partnership working but need to maximise the opportunities for SMEs to take advantage of adopting industry 4.0 practices.
- There is no “one size fits all” approach to adoption of industry 4.0 technologies and SMEs. Across the good practices and themes of each semester, different approaches have demonstrated their ability to increase this adoption, whether through direct programme intervention, collaboration across sectors, or through regional ecosystems. The biggest challenge remains supporting those SMEs that are not already engaged in this adoption process, rather than those who have the ability to go further.

## Section 3: Actions

Following the policy brokerage activity over the duration of Phase 1 of the SMARTY Project, partners in West Yorkshire will progress three actions covering, the West Yorkshire Innovation Framework, planning for a series of innovation challenge competition pilots, and development of an Industry 4.0 Hub.

### Action 1: Develop the West Yorkshire Innovation Framework

#### The Background

Following departure from the European Union, the Combined Authority needs to develop a regional framework for innovation. In terms of the policy instrument being addressed by the region's involvement in the SMARTY project, this will replace the ERDF Operational Programme for England (2014-2020).

#### Learning from Good Practices

This action has been included in response to the UK's departure from the EU and the region being required to develop a successor policy instrument to the England ERDF Operational Programme. It therefore incorporates a number of good practices that have been presented during Phase I of SMARTY such as the industry 4.0 vouchers and challenge competitions presented in Semester 2 by Catalunya, and the good practices presented during Semester 4 on the green transition such as Lapland's Green New Deal.

#### Action(s)

The Combined Authority will develop an Innovation Framework for West Yorkshire with a vision for the region to be "a place that is globally recognised for developing an open, inclusive, thriving and coherent innovation ecosystem, where SMEs, budding entrepreneurs and individuals are inspired to innovate, and can easily navigate the support landscape and connect and collaborate with others to create new and better solutions to business growth and societal good".

#### *Action 1A: Develop an Evidence Base*

The Combined Authority will undertake evidence gathering and gap analysis to bring forward potential priorities for the region.

#### *Action 1B: Engage with Stakeholders & Interested Parties*

The Combined Authority will hold stocktake sessions with the regional innovation ecosystem to capture views and needs. In addition to this, an external consultation will take place with members of the public and other stakeholders.

## Action 1C: Seek Endorsement on the Innovation Framework

We will take a developed Innovation Framework to governance committees of the Combined Authority for approval.

## Action 1D: Launch a Regional Innovation Festival

The Combined Authority will host a regional innovation festival which will bring together the innovation ecosystem, businesses and academia over a week of events and forums.

### Players Involved

The following organisations and/or groups are involved in the delivery of this action:

- *West Yorkshire Combined Authority (incorporating the Leeds City Region Enterprise Partnership)*: the regional governing body accountable for the development and delivery of the Innovation Framework.
- *West Yorkshire Innovation Network*: a network of group of businesses, academia and partners in West Yorkshire.

### Timeframes

The following breakdown is an indicative timeframe for the delivery of the pilot:

Milestone	Completion Date
Evidence & Gap Analysis	September 2020
Consultation on Framework	October / November 2020
Hold a West Yorkshire Innovation Festival Event	March 2021
Approval by Combined Authority & LEP	March 2021

### Costs (if relevant)

Costs will be secured on an ongoing basis through multiple funding streams.

### Funding Sources (if relevant)

Funding for this policy intervention will be secured through multiple streams such as:

- The Combined Authority's Single Investment Fund
- The UK Shared Prosperity Fund (a UK national fund)

## Action 2: Develop a Regional Innovation Challenge Competition Pilot

### The Background

In March 2021, the West Yorkshire Combined Authority approved the [Innovation Framework](#). This strategic document outlined the vision for our region to be “globally recognised for developing an open, inclusive, thriving and coherent innovation ecosystem”. To achieve this vision, twelve priorities have been developed, including, adopting a mission-led approach to innovation.

The adoption of mission-led approaches to innovation includes proposals to run challenge competitions which will encourage greater innovation. These have been successfully implemented by one of the SMARTY partners (Catalunya) as well as UK local government bodies such as the Greater London Authority.

The Catalunya good practice demonstrated how challenge competitions were able to develop sectoral demand, work across sectors and institutions (such as public and private bodies) and also provide access to innovation support for SMEs who would traditionally be unable to secure large challenge projects set up by major corporations.

### Learning from Catalunya Good Practice

Our action around challenge competitions incorporates learning from the Catalunya Challenge Competition good practice. In particular, we were impressed with the fact that large companies are approached to sponsor challenge competitions and provide support or funding to SMEs to develop their products, services or technology. We plan to include this particular element of the Catalunya good practice into our own pilot, should we be able to secure interest from large regional businesses.

### Action(s)

The Combined Authority will run a Mayoral Innovation Challenge Competition Pilot over the timeframe of 2022-2023. This will focus on tackling societal issues such as the climate and environment emergency.

A number of actions will be undertaken to deliver this pilot which are detailed below.

#### *Action 2A: Appoint a Delivery Provider*

To complete this action, the Combined Authority will need to appoint an experienced and capable supplier through our procurement framework. The supplier will be responsible for the day-to-day management of the challenge competition as well as support the Combined Authority to design the competition.

#### *Action 2B: Competition Design*

In collaboration with our supplier, we will design the challenge competition pilot. While it has already been agreed with the Mayor of West Yorkshire that any competition as part of this pilot should focus on tackling the climate emergency, we will need to identify a specific focus

for the competition. To develop this specific focus, we will schedule a focus session and/or workshop with stakeholders, the supplier and Combined Authority colleagues in 2022.

### *Action 2C: Launch the Competition & Marketing Exercises*

Following the design phases of the competition, it will be formally announced at the 2022 West Yorkshire Innovation Festival which is being organised by the Combined Authority and partners. The festival is a week-long event that brings together innovation bodies, businesses and academia.

### *Action 2D: Competition Delivery – Phase 1: Applications & Sifting*

The first phases of the competition will include reviewing submissions to the challenge competition. The submissions will be reviewed by a steering group or panel which will compose of innovation specialists from across the region. From the submissions, a shortlist will be created for each competition. The shortlisted participants will be invited to participate in Phase 2.

### *Action 2E: Competition Delivery – Phase 2: Developing of Products and/or Services*

Shortlisted applicants will be tasked with developing their product or service ahead of a final event which will award the best innovation. Here, participants will receive either financial or business development support to help scale up and test their ideas.

### *Action 2F: Competition Delivery – Phase 3: Awards Event & Project Close*

The shortlisted applicants will showcase their products or services at an awards event which will include a judging panel of regional experts. The winners (first, second and third place prizes) will receive financial rewards or additional business support to further commercialise their idea.

During the set-up of the competition, we also plan to engage with the good practice owner to capture any feedback and lessons learned exercises that we can incorporate into the planning of our competition.

## **Players Involved**

The following organisations are involved in the delivery of this action:

- *West Yorkshire Combined Authority (incorporating the Leeds City Region Enterprise Partnership)*: the regional governing body accountable for the development and delivery of the pilot. The Combined Authority will commission a delivery provider to run the day-to-day management of the challenge competition.
- *Commissioned Delivery Provider*: the Combined Authority will undertake a procurement exercise to appoint an experienced challenge-competition delivery provider to run the day-to-day management of the pilot.

- *Corporate Sponsor [if secured]*: the Combined Authority will seek to secure corporate sponsorship with a private sector organisation who will either provide bespoke business support to competition participants or contribute to the financial award.
- *Participants*: teams and/or individuals who are participating in the challenge competition and seeking to secure funding to develop their products or services.

### Timeframes

The following breakdown is an indicative timeframe for the delivery of the pilot:

Milestone	Anticipated Completion Date <sup>4</sup>
Consideration at the Combined Authority's Business, Economy & Innovation Committee	5 January 2022
Appointment of a Delivery Provider	May 2022
Competition Design	June 2022 – August 2022
Launch at the West Yorkshire Innovation Festival	September 2022
Phase 1: Applications and Sifting	October 2022 – November 2022
Phase 2: Development of Products/Services	November 2022 – March 2023
Phase 3: Awards Event & Project Close	April 2023
Lessons Learned Exercises & Next Steps	March 2023

### Costs (if relevant)

Funding to delivery this action will likely cost no more than £150,000.00 (EUR c. 179,094.00).

### Funding Sources (if relevant)

Funding for this policy intervention will be secured through the following funding streams:

- £50,000.00 from West Yorkshire Combined Authority as part of development funding to deliver mayoral manifesto pledges.
- £50,000.00 from the ESF-funded Skills for Growth Programme.
- £50,000.00 from the Enterprise Programme.

<sup>4</sup> Please note: these dates are currently indicative and may change over the year.



## Action 3: Develop the Industry 4.0 Hub

### The Background

On 6 September 2019 the UK Government invited 100 places across England to develop proposals for a Town Deal, as part of a £3.6 billion 'Towns Fund'. The Government invited local Town Boards to develop proposals for Town Investment Plans to drive long term economic and productivity growth through investment in connectivity, land use, economic assets including cultural assets, skills and enterprise infrastructure, becoming part of the county's recovery plan to address the impact of Covid-19.

Each Town Deal will be an agreement between the Government, the lead Council (local government) and the Town Deal Board. It will set out a vision and strategy for the town, and what each party agrees to do to achieve this vision. It will be signed by the Secretary of State for Levelling Up, Housing and Communities on behalf of UK Government along with the leader of the lead Council and the chair of the Town Deal Board. Town Deals will cover a period of up to five years with a value of up to £25 million from the Towns Fund, primarily capital funding.

Of the six towns in West Yorkshire which were included in the Towns Fund programme, Brighouse has included a proposal to develop an 'Industry 4.0 Hub' in their Town Investment Plan which is now in the 'business planning' stage. The Hub structure and operation will be based upon the 'Gate 4.0' project which was shared through the SMARTY project as an example of good practice from the region of Tuscany.

While the I 4.0 Hub will contribute towards the objectives of the West Yorkshire Innovation Framework, the funding is as part of the national Towns Fund programme and therefore development and operation of the Hub will be the responsibility of the accountable body (Calderdale Council) and the Brighouse Town Board. On that basis therefore the monitoring of the actions in relation to this element of the SMARTY action plan will be the responsibility of those actors, who will provide updates to the West Yorkshire Combined Authority as part of the wider stakeholder ecosystem.

### Learning from Gate 4.0

The Industry 4.0 Hub plans to adopt similar structures of the Gate 4.0 project in Tuscany. In particular, case studies presented on this good practice have inspired us to incorporate the business to business and business to finance elements which we believe will be fundamental to helping our SMEs increase the digital skills and industry 4.0 capabilities. As well as this, we will seek to replicate the close working relationships established between the support teams and the businesses or research centres. Bilateral conversations will be arranged during the period 22/23 to draw further learning from the Gate 4.0 project.

We will engage with the Gate 4.0 to further understand their operating model in detail.

### Proposed Activities

In common with Tuscany's Gate 4.0 project, it is proposed that the Industry 4.0 Hub in Brighouse will bring together companies, researchers, solutions providers and financial operators to stimulate the adoption of new, digital technologies to encourage growth and develop the skills base of local manufacturing companies. The Hub will aim to:

- Provide a Brighouse-based facility for educating apprentices up to degree level in cutting edge technology and processes, upskilling the workforce of the future.
- Demonstrate a new, innovative model for skills delivery, providing inter-sector upskilling best practice and knowledge transfer.
- Establish Brighouse as an exemplar centre for skills and modern methods training, creating a definitive, high impact area for skills development, and manufacturing and engineering excellence.
- Increase innovation among local firms and facilitate increased collaboration across the City Region, through co-location of enterprises, industry bodies and academia at the Hub, utilising the state-of-the-art equipment to enable research, product and process innovation.
- Deliver growth in local and regional employment in manufacturing and engineering sectors.
- Drive inward investment and attract new companies - both to invest in and take advantage of the new skills and enterprise infrastructure, and the newly upskilled talent pool.
- We will engage with the Gate 4.0 to further understand their operating model in detail.

The Hub will aim to achieve the following outcomes:

- 50 apprentices in the first year, growing year on year with total capacity for 250 learners.
- 5 companies utilising the new Industrial Hub in the first year, increasing year on year.
- 14 companies supported to innovate new products and processes.

In terms of wider impact, the development of the Industry 4.0 Hub will support the development and retention of highly skilled labour, increased linkages between learners, firms and academia across the City Region, and to retain Brighouse’s track record of success in the provision of sector leading products and services through staying ahead in the face of technology change, to drive the long-term economic growth and resilience of Brighouse.

**Players Involved**

The key players involved in the development and delivery of the Hub will be the Brighouse Town Board and Calderdale Council working with a partnership of key cross-sector bodies including Calderdale and Kirklees Manufacturing Alliance, the University of Huddersfield, the Textile Centre of Excellence and West Yorkshire Manufacturing Services in Brighouse where the Hub will be located. The project will be managed by an industry-led Steering Group.

**Timeframes**

The following breakdown is an indicative timeframe for the delivery of the project:

Milestone	Anticipated Completion Date
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Heads of Agreement for Brighouse Town Investment Plan	June 2021
Project funding levels agreed	September 2021
Business planning commences	February 2022
Final Business Plan submission	June 2022
Contracting	August 2022
I 4.0 Hub Launch	September 2022

### Costs

The total cost for the initial establishment of the I 4.0 Hub is £1 million. A detailed cost profile will be developed as part of the business planning process which will take place between February and June 2022.

### Funding Sources

The Towns Fund will contribute £500,000 towards the establishment of the Centre. A further £500,000 will be sought from partners, additional UK Innovation funds and companies through the provision of services.

Find out more

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