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DIGITAL STRATEGY

ANNEX



In March 2021 the UK Government published the **'Build Back Better' Plan for Growth**. This plan refreshes the government's long-term strategy for growth in a new economic landscape, including the pandemic, net zero targets and as an independent nation outside of the EU. There are three key pillars of investment that the government will focus on as the country recovers from the pandemic to create new jobs and drive forward its priorities, each of which incorporates digital ambitions:

- **Infrastructure** – High-quality infrastructure is crucial for economic growth, boosting productivity and competitiveness. The government is investing £100billion of capital investment in 2021-22, including significant investment in broadband through 'Project Gigabit' a new £5billion infrastructure project which aims to deliver nationwide coverage of gigabit-capable broadband to 85% of the country by 2025, with as close to 100% thereafter, providing more than one million hard to reach homes and businesses with access to next generation gigabit broadband in phase one
- **Skills** – Improving people's life chances to give them the skills to succeed. Transforming further education through additional investment and reforming technical education to align the post-16 technical education system with employer demand, encouraging lifelong learning through the Lifetime Skills Guarantee, rolling out employer-led skills bootcamps, and introducing the Lifelong Loan Entitlement and building an apprenticeship revolution
- **Innovation** – Driving economic growth and creating jobs. Making the UK the best ecosystem in the world for starting and growing a business. That means having the best access to capital, skills and ideas, as well as a smart and stable regulatory framework. This includes supporting our small and medium-sized enterprises (SMEs) to grow through Help to Grow: Digital, a new scheme to help 100,000 SMEs save time and money by adopting productivity-enhancing software, transforming the way they do business

In 2020 the UK Government also published the **National Infrastructure Strategy** which brings together the government's long-term infrastructure priorities with the short-term imperative to build back fairer, faster and greener following the Coronavirus pandemic. This includes:

- £1.3billion to accelerate the rollout of electric vehicle charging infrastructure
- £250million to ensure resilient and secure 5G networks
- £5billion to accelerate UK-wide gigabit broadband roll-out through Project Gigabit
- £50million for the continuation of the 5G Testbeds and Trials Programme in 2021-22
- A Shared Rural Network extending 4G mobile coverage to 95% of the UK

In late 2021, the UK Government is also due to publish the **National Digital Strategy** which will provide overarching policy and strategy to direct the public sector's digital activities, as well as regulation and coordination, recognising that digital is now at the front and centre of how we live and work. As part of this, the government has created a new Central Digital and Data Office which leads the digital, data and technology function for government.

In addition, the UK's **National Data Strategy** was published in September 2020, aiming to drive the collective vision that will support the UK to build a world-leading data economy. It will help ensure that people, businesses and organisations trust the data ecosystem, are sufficiently skilled to operate effectively within it, and can get access to data when they need it.

In June 2019 the Government published the **Technology Innovation Strategy**. This is the next step in outlining how the UK will go further in digital with emerging technology and innovation, with identification of three key areas: People, Process and Data and Technology. People relates to the 'training and technical skills' of the population. The Government is looking to establish a pipeline of digital talent at all levels via a range of training opportunities to develop both data specialists, and data skills among non-specialists. Process seeks to 'make sure that government has appropriate ways to fund this innovation and then scale successful solutions'. This includes a significant increase in the number of innovation teams and labs such as the Innovation Dojo in the Department for Work and Pensions (DWP). The need to close a widening digital skills gaps while fostering an innovative environment via improved digital infrastructure is not only recognised locally and nationally, but also at an international level.

In July 2021 the UK government published the **Transport Decarbonisation Plan** which sets out the government's commitments and the actions needed to decarbonise the entire transport system in the UK. The plan recognises that digital remains a key enabler. Goods and services will reach us more quickly through an integrated and digital network, that is not just clean, but increasingly automated and better equipped to meet user demands. Truly embracing digital technology throughout will keep businesses competitive, the sector resilient and empower users. For example, providing data and information to commuters can enable better decisions to be made about journeys. The strategy sets out plans to invest £15million in 2021/22 in traffic signal maintenance, not only to improve emissions but to enable new technologies and data systems which will support the delivery of a digital and connected road network.

In July 2021 the UK government also published the **UK Innovation Strategy: leading the future by creating it** which focuses on how government will support businesses to innovate by making the most of the UK's research, development and innovation system. The national strategy recognises that 'AI, Digital and Advanced Computing' are one of the seven technology families that make up UK strength and opportunity. AI and machine learning optimises the data economy, the blockchain solutions that builds trust in digital services, and the cyber security innovations that keep systems secure and safe. High-performance computing enables the vast data analysis and manipulation that these technologies perform and applications like digital twinning open new frontiers in data-driven decision-making and problem solving. The strategy also recognises that digital infrastructure is a key enabler of innovation, with digital services and networks underpinning the UK's ambition to be a world leading science, technology and cyber power, allowing industry to grow and innovate. The strategy advocates better use of smart data to support innovation, enabling start-ups, scale-ups and existing businesses to enter the market, develop and provide innovative services, and drive growth and productivity in relevant sectors. Alongside the UK Innovation Strategy the government also published their **Plan for Digital Regulation: Driving growth and unlocking innovation**, which sets out the government's overall approach for governing digital technologies in order to drive growth and innovation.

In the manufacturing sector, the **Made Smarter programme** supports SMEs with intensive one-to-one advice, training, network and co-funding for digital transformation. In 2021 the UK government has scaled up support in the North East and Tees Valley Combined Authority has recruited a Made Smarter growth consultant to assist local SMEs with digital transformation.

The Department for Digital, Culture, Media and Sport's (DCMS's) **Ten Tech Priorities** set out the government's ambition to roll out world-class infrastructure nationwide, with clear links to the three foundations of **infrastructure, innovation and inclusion and skills** identified in the Tees Valley:

1. Rolling out world-class digital infrastructure nationwide
2. Unlocking the power of data
3. Building a tech-savvy nation
4. Keeping the UK safe and secure online
5. Fuelling a new era of start-ups and scaleups
6. Unleashing the transformational power of tech and AI
7. Championing free and fair digital trade
8. Leading the global conversation on tech
9. Levelling up digital prosperity across the UK
10. Using digital innovation to reach net zero

In 2021, the Government launched the **UK Community Renewal Fund** (CRF) with the aim of investing at a local level to boost productivity growth across the UK, with £220million additional funding to help places across the UK prepare for the introduction of the UK Shared Prosperity Fund²⁵. The CRF looks to complement the Government's strategy to support people and places across the UK and support struggling towns to ensure no places are left behind. This includes the Levelling Up Fund (LUF), which will invest in local infrastructure that has a visible impact on people and their communities and will support economic recovery.

Investing at the local level can help provide the support people and places need to achieve higher levels of productivity and tackle disadvantage to ensure that future prosperity is felt across the UK. This is especially true as we build back stronger from the COVID-19 pandemic. Any investment must recognise the challenges faced by the people living in them and ensure that everyone is able to take advantage of economic growth. Overcoming those barriers requires support tailored to the challenges people face at a local level, namely the challenges outlined within this strategic document within the Tees Valley, including digital infrastructure, innovation and inclusion and skills.

²⁵National government has pledged to set up a UK Shared Prosperity Fund to replace funding from the EU and help "reduce inequalities between communities"



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