

APPENDIX 2: SPECIFICATION OF REQUIREMENTS

1. Overview

Somerset and West has just launched its economic development strategy, part of which is to help it transition to a high skills knowledge economy with greater levels of productivity and GVA.

It is now looking to commission expert advice into the type of knowledge economy and technology businesses (including ‘niche’ subsectors and emerging opportunities) which the Council might look to proactively target as future prospects for supporting sustainable economic growth, the creation of knowledge economy jobs, improved levels of productivity, innovation and research and development and potential future beacons for inward investment to the District.

Furthermore, in the context of the Coronavirus crisis, this work will inform our approach to new opportunities for the District economy on the path to recovery presenting new transformational economic opportunities around enterprise and innovation, development of emerging sectors and market opportunities aligned to the Opportunity areas of the Local Industrial Strategy and seen through the prism of Clean Growth, building from the asset, research and business base we may have.

At the same time, the Council is refreshing its Local Plan and there is an opportunity to consider the allocation of land under the new Local Plan to support the delivery of a sustainable innovation park potentially in a phased approach and possibly linked to Exeter University and other research institutes, with whom our members have previously engaged.

2. Background

In March 2010, a previous economic development strategy for Taunton Deane Borough Council entitled “Grow and Green - a new economic development strategy for Taunton Deane” was produced.

The Strategy was guided by a vision of sustainable economic growth:

By 2026 Taunton will be one of Europe’s most successful and sustainable towns with a dynamic knowledge economy and a high quality of life

It set out three areas for consideration which are still broadly relevant today, but our context is now broadened to include West Somerset, having merged as a newly formed Council formally in April 2019.

- **‘Grow and Green’ communities:** to develop community-based, driven and owned approaches to the green knowledge economy, linking green initiatives (renewable energy, resource conservation and management and sustainable development) with business and employment growth initiatives

- **Innovation and Enterprise:** to accelerate business growth and innovation and new enterprise development, giving particular attention to high growth firms and high skill knowledge-intensive sectors of Taunton's economy.
- **Promoting Taunton:** to promote Taunton both *internally* to local businesses, residents, students and policy-makers in order to encourage more local spending and investment and retain companies and talent; and *externally* to establish Taunton as an important destination for inward investment and tourism, at the regional, national and international levels.

A convenient “Summary of Actions” was given in the last chapter of the report.

It was agreed that the Council would develop coherent programmes for ‘growing and greening’ Taunton's economy, reaching across all sectors. This second thrust was around making accelerating green innovation a top priority, through identifying opportunities for demonstrating and piloting new schemes, developing a Taunton innovation system with businesses, the HE/FE sector and other players including the LEP and networking into other Government funded innovation related programmes.

3. New opportunities and a fresh approach

Many of the proposed activities are still relevant today and indeed some of them have now been superseded by the announcement of the Somerset wide climate change strategies and emerging workplans, including that of Somerset West and Taunton.

Somerset West and Taunton's own economic development strategy has been produced and adopted by the Council in February 2020, within which there is a focus on a stated strategic priority as follows:

University in Taunton / Research and Innovation Park

Explore the potential and scope for a University in Taunton, with a business led curriculum that will help deliver the skills businesses want, attract more inward investment and create opportunities for higher value jobs for residents.

There is an opportunity to build on the UK Hydrographic Office (UKHO) open innovation activity and links with other South West Universities, (such as Exeter), but also embrace other opportunities arising from the South West Institute of Technology with a focus on advanced engineering and digital, working with Bridgwater and Taunton college and the University Centre.

There is a clearly stated intent to explore and scope the future potential for a knowledge based Innovation and Technology Park, with links to specialist centres of excellence and research Institutes linked to Higher Education and relevant Universities and Research Institutes and/or Catapults.

This includes opportunities to explore and validate emerging opportunities in knowledge economy sectors and clustering such as:

- AI/Big Data and digital technologies already underway with links to the South West Institute of Technology
- Remote healthcare delivery (telehealth/telemedicine) linked to the care of an increasing elderly population
- Low carbon renewable energy and environmental technologies (including plastic waste recycling and the circular economy).

The latter could include innovations around the circular economy and innovation in manufacturing and processing, linked to the Climate change emergency and the associated industry and business workstreams and sustainable smart city type of 'Garden Town living' for the 21st century, as well as building on exciting initiatives such as the Biohm investment in biosciences linked to plastic waste recycling and other commercial applications exploiting our Natural Capital. <https://www.onioncollective.co.uk/industry-for-watchet>

Somerset's Climate Change Strategy

<https://wwwmedia.somerset.gov.uk/wp-content/uploads/2020/01/Somerset-Climate-Emergency-Framework-Final.pdf>

Following the publication of Somerset's Climate change strategy and the development of the various workstreams, including industry and business and waste in particular, there is an opportunity to harness this activity and focus on those aspects of the Climate change strategy where a future innovation park and campus could contribute, working in partnership with Exeter University and other stakeholders.

Garden Town Prospectus

<https://www.somersetwestandtaunton.gov.uk/media/1450/taunton-garden-town-vision.pdf>

"Taunton, the County Town of Somerset will be flourishing, distinctive, and healthy – and the country's benchmark Garden Town. We will be proud to live and work in a place where the outstanding natural environment, diverse and thriving economy and inspiring cultural offer, contribute to an exceptional quality of life and well-being".

National and Local Industrial Strategy

Clean growth opportunities need to be considered in terms of the Heart of the South West Local Industrial Strategy and in the context of some of the themes of the national strategy around:

Ideas - the world's most innovative economy and a world leader in global science and innovation collaboration. The Government is looking to increase R&D tax credits and investment in R&D. This is intended to encourage the private sector to invest more in R&D, to turn exciting ideas into commercial products and services and to build research and innovation excellence across the UK, linked to the Science and Innovation Audit.

Grand Challenges - developments in technology that are set to transform industries and societies in which the UK has an opportunity to play a leading role. Essentially this is commonly referred to as the 4th Industrial Revolution, with the convergence and fusion of technologies blurring the boundaries between physical, digital and biological worlds which will introduce new business paradigms and enhance GVA and productivity.

Clean Growth - to maximise the advantages for UK industry from the global shift to clean growth through leading the world in the development, manufacture and use of low carbon technologies, systems and services that cost less than high carbon alternatives.

Economic opportunities from this area could grow at four times the rate of GDP, following the Paris Agreement of 2015, which commits to revolutionising power, transport, heating and cooling, industrial processes and agriculture.

d) SWT's Great Plastic debate and associated papers

There has been significant discussions previously with Exeter University and some of the local networks around the circular economy including recycling of plastic waste for instance, building on Exeter University's research credentials as well as discussion with the South West Academic Health network and opportunities for innovation in remote delivery of healthcare including telehealth and telemedicine in the context of an ageing population in more peripheral rural areas across the district. There are potentially a wide range of stakeholders who could leverage investment funding, provided the business case is robust and then deliver aspects of this innovation/science park forming an Integrated Programme Delivery partnership. These papers will be shared with the winning consultant at the inception meeting,

4. Scope of tender opportunity and Key Outputs

Further to the strategy in 2011, internal discussions and a forum on the Plastics debate in 2018, compounded now by the declaration of a Climate Change emergency and faced with the LIS and a clean growth focus as well as the need to provide and support new Opportunities to re-position the economy during the recovery phase from Covid 19 and beyond and be transformational addressing societal challenges, it would now seem opportune to re-consider the opportunities of emerging sectors and also collaboration with the knowledge base in our neighbouring surroundings. In parallel to this assignment, work has been underway to develop a Digital Innovation Centre in Taunton building on a Digital Taunton cluster to help businesses transform their business models in a digital economy, which has resulted in a thorough demand and need study and proposals for a Digital Innovation Centre and associated innovation services, culminating in a build to the Government through an ERDF funded capital programme in March 2020 for a proposed future build by early 2022.

The time has never been better to look to work strategically and collaboratively sub-regionally with a range of stakeholders to develop the future business support and eco-innovation network, and physical infrastructure in this strategic growth corridor along the M5 between Bristol and Exeter.

This will in future necessitate greater collaboration and alignment with Further Education and Higher Education Institutes, sub-regional sectors and business membership bodies and enterprise agencies, pan-LEP sector networks, and sub-regional partnerships within the Heart of the South West and potentially Greater South West and the West of England Combined Authority, along with other national and sub-regional stakeholders including Catapults etc. Department for International Trade (DIT) and other Government departments.

4A Key Deliverables

The key deliverables arising from the scope of this initial feasibility work should comprise of a comprehensive report, routemap and action plan, with supporting annexes of research and discussion with local stakeholders, which addresses the following:

1. A report which assesses and validates and/or develops and refines an initial concept or proposes an alternative concept for the development of an innovation/technology park and /or science park in our District and benchmarks the strengths, weaknesses, gaps and opportunities measured against the normal criteria and the Critical Success Factors normally associated with a successfully operating science and innovation/technology park. This should include a healthcheck and barometer of our current starting position as well as the building blocks on which we should build. (referring to article attached as Annexe A).
2. It should recommend an initial starting point and subsequent routemap for how we might go about developing the business case, setting out the recommended approach we should take from a series of alternative options with supporting rationale (e.g. a virtual hub and spoke model vs one consolidated park development and other alternatives you consider there might be). This should be based on your objective, realistic assessment of the vision, aims and objectives as well as your view on the initial starting point and focus for such a venture, resulting from the desk and field work you propose to undertake and having an eye to attracting Government public and private sector R&D funding and likelihood of attracting future institutional and commercial seedcorn and medium to longer term investment.
3. Following on from the recommendation of the preferred starting model, the report should set out the proposed Governance approach that should be adopted, as well as the roles of the stakeholders, the workstreams that needed to be developed and the routemap for moving to implementation of the first phase of development and what the future phases and activity might look like. This should include a clear action plan of key activity, milestones and key performance indicators, phasing and timelines to move from concept to initial realisation on the ground for each of the phases of implementation.
4. Assuming that this is taken forward, it would be good for you to provide an assessment of the likely economic impact in terms of GVA, Innovation and Productivity and start up rates etc. and associated multiplier effect on the local economy and existing value and supply chains locally and sub-regionally and what we will need to do to develop the attractiveness of the business environment and innovation ecosystem further. Consideration given to an assessment of the current strengths and weakness of the local sub-regional social, human, financial and technological capital to support such a concept and proposition and steps to strengthening and deepening those areas where here are deficiencies.
5. As a final part of this commission, we would like an some early consideration to be given to the short, medium and longer term property and land allocations and the critical success factors would be in the initial design and masterplanning and physical location of the park to ensuring such a park would be successful by assessing the location and other essential infrastructure and connectivity requirements might be to ensure its viability. This is obviously at a high level as more of that work would be taken forward in the next phase and scope of work.

4B Considerations related to the initiation and development of an innovation/technology and/or science park which may inform the methodology and approach you take

- This will necessitate desk based research and updating of the relevant Government policies and strategies linked to Clean Growth and associated sector opportunities and require renewed engagement with the departmental heads at Exeter University.
- It will also require active discussion and engagement with members of the Council and other actors such as the County Council who have been previously engaged in such discussions to seek their input and what they can contribute in terms of know how, institutional support and assessment of the market opportunity but also their thoughts as to how to take any ideas they might have with supporting rationale.
- It will also require a realistic assessment of the opportunity to develop an innovation campus, after undertaking a review of the business opportunities, assets, and potential early commitments of Universities and research and innovation bodies and organisations.
- SWT will need to focus down on a core concept from which to start, where there are likely to be the greatest opportunities for success and where we have tangible assets, businesses and research capabilities which are relatively strong and possibly where there is a unique capability.
- Furthermore, although we are able to allocate land for an innovate park, we need to understand and validate the opportunity for an innovation park first and understand the type of model we should look to operate – namely, might it be a hub and spoke model lining different centres of excellence together and premises for start up and move on or other approaches

a. Validating future knowledge economy market opportunities & emerging businesses to target

SWT needs to identify the focus for the R and D area of research and development which presents the best immediate opportunity for development of the innovation/technology and/or science park concept and in parallel identify the types of businesses and start-ups in emerging sector/technology areas that might be looking for new environments to test, prototype and collaborate and innovate. This will in future require us to target the early movers and shakers in these areas who hopefully will subsequently attract others in, once they are well established here.

Such movers and shakers may an existing set of businesses, or be a new style of business incubator or accelerator that is established, a large anchor corporate relocating to the area, a leading research institute or offshoot of a University, or a UK or Foreign Investor looking for a suitable location. It will hopefully lead to the opportunity for an applied research and development intensive cluster around sustainable clean growth and environmental/energy related businesses and stakeholders.

b. Better partnering and collaboration

SWT needs a vision for the future which will develop better links between local and sub-regional partners, businesses and stakeholders, along the M5 corridor and its hinterland in the form of triple helix open innovation type of collaborations and potentially complementary

clusters each with their unique points of differentiation but where the sum is greater than the parts in a national and international context, seen through the lens of Clean and sustainable growth and opportunities. The example of one of the key challenges challenges to address is that of Climate Change and Clean Growth.

It should look to seize upon synergies and complementary research and development activities and clustering, potentially involving collaborative interest and are shared institutes, assets and resources which could be made to be bigger than the sum of the parts. This would build on previous interactions with Exeter University amongst other local business networks in the South West.

c. Proactive preparation for strategic funding opportunities

SWT and its businesses, asset and stakeholders need to be outward looking and proactive in responding to wider Governmental funding opportunities and associated calls from Government bodies such as UKRI and emanating from the National Industrial and Prosperity strategies such as from Innovate UK for instance. Once a proposition and focus for the innovation park is confirmed, we can collectively anticipate and intelligently horizon scanning all opportunities, seeking where possible to strive to be a pilot and a collaborative testbed for Government funding calls addressing societal issues in related areas including low carbon & sustainable energy challenges, digital upskilling etc. responding to calls for Institutes of Technology etc., enterprise zones etc.

d. Attracting and growing businesses involving local recruitment, inclusion and upskilling of the indigenous workforce

A wider consideration related to the development of an innovation park is that future is that there are opportunities for sustainable growth of the economy in the future which will provide new and emerging career and employment pathways for the resident population and it is important that there is a broad range of employment opportunities which can lead to higher skilled and paid jobs within the District for its residents over time. This would be an opportunity to develop zero carbon environmental and renewable technologies skills and training for instance as a legacy of Hinkley C construction and transferability and application of manufacturing and engineering skills to these new and emerging work and sector opportunities.

a. District wide focus

It is envisioned that this scope of work will propose a direction of travel in terms of the type of future knowledge economy prospects and targets should aspire to which ultimately will help transform the economy over the short, medium and long term, starting with some early quick wins within the next 3-5 years.