techUK

10 St Bride Street
London EC4A 4AD

techUK.org | **@techUK**

Media Contacts
Margherita Certo
T: (+44) 07462107214
E: margherita.certo@techUK.org

Press release

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West Midlands tech sector among the strongest in the UK

- *Ultrafast and Gigabit broadband coverage in the region is the best in the UK*
- *Digital skills are still a challenge for areas outside London*

LONDON, 24 October: The West Midlands has the best ultrafast and gigabit broadband coverage across the whole of the UK, shows today's Local Digital Capital Index (LDC Index) report.

techUK, the UK technology trade association, today publishes a new in-depth analysis of the West Midlands' digital ecosystem that identifies the role digital technology must play to safeguard its economic recovery and drive future prosperity.

The Local Digital Capital Index, measures six digital ecosystem components: digital infrastructure, finance and investment, skills, digital adoption, research and development, and trade support, to assess the strength of the UK's regional digital ecosystems.

On this basis, the Index has found the technology sector in the West Midlands is among the best developed in the UK, particularly in digital infrastructure and research and development

Highlights for the West Midlands include Ultrafast and Gigabit broadband coverage at 88% and 87% respectively - the best in the UK, exceeding London and the rest of the UK. However, with other regions seeking to improve their digital infrastructure to match and surpass the West Midlands, further progress to improve digital skills and address disparities in digital adoption will be required for the West Midlands in order to keep growing its digital economy.

Finance and Investment in tech in the region are lower than many comparable regions (e.g. Greater Manchester) and more investment in ICT and attracting high growth businesses to the region may help to boost the West Midlands' digital prospects.

The technology sector has been growing exponentially, leading to more jobs and higher wages. The Local Digital Capital Index shows that further investment is essential to tap into

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the digital ecosystems of those local areas currently falling behind to ensure their growth and for the benefit of the citizens.

Recommendations to Government

techUK strongly calls for closer collaboration between local and central government and the tech industry to fill these gaps, and has listed ten recommendations to government to achieve urgent levelling up across the UK's nations and regions:

1. Ensure that Project Gigabit reaches all areas of the UK, particularly rural communities.
2. Investment Zones announced by the Government must also be 'tech zones' to attract people to work, base their business in them and secure new future investment.
3. Improve skills data to ensure that activity, such as funded digital bootcamps, and comparisons of these activities are consistent across the UK.
4. Digital actions and activities should be identified in future Levelling Up bids and projects made by local councils to help address regional divides and exclusion.
5. Data should be shared more regularly on initiatives such as Help to Grow Digital to allow local activities to support national schemes.
6. Conclusive and consistent data to measure data ecosystems across the UK. Government should look to running a testbed with a Combined Authority to build a working model that can be adopted UK wide.
7. Devolved Government and elected Mayors should publish and regularly update their digital strategies. Central Government can't do this alone and needs to empower more local activity and accountability.
8. Finance and investment regionally lag behind London. Improved access to venture capital (VC) and angel investment, better signposting to support and test new proposals, such as the creation of new ringfenced regional funding in partnership with elected Mayors focused on digital outcomes and supporting vital national infrastructure.
9. Implement changes to the standard industrial classification (SIC) and standard occupation classification (SOC) to better mirror the tech sector and changing occupation, to better tracking and data capture.
10. Local collaboration to ensure digital connectivity reaches all areas of the UK and Mayors and Combined Authorities have an important role to play.

Julian David, CEO, techUK, said:

"The West Midlands has maintained its position as a leading digital infrastructure destination as our latest data has demonstrated. The region should be congratulated for the work that's taken place, and continues to happen, to make the West Midlands the home of some of the best coverage in the UK.

"The recent announcement by the West Midlands Mayor of a new Tech Commissioner for the region is a welcome step and a clear example of the region's ambition to 'go global' while also addressing regional challenges such as maximising funding for the tech sector and supporting start-ups.

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"Access to a digitally savvy and talented workforce will be one of the determining factors in securing new investment, creating new jobs, and developing even more talented people in the future."

-ENDS-

Notes to Editors

The full report can be downloaded here.

The data used in the Local Digital Capital Index is more localised data than in 2021 and has been developed working in conjunction with Henham Strategy.

techUK's Nations and Regions programme

About techUK

techUK is the technology trade association that brings together people, companies and organisations to realise the positive outcomes of what digital technology can achieve.

With over 900 members (the majority of which are SMEs) across the UK, techUK creates a network for innovation and collaboration across business, government and stakeholders to provide a better future for people, society, the economy and the planet.

By providing expertise and insight, we support members, partners and stakeholders as they prepare the UK for what comes next in a constantly changing world.