

Winchester City Council

South East England Regional Assembly - Select Committee on Manufacturing

Gillian

Thank you for giving me the opportunity to comment on the above context and issues paper. Whilst the Winchester district does not have high levels of manufacturing, there are many supply chain links to businesses that operate within the area. I have added some comments to the 6 main discussion issues.

Discussion Issue 1: Manufacturing in the South East is very advanced and high value, but given the decrease in employment in the sector, how can SEEDA help dispel the misconception that manufacturing is a dying industry?

The SEEDA region needs to build on its strengths, one of which is Hi-tech manufacturing. It is important to note that this is more concerned with Research and Development rather than plain production driven manufacturing. Therefore there is a need to promote the knowledge and technology transfer activities rather than the traditional view of heavy industry manufacture. There is a role of HE/FE institutions in developing a better perception of manufacturing, especially focusing on R&D activities. Winchester does not have a large manufacturing base. The main economic activity here is primarily service based. However, the strength of Winchester's economy lies within the knowledge and technology transfer stages of manufacturing.

Discussion Issue 2: How can SEEDA help to ensure that there is productivity improvement in manufacturing for the sector to compete successfully in global markets?

The joining Forces Framework is to be applauded however it is vitally important that its partnership approach is effective and that the framework is far reaching and easily available to SMEs and other companies in the supply chain. Is there a role of Local Authorities here along with other local business support agencies (Chamber of Commerce, FSB)? It is important to acknowledge and engage with local service providers if SEEDA wishes to improve productivity at a regional basis therefore it needs to tap into the local expertise.

Discussion Issue 3: Only 2% of companies which MAS could have supported were supported with in-depth consultancy due to limited resources. How adequate were the resources set aside for the MAS and those set aside for the proposed MAS in 2005-8?

Not representing a large manufacturing base, it is difficult to comment on this issue. I feel that to get a true picture regarding the success of the MAS business support activity, you ask those companies to rate the service at a number of different levels. This can then be used to benchmark against future activity and act as a conduit to lever additional funds and resources.

Discussion Issue 4: How can the skills needs to keep the manufacturing sector highly productive and competitive be met before the competitive advantage to the region is lost?

It is important that HE/FE institutions are involved throughout this process as are the different levels of supply chains. It is important to note that the growth of advanced manufacturing in the South East has been mainly organic therefore there will always be a preference for this sectoral activity. That said, there is a need to channel skills into the area at all levels if the manufacturing sector is to be sustainable, this means focusing on production in areas where this already undertaken, and linking knowledge and technology transfer in areas that have strong knowledge based economies. For example in Hampshire building supply chains around R&D in Winchester/Basingstoke and linking to production in Havant/Gosport. It is important to identify these links and build upon them to sustain and develop the skills requirements of the region as a whole. Again this links into the joining forces framework. There is a role for Winchester based companies within manufacturing however this is associated more with research and development activity rather than product line manufacturing. Therefore sustaining effective supply chains is important.

Discussion Issue 5: In view of the fact that Lean Manufacturing is hard to sustain, requires time and uses resources that companies do not have when they are in the process of cutting costs, how can Lean be sold to companies as a means to encourage process and product innovation and, in turn, raise productivity?

This needs to be undertaken in partnership with companies in the manufacturing sector. It is important that any development in this area is from a bottom up approach – that way it is built around the business needs rather than a top down approach which does not interact with the business community. Again is there a role here for local support agencies, Local Authorities, Business Links, Chambers of Commerce, FSB etc?

Discussion Issue 6: To What extent should SEEDA MAS concentrate on providing high quality support at the expense of penetrating the SME market in view of the limited resources it has?

This depends on whether the outcomes are positivistic or phenomenological – quality versus quantity. The joining forces Framework approach should facilitate this issue and promote to the wider manufacturing sector within the South East. It is therefore key to develop a high quality support model which can be rolled out. Once the business community becomes aware of its success, the word will spread. At that point it can be reviewed and revised to suit the wider SME market.

I hope that these comments are of use and I look forward to receiving feedback from this consultation process.

Kind regards

Richard

[Richard Lawrence](#)

Economic Development Manager

01962 848598