

Plymouth Manufacturers' Group Chairman's Review of the Year 2021

(figures rhs will correspond to the accompanying slideshow)

Prior to shortly vacating my position as Chair of the PMG - a position I've held for a little over two years - it is my duty and privilege to present to you our *Review of the Year 2021*. This script is accompanied by a slideshow. (Pl. note references alongside).

Of course, the year commenced much as the previous one had ended, with the country still in the grip of the Covid-19 pandemic. More on that shortly.

January

In January, we heard that Plymouth had continued to maintain its title as the English southern city with the highest concentration of its workforce employed in manufacturing. At 12.4 per cent (up from 11.7) it pushed even further ahead of its nearest rivals Portsmouth and Swindon (at 9.43% and 8.41% respectively). In fact, Plymouth now ranks within the top dozen largest cities for manufacturing across the whole country, measured as a proportion of its employed population.

The *Plymouth Makes* website which had been launched at the end of the previous year, started to gain traction with local schools, families, and other stakeholders such as our connections at Plymouth City Council. One design and tech teacher told us the website gave her everything she wished for and more to inspire her students to connect her subject to interesting careers in manufacturing. We continue to encourage members to contribute to this young person focussed website.

February

In February, Covid-19 forced us to cancel our annual plans to hold an *Apprentice Jobs Fair* in Plymouth Guildhall with our partners from the construction sector. However, our outreach to future talent continued, mostly through virtual opportunities and we used the *Plymouth Makes* brand to represent our members at a variety of web-based and social media led careers fairs throughout the year.

Our second ever *Apprentice of the Year Awards* event, held jointly with the construction sector, was also held virtually. We celebrated the achievements of 11 finalists and three award winners for: the *Rising Star Apprentice* in both manufacturing and business and a *Final Year Apprentice* in manufacturing with awards going to two apprentices from *Babcock* and one from *Collins Aerospace*. Our thanks go to the former Leader of the Council for announcing the award winners.

April

As the sector recovered strongly during the Spring, Plymouth ranked 5th in the country for job postings during April. The recovery was felt fastest in manufacturing and distribution hubs.

Our new PMG website (mypmg.co.uk) went live in April enabling us to easily post news items and useful articles at a greater frequency than ever before. In fact we posted 174 stories throughout the remainder of the year. That's the equivalent of five a week!

May

This led to us being able to distribute our first ever e-newsletter with the aim to drive traffic back to the website's news section. This format gave us a much better understanding of our audience and how they respond to the articles and news we post, this means we can continue to evolve the website and e-news to suit the members' interests.

Our LinkedIn page that we started at Christmas 2019 has also gone from strength to strength during the pandemic and we now have over 1,200 followers and some great engagement. 9

Nationally, conditions in the manufacturing sector continued to improve at an unprecedented rate in May, as output growth strengthened and new orders rose at the quickest pace in the near three-decade PMI survey history. Looser pandemic restrictions and high levels of pent-up demand meant that the rapid revival in labour market conditions continued, with staffing levels also rising at a record pace. 10

At this time, members strongly reaffirmed the PMG's four strategic objectives. *Improving members' performance* through our subgroups rated highest, however, all four objectives carried weight and recognition amongst the members. We were also given a clear steer on the format of future meetings with nine in ten in favour of a hybrid/mixed approach to meeting in person and online. 11

Also in May, the *Office for National Statistics* (ONS) published figures that revealed the Gross Value Added (GVA) from manufacturing in Plymouth had increased by almost 9% between 2018 and 2019, despite all the economic uncertainty surrounding Brexit and before the onset of the pandemic. It stood at £985M, up from the previous year's total of £905M. This represents a whopping 17.5% of the total Plymouth economy which is valued at £5.63Bn. This compares favourably with manufacturing's share of the economy nationally which is slightly less than 10%. 12

June In June, the PMG maintained its engagement with local education providers by sponsoring Cornwall College's Apprenticeship Games' leadership award which was won by Apprentices from *PALL Aerospace*. 13

July In July, we held a special *Net-Zero event* which attracted 25 members to hear presentations from five guest speakers from across the public and private sectors plus two case studies from individual PMG firms – *Babcock* and the *Barden Corporation*. 14

We also partnered with local lawyers *Womble Bond Dickinson* to hold a discussion on the subject of the *Plymouth and South Devon Freezone*. 15

As Covid-19 infection rates soared during the summer, so too did alerts sent by the NHS COVID-19 app, the digital contact-tracing platform used in England and Wales. In the week to July 14, over six hundred thousand people were '*pinged*' nationally by the app, up from five hundred and thirty thousand alerts sent the week before. Such vast numbers of alerts led to commentators terming the phenomenon a '*pingdemic*'. Many businesses struggled to stay afloat as staff members self-isolated, and the PMG lobbied the Government for a change to the rules around self-isolation fearing production will be hit by a shortage of workers. We wrote to Plymouth's MPs and the manufacturers' organisation *Make UK* to put pressure on Westminster to relax rules. 16

September In September, PMG members gathered in person for the first time in eighteen months at the *Devonport Market Hall* to explore the building's 'state of the art' immersive dome facilities. As a group we discussed collaborative opportunities with partners including the *University of Plymouth*; the *Plymouth College of Art* and private sector providers, in immersive technology and digital fabrication. 17

The £3.5 million *iMayflower project* is one of only five funded in England and the only one in the South West. The Immersive Dome is the first of its type in Europe. The only other like it in the world can be found at the S A T in Montreal, Canada.

November Prior to onset of the omicron variant, conditions had improved so much that by November, Network members held their first on-site, face-to-face meeting at *Meddings Thermalec Limited* on the Lee Mill Industrial Estate which had seen considerable investment in recent months. 18

December As the business community gathered carefully and safely at the *University of Plymouth* in early December for the *PMG Annual Christmas lecture*, William Telford, Business Editor for *Plymouth Live* took the opportunity to do an interview with the evening's guest speaker, Ruth Cairnie, Chair of *Babcock International plc*. 19
 In his article, William covered the points explained by Ruth Cairnie, that while plans have already been outlined for a £1bn, five-year redevelopment at the yard, to allow the newest nuclear submarines to be refitted in Plymouth, *Babcock* has now confirmed that this is only the start of an even longer programme of work, which will see up to £2bn invested over a decade, making it the largest capital investment in the site for 40 years.

Nationally, the manufacturing sector saw growth in production, new orders and employment right through to the end of the year. Although a slight easing in supply chain delays helped lift output volumes and take some of the heat out of input price increases, logistic disruptions and staff shortages were nonetheless still hindering the overall pace of expansion. Much of this picture nationally was replicated locally here in the far south west.

All year It's always invidious to mention some members and not others so apologies now if I miss you out! Over the course of the year: 20

- *Bombardier* became *Alstom* 21
- *Collins Aerospace* won its fourth Queen's Award for Enterprise 22
- *HellermannTyton* broke ground on phase II of a major expansion of its factory which is expected to create 100 jobs, while *Oakmount Control Systems* and *Groeneveld* both moved to new locations.
- Further up the A38, both *Teignbridge Propellers* and *The Stovax Heating Group* also announced they were moving. Having outgrown their current buildings and production facilities, Stovax are relocating their ten (yes ten) current sites to a new, 200,000 square feet purpose-built facility at Skypark, Exeter. A PMG site visit must be on the cards during 2022! 23
- Amongst the celebrations: *Rittal-CSM* marked 40 years in Plymouth while *Bandvulc* sealed its 50th anniversary with more than £1million invested on new equipment and processes. 24

As a Group, we continued to represent members on a variety of local fora including: 25
 the *Plymouth Growth Board*; *The Plymouth Employment & Skills Board*; the University's *Mechanical & Marine Industrial Advisory Committee*; the *South West Manufacturers' Network*; *Make UK* area boards; the City Council's *Resurgam* plan and its *Skills Launchpad*.

All things considered it was a pretty remarkable year.

Mike Snaith, PMG Chair.