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# Local Digital Index **2024**

Case Study | **West Midlands Region**

**Building Stronger Local Economies**



**We are spotlighting the West Midlands region (Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall, Wolverhampton) in our Local Digital Index 2024 as it stands out for its rapidly growing digital economy and its key strengths:**

- Digital infrastructure
- Academic research
- Engineering
- Manufacturing
- Advanced computing

The region's key priorities include:

- Digital leadership: Strengthening its position as a global tech hub through innovation and scaling businesses.
- Connectivity: Expanding infrastructure, including 5G, to support growth.
- Talent development: Bridging the digital skills gap and fostering inclusivity.
- Sustainability: Promoting green technology and sustainable innovation.
- Collaboration: Building partnerships across businesses, academia, and local authorities.

Innovation economy supports the development of clusters exploiting the region's established core strengths in:

- Creative and digital technologies
- Health tech and life sciences
- Advanced manufacturing
- Business, professional and financial services





## Building a strong local digital ecosystem

The West Midlands region has a broad range of initiatives and partnerships which allows it to make great strides when it comes to creating and developing a strong tech ecosystem such as:

The WMCA and its constituent Local Authority Partners are working collaboratively to create a fairer, greener, healthier, better-connected, and more prosperous region. Together, they aim to foster an inclusive digital economy, leveraging data to enhance public services and technology to reduce carbon emissions. This collaboration is leading to a better understanding of the region's strengths in tech, creative industries, manufacturing, and MedTech, contributing billions to its economy.

[The West Midlands Digital Economy Playbook](#) developed by Tech West Mids (TechWM) is an independent not-for-profit organisation that sits at the beating heart of the West Midlands tech sector. This playbook aims to inspire ideas and strategies to transform the region's tech sector into a globally recognised digital superpower, achieving a valuation of £100 billion by 2030, and it focuses on three core growth pillars: skills, support, investment.

[West Midlands Plan for Growth](#) targets key economic clusters to drive above-forecast growth, leveraging the region's comparative advantages. These clusters, comprising 12-15% of the economy, create high-quality jobs, strengthen communities, and enhance economic resilience. By focusing on collaboration and innovation, the plan addresses regional challenges and fosters inclusive prosperity. It also highlights that the West Midlands' health-tech and med-tech cluster offers potential for £400m+ in output and 5,300+ jobs by aligning with leading UK regions. Key strengths include world-class facilities, engineering expertise, and 11,000 medical science graduates annually. Priority projects focus on investment, scaling spinouts, site readiness, and fostering skills to drive growth. Following the publication of Government's Industrial Strategy Green Paper,

Invest 2035, Local Growth Plans are also being developed to "grow their sectoral clusters and improve the local business environment".

[Birmingham Tech Week](#) is UK's largest regional tech festival and conference, attracting over 7,500 attendees. Spanning the entire West Midlands, it features events covering a wide range of important and innovative topics, from leadership, digital skills to scale up support.

The West Midlands Tech Review is an annual event bringing together over 300 regional leaders, national tech execs and stakeholders to showcase the region's tech strengths, opportunities, and challenges and the event aligned key players behind a unified strategy.

Eagle Labs introduced the [Ecosystem Partnership Programme](#) in Birmingham and Manchester to strengthen local entrepreneurial ecosystems for tech and digital businesses. The programme provides matched funding to organisations for initiatives addressing regional opportunities and challenges. In [Birmingham](#), Barclays has partnered with x+why, and the Digital Direction initiative accelerates digital growth by connecting participants with industry experts, mentors, and cutting-edge resources at [STEAMhouse](#) Digital Labs.



[The West Midlands' Investment Zone](#) is set to enhance the region's appeal to investors by offering a dynamic package of incentives and world-class innovation capabilities. Spanning three strategically located sites—Coventry & Warwick Giga Park, Birmingham Knowledge Quarter, and Wolverhampton Green Innovation Corridor—the zone provides significant benefits, including reduced business rates, lower employer national insurance contributions, and streamlined regulatory processes to accelerate development.

Each site is supported by partnerships with one or two leading regional universities, fostering strong links to cutting-edge research and innovation. This integration ensures businesses have access to a rich talent pool, advanced knowledge, and technological expertise, making the West Midlands a prime destination for forward-thinking enterprises.

To seize international opportunities, the West Midlands is crafting a clear and cohesive global agenda. Building on the region's international success, exemplified by the Commonwealth Games, an international strategy for the region is being developed, in line with the Local Growth Plan. Key markets West Midlands Growth

Company (WMGC) have been engaged with include the USA, India, Singapore, France and Germany.

During the 2023/24 financial year, the West Midlands held onto its title of top performing UK location outside of London for FDI employment creation, and was the joint top regional location for FDI project attraction, alongside the South East. According to the [latest EY UK Attractiveness Survey](#), the West Midlands bucked a general UK trend of FDI decline, recording a 72% rise in foreign direct investment projects in 2023 (127 projects). Birmingham was at the forefront of this growth, leading the West Midlands and outperforming all other UK cities outside of London. Securing 67 projects, it sets a record for the highest number of projects managed by any regional city in the last decade.

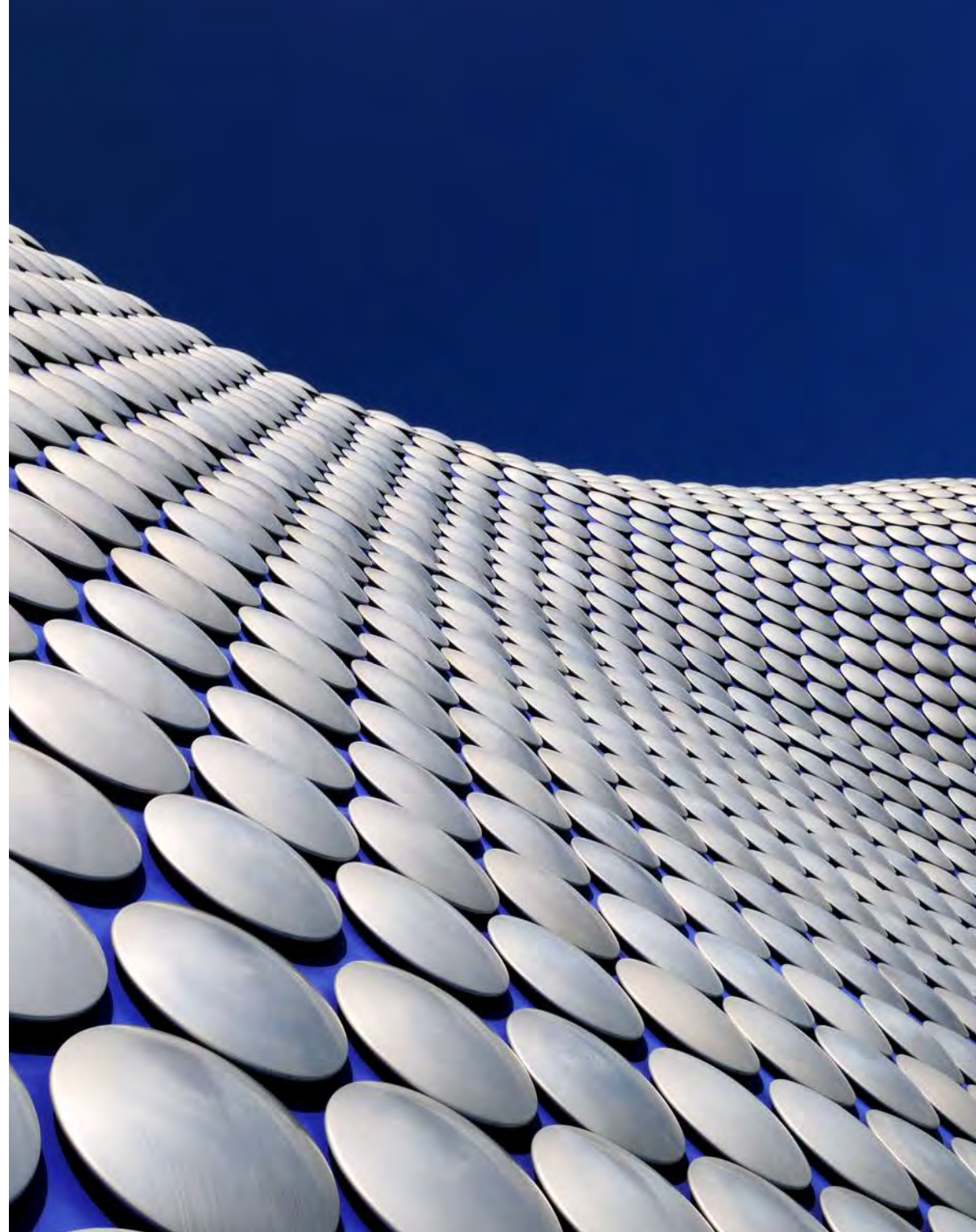
Recent tech-led investments into the region include Tata Elxsi, which is creating a wave of skilled engineering roles at its Coventry design hub over the next three years and School of Coding & AI, which will create 100 tech-focused higher education jobs at its new Birmingham campus.



# Digital and tech innovation driving transformation

The region is leading transformation and promoting innovation across its industries through a variety of regional innovation or investment programmes, including:

[West Midlands Innovation Accelerator](#) is a programme led by Innovate UK with £100m investment from UK Research and Innovation, supports 26 R&D projects across three high-potential clusters: Glasgow City Region, Greater Manchester, and the West Midlands. This initiative empowers local leaders to drive regional growth, attract private investment, and develop future technologies. In West Midlands, it aims to fast-track regional growth in HealthTech, MedTech, and CleanTech by leveraging local strengths in engineering, manufacturing, and advanced computing. Focused on high-potential clusters, it supports cross-sector R&D, attracts private investment, and strengthens global competitiveness, with a sustainable, market-driven approach led by private sector leadership.



[One to Win - Europe's largest pitch investment competition](#) launched by TechWM in collaboration with Rigby Group PLC, Haatch Investments, and Midven, supported by the WM Co-Investment Fund. Coventry-based Inicio AI secured £1.35m as the winner, however all 140 applicants are benefitting from support and investor connections. Haatch Investments, now actively engaged in the region, and 50 exited founders and angel investors have committed to further collaboration, unlocking critical capital and investment for regional startups and scaleups.

[AI Adoption Accelerator Programme](#) – a collaboration between AND Digital and TechWM where twelve manufacturing companies across the West Midlands have been trained in AI and are now integrating it into their operations, paving the way for their transformation into Industry 5.0 leaders.

[Global Innovation Challenge](#) - JLR, in collaboration with Plug & Play and TechWM, hosted a Sustainability Innovation Challenge, providing startups from the West Midlands and Europe with the chance to address key sustainability and future mobility challenges. Genomines, the winner, received £90,000 and the opportunity to further collaborate with JLR, driving innovative solutions for a greener future.

[West Midlands Global Growth Programme](#) – a fully-funded package of market entry support that provides international tech-led companies with a springboard to success in the region. The Programme offers workspace at a choice of six innovation hubs across Birmingham, Wolverhampton and Coventry, offering a choice of 20 specialist sector support packages across four key sectors – Health Tech, Clean Tech, Digital Tech and Future Mobility.

[Grow Global programme](#) - West Midlands businesses also have access to London & Partners' Grow Global programme, which supports companies in growing their international presence by taking advantage of a range of dedicated services, including international trade missions, workshops, events and connections to key partners.

To foster international engagement, the West Midlands has established strong ties with key global markets, including the US, Germany, Portugal, Singapore, and South Korea. A standout achievement is the [Memorandum of Understanding \(MoU\) signed with two of Ulsan, South Korea's leading innovation hubs](#). This partnership is designed to promote collaboration and create mutual opportunities for businesses

in both regions and it's the type of initiative which exemplifies the region's commitment to driving global growth and innovation.

*"TechWM is spearheading digital innovation in the West Midlands, with an array of crafted collaborations aimed at creating a flourishing tech ecosystem for businesses, entrepreneurs and the community. Our international partnerships and successful initiatives, such as the AI adoption programme and our 'One to Win' initiative that led to a £1.3 million investment in InicioAI, demonstrate our belief in technology's transformative power and potential for economic growth. TechUKs Local Digital Index provides insight into our progress and emphasises the significance of digital literacy, skills and infrastructure for regional development. As we move forward in 2024, we are enthusiastic about the possibilities to further enhance the UK's tech economy and landscape."*

Yiannis Maos, CEO of TechWM



The West Midlands Growth Company (WMGC) also launched [It Starts Here](#), a bold destination promotion campaign during Birmingham Tech Week to position the region as a global innovation hub. Highlighting sectors like green power, life sciences, and game-changing tech, the initiative aims to drive inward investment, create high-value jobs, and boost regional confidence. Recognised as one of Europe's top three innovative regions, in this year's European Capital of Innovation Awards (iCapital 2024), the West Midlands also saw a 72% rise in FDI projects in 2023, led by Birmingham, further cementing its reputation as a dynamic, forward-thinking destination.

As shown in our Local Digital Index 2024, in Birmingham, the number of funded businesses with access to private investment is 164 and in the West Midlands is 316, and the number of businesses which received Innovate UK funding in Birmingham is 342 and in West Midlands is 792. This allows businesses to invest in technology and talent and boost their regional digital economy. The innovation intensity for all sectors in Birmingham is 6.66% and for the West Midlands is 6.18%. The percentage of innovative companies in Birmingham in the digital sector is 24.1%. In the West Midlands, there is a total spend of £4.9billion for R&D, with

£83million from Government and UKRI funding, £972million in higher education, £3.8billion in business enterprises, and £16million in private non-profit organisations.

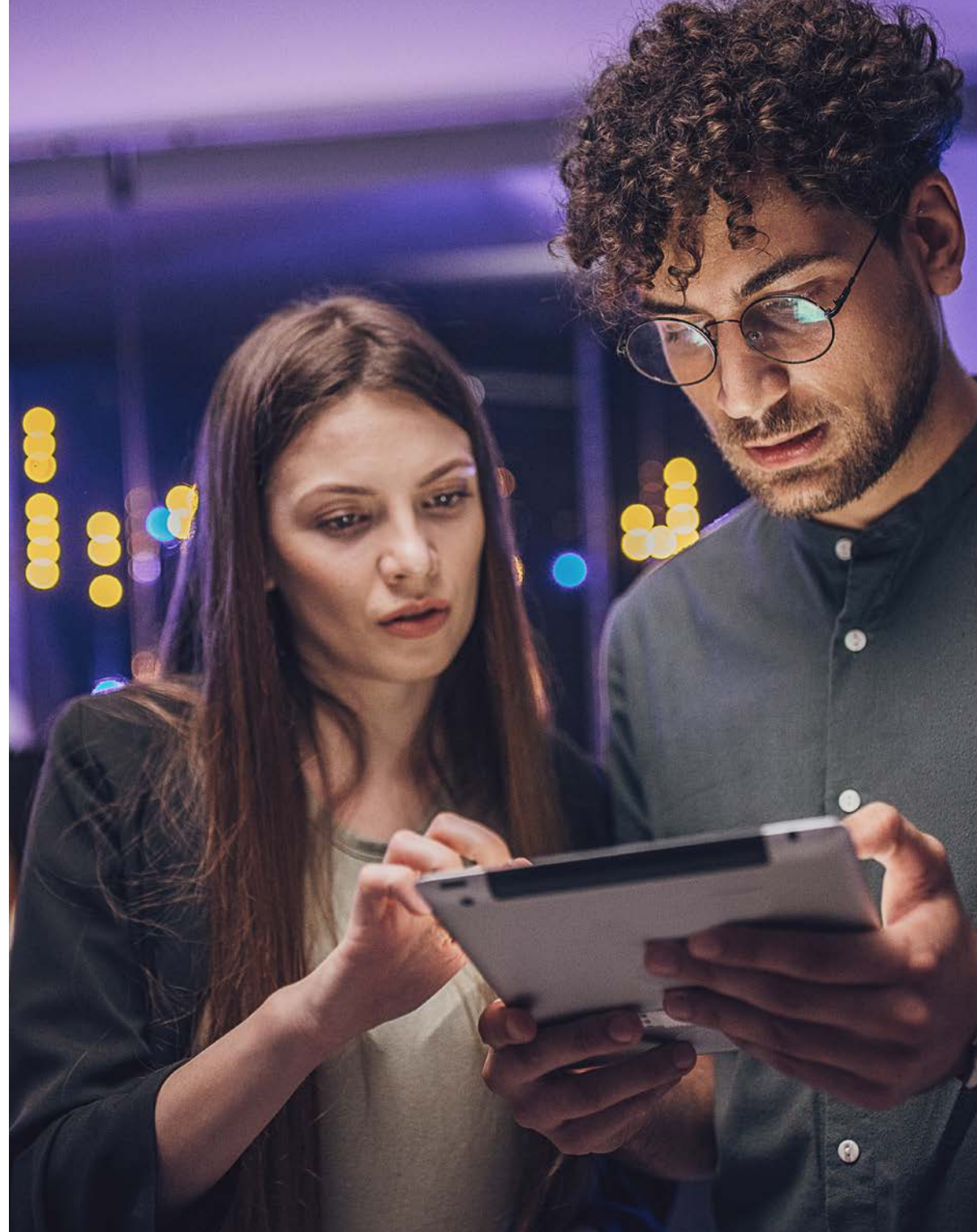
Neil Rami, chief executive at the West Midlands Growth Company, said:

*"While the West Midlands has long been synonymous with industry, our £15.3bn tech sector, breadth of emerging technologies and world-class R&D ecosystem are enabling us to carve out a bold new identity as a global innovation hub. This was recently reinforced at this year's European Capital of Innovation Awards, where we were named one of the top three most innovative places in Europe. Our unique strengths in future technologies are already making the West Midlands a magnet for high-growth global businesses, pioneering solutions to the world's 'grand challenges'. Now, our dynamic new destination promotion campaign, It Starts Here, will provide the ideal platform for us to build on these foundations and spread the word that game-changing tech starts here, driving investment and creating more highly skilled jobs for local people."*



# Digital skills and inclusivity for a future-ready workforce

The [Digital Skills Consortium](#) is a public/private collaborative initiative aimed at transforming the region's digital ecosystem. The partnership is formed between TechWM, WMCA, IBM, IN4 Group, AND Digital and SF Technology, and addresses the digital skills gap. It empowers businesses—especially SMEs—to thrive and positions the region as a national leader in tech talent and innovation. The Digital Skills Consortium aims to foster cross-sector collaboration, bringing together businesses, educational institutions, and government bodies to share expertise and resources. Key partners include Birmingham Digital Futures, WMGC, techUK, and WM5G, and local universities. The Consortium focuses on inclusivity, ensuring digital education is accessible, especially to underrepresented communities, to drive regional digital growth.

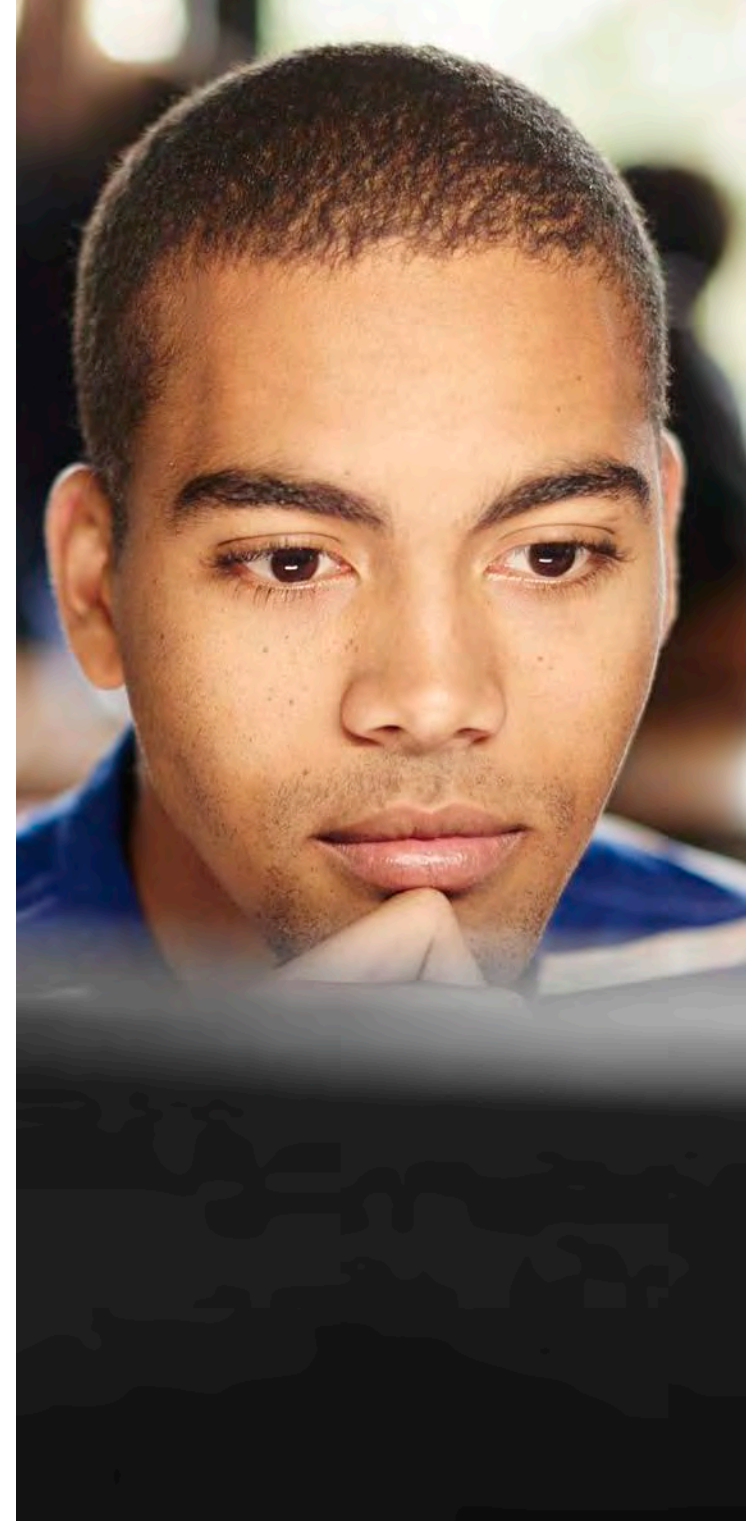


[BT Group partnered with Code First Girls](#) as part of a drive to recruit more women into tech and software roles at its hub office in the West Midlands. Funding from BT Group enabled the social enterprise Code First Girls to support women on training courses designed to equip them for work in the tech sector, at various locations around the UK. In Birmingham, 21 of those who completed the course went on to work at BT Group's Birmingham office. More than eight out of 10 of the women joining the courses have come from underrepresented communities. BT's world class technologists helped Code First Girls shape the courses and then supported learners. Those who have completed the course and taken up roles with BT Group have been keen to help others follow in their footsteps by going into schools in the area to promote diversity and inclusion in tech. The Birmingham office recently hosted an event for female students in their final year of studying STEM at university to network with women on its graduate programme and see demonstrations of new technology.

Victoria Johnson, Social Impact Director at BT Group said:

*"Businesses across the UK have a huge part to play in ensuring that young people have the skills they need to build a future that is fulfilling and supports the wider economy."*

As shown in our Local Digital Index 2024, in the West Midlands the number of STEM roles advertised in 2023 was 33911, with the percentage of digital roles advertised being 20.26%.





## Digital infrastructure for enhanced connectivity

The West Midlands has been named the UK's best-connected region for 5G by telecoms analyst Umlaut for the second consecutive year. This achievement reflects the collaborative efforts of the West Midlands Connectivity Team at [WM5G](#), working with mobile operators, local authorities, and Government to simplify and accelerate the deployment of connectivity infrastructure. By addressing rollout challenges and streamlining processes, the region continues to lead in 5G innovation and accessibility.

The West Midlands has emerged as a national leader in technological advancement and infrastructure innovation, setting benchmarks for the rest of the UK. The region is home to several first-of-its-kind initiatives, showcasing its commitment to driving future-focused solutions.

Key highlights include the [UK's first multi-city 5G testbed](#), which has positioned the West Midlands as a pioneer in connectivity, enabling cutting-edge research and development in telecommunications and digital transformation. The region also boasts the [UK's first urban drone airport](#), pushing boundaries in logistics and aviation technology. Further advancing its reputation as a hub for green innovation, the West Midlands hosts the [UK's first Energy Innovation Zone](#), a project aimed at accelerating sustainable energy solutions.

[Virgin Media O2 has deployed the UK's first 5G standalone small cells](#) in Birmingham city centre, enhancing mobile connectivity in high-demand areas like Broad Street and Fleet Street. Installed discreetly on street furniture, these cells boost capacity and deliver speeds up to 300Mbps, ensuring seamless browsing, streaming, and work-on-the-go experiences. This deployment, part of Virgin Media O2's next-generation 5G standalone network available in 300+ UK towns and cities, highlights the West Midlands' commitment to cutting-edge technology. Delivered with Ontix and Alpha Wireless, it positions Birmingham as a leader in advanced mobile connectivity.

Additionally, Solihull houses the [UKTL-Government-backed UK Telecoms Lab](#), a state-of-the-art facility playing a critical role in securing and enhancing global telecom networks. This initiative underscores the region's strategic importance in bolstering national and international telecommunications security.

Together, these world-class infrastructures highlight the West Midlands' pivotal role in shaping the future of technology, sustainability, and connectivity, making it a beacon of innovation for the UK and beyond.

As shown in our Local Digital Index 2024, in Birmingham the Superfast broadband availability is 96.9%, the gigabit broadband availability is 92.1%, the 5G coverage is 97.64% and for West Midlands is 97.1%.

The West Midlands exemplifies a forward-thinking approach to fostering a thriving tech ecosystem. With a focus on innovation, connectivity, talent development, sustainability, and collaboration, the region is building a dynamic environment for digital leadership. By bridging the skills gap, embracing sustainable technologies, and expanding

infrastructure, the West Midlands is positioning itself as a globally recognised hub for technological progress and inclusive growth. Its commitment to partnerships between businesses, academia, and authorities further strengthens its role as a beacon for future-focused development.

Read more in our Local Digital Index 2024, to look at the data which shows the West Midlands region's strengths and opportunities. The region is nurturing talent, supporting start-ups, and driving impactful research, and strengthening its reputation as a leading hub for tech advancement in the UK.

# About techUK

techUK is a membership organisation that brings together people, companies and organisations to realise the positive outcomes of what digital technology can achieve. We collaborate across business, Government and stakeholders to fulfil the potential of technology to deliver a stronger society and more sustainable future. By providing expertise and insight, we support our members, partners and stakeholders as they prepare the UK for what comes next in a constantly changing world.



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