

The MAA manifesto



midlands aerospace alliance

20 practical ways government can help make the UK aerospace industry even more successful.

Sixty representatives from across the MAA Board and our three expert working groups have set out 20 practical ways government can get behind the 1,000+ high-technology aerospace supply chain companies in the UK. We want our industry to be more innovative, competitive and successful in global markets – and deliver high-quality jobs in UK regions while contributing new technologies and capabilities for reducing the environmental impact of aviation.

We'd like all candidates for elected office in the UK to give our ideas due consideration as they formulate future policies. For more information, feedback or questions please contact MAA Chief Executive, Dr Andrew Mair (andrew.mair@midlandsaerospace.org.uk).

Invest in the country's people and develop the skills industry needs

1	Key proposal! Reform the apprenticeship system so local companies and colleges can work effectively in partnership, to give aerospace the influx of craft apprentices it needs to flourish.
2	Help us bring graduate recruits into our smaller supply chain companies with short-term financial incentives, rather than having to turn to hiring experienced engineers from abroad.
3	Inject funding into retraining and retaining existing staff engineers – who are already committed to the industry.
4	Connect advanced technology industries like aerospace to our schools through a national programme that is delivered locally – we can't continue to rely on voluntary efforts when schools are already under-resourced.

Help companies invest with supportive finance policies

5	Key proposal! Help underwrite the capital investment plans of manufacturing companies that can show strong growth and export potential.
6	Keep corporate tax rates as low as possible to encourage the overseas HQs of many of our big companies to continue to invest in the UK.
7	Replace the current fragmented patchwork of different local small-business small-grant schemes with uniform, easy-to-understand schemes – even if some places do need more money in these schemes than others.

Support companies along the whole supply chain to invest in R&D, new technologies and new capabilities – the government currently concentrates virtually all its support for aerospace into R&D grants, yet very few R&D grants are awarded to smaller manufacturers.

8	Key proposal! Broaden the scope of government support for R&D to include the manufacturing innovations all aerospace supply chain companies need to do to win new business in the global economy – make their projects, too, eligible for the significant direct funding support government already injects into the big companies and research institutions. (Recent Midlands Engine research revealed that despite government investing over £800m in aerospace R&D in the Midlands over the last ten years, only 14 of the 250+ high-technology aerospace manufacturers in the Midlands have been awarded any of these R&D grants.*)
9	Devolve substantial R&D and innovation funding to local leaders and business clusters which are best able to work with smaller companies in all regions; innovation isn't all a top-down process and it can't all be done from the centre.
10	Put measures in place to ensure that all taxpayer-funded national R&D assets like the High Value Manufacturing Catapult and universities start to support the country's manufacturing supplier base more effectively. Some receive substantial funding every year yet appear to have virtually no impact in the Midlands aerospace supply chain.
11	Work hard with partner countries where government has influence – like the European Space Agency – to dramatically reduce the disproportionate administrative burdens of applying for R&D grants which actually hinder technology innovation.

Build resilient UK supply chains; make good use of government's influence

12	Key proposal! Introduce measures to ensure that big companies that receive substantial government grants are committed to keeping their manufacturing supply chains – as well as a good portion of their own activities – in the UK.
13	Make the development of short, resilient supply chains a key criterion in all relevant government decisions such as defence procurement.

Improve support for UK business in export markets: small changes that could make a big difference

14	Key proposal! Re-start small-grant export schemes and support for smaller companies to participate in overseas trade exhibitions.
15	Ensure we have better-informed civil service decision-making for companies seeking defence export licenses; that way we can reduce bureaucracy and delays so we don't lose the business.
16	Build export policy around how the lower carbon footprint of UK energy production can be a global competitive advantage for energy-consuming UK manufacturers.

Make government better-informed; so it makes better decisions about industry

17	Key proposal! Make sure future Industrial Strategy takes proper account of the technology, sustainability and employment contributions our regional manufacturing supply chain companies can make. (The large companies and the research institutions that sometimes speak loudest are important but don't actually speak for the supply chain companies which create substantial value too.)
18	Talk with the MAA more; we're keen to help policy makers – both elected and civil servants – have a better understanding of the UK's globally competitive high-technology manufacturing industries like aerospace and make better policy.
19	Build into policy the fact that many industries like aerospace are organised into regional and local economic clusters and mobilise these to stimulate innovation and growth across the UK – if we keep trying to do everything from the centre, top-down, we'll never reach effectively into our manufacturing heartlands.
20	Come and participate in our many networking and stakeholder activities – let's build better bridges and collaborate even better. (You'll be made very welcome!)



Why not visit us at Farnborough Airshow, talk to the MAA and see the impact of aerospace companies in the region?

22 - 26 July 2024, Hall 1, Stand 1320

Farnborough Airshow is the biggest international aerospace trade show this year.

The MAA is exhibiting with 26 great organisations across the aerospace supply chain and the event is one of the best opportunities to see the whole industry in one place in the UK.

MAA Chief Executive, Dr Andrew Mair, would be delighted to host representatives of all political parties at the show, answer questions about the industry and discuss the needs of aerospace supply chain companies in their areas.

Important information

The Midlands Aerospace Alliance (MAA) was set up in 2003 and now has 300 members. The MAA board includes senior managers from all the region's leading aerospace companies as well as elected supply chain representatives and key regional partner bodies.

The MAA supports the more detailed manifestos published by the manufacturer's body Make UK to which the MAA is affiliated, and our national aerospace body ADS. For Make UK's Makers' Manifesto for 2024 see: www.makeuk.org/insights/reports/makers-manifesto-2024. For ADS's Manifesto 2024: Securing UK Advantage see: www.adsgroup.org.uk/wp-content/uploads/2024/01/ADS-Manifesto-2024-compressed.pdf

*See next page and visit: www.midlandsengine.org/news-events/new-aerospace-in-the-midlands-report-identifies-true-scale-of-a-major-industry-and-why-it-doesnt-receive-the-rd-funding-that-it-should

AEROSPACE IN THE MIDLANDS

SUPPORTING POLICY MAKERS WITH BETTER INDUSTRY DATA



MIDLANDS
ENGINE



Download a detailed breakdown of the stats, methodology and findings in the full Aerospace in the Midlands report:
<https://tinyurl.com/aerospaceinthemidlands>

- Quantify the size of the aerospace sector in the Midlands - providing accurate information on the size of the industry through a bespoke bottom-up company-level database
- Quantify aerospace R&D funding support in the Midlands - gaining a comprehensive understanding of R&D funding to the industry, including its distribution across supply chains and locations in the region.

This report summary is the result of an extensive research programme carried out over the course of 2023, with the aim of deepening our understanding of a major industry in our region and seeks to:

THE CONTEXT

The Midlands is home to a **major aerospace cluster**, including global players Collins Aerospace, ITP Aero UK, Moog Aircraft Group, Parker-Meggitt and Rolls-Royce.

Yet, the standard data normally used to quantify the sector's economic impact are a **poor foundation for policy making**.

This project created a **new bespoke company dataset**, which revealed that **the sector's size and contribution to the Midlands have been greatly underestimated**.

WHAT DOES THE CURRENT DATA TELL US?

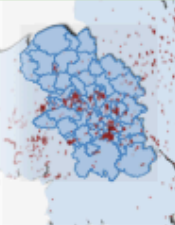
Official data traditionally relied on by UK national and regional bodies suggested that the Midlands has:

About **20,000 aerospace jobs** (1 in 5 of UK)
In **180 companies** (1 in 10 of UK)
Across **225 sites** (10% of UK)

WHAT DOES THE NEW DATA TELL US?

The new dataset-driven method has **deepened our understanding of the sector**, revealing the greater significance of the Midlands' aerospace cluster and indicating that the Midlands actually has:

36,500 + aerospace jobs
In **524 companies**
Across **595 sites** (21% of UK)
The Midlands has **326** accredited aerospace sites (AS9100/AS9110/AS9120), 21% of the UK total.



RECOMMENDATIONS

Midlands policymakers should encourage engagement around the findings of this report with national and regional industry and policy leaders, and consider follow-on actions including building on the initial partnership agreement between the Midlands Aerospace Alliance and Aerospace Technology Institute signed in 2023.

The report's conclusions lead to four policy recommendations:

1 Midlands is significant in wider aerospace context
Policymakers should stay abreast of the economic and technology dynamics of the UK and global aerospace industry. They should work with the regional cluster to exploit future opportunities and support continued growth across supply chains.

2 A sizeable contribution to the region
Midlands policymakers should take full account of aerospace for its contribution to the regional economy and dedicate appropriate resources to support the cluster.

3 Benefits from significant aerospace R&D grants
All stakeholders should acknowledge that aerospace is a high-R&D-investment sector that governments subsidise to retain their countries' competitive edge and high-value manufacturing jobs and to accelerate the advent of more sustainable aerospace and aviation.

4 R&D grants are highly concentrated
The vast majority of specialist aerospace companies receive no grants directly from the national aerospace R&D ecosystem. Midlands and national policymakers now need to understand why this is the case, whether it is optimal from a regional economic perspective, whether investing in R&D at aerospace supply chain companies might increase the cluster's regional impact and contribution to global sustainability, and, if so, how to implement any policy change.

This factsheet has been produced to complement the Insights report 'Aerospace in the Midlands', produced by the Midlands Engine Observatory (MEO) and the Midlands Aerospace Alliance (MAA).

FUTURE RESEARCH

The fourth recommendation encompasses a number of more precise questions:

? Why do the vast majority of Midlands aerospace companies not access national R&D funding?

? Is there demand in the supply chain for the R&D subsidies from government that some large companies and research bodies receive?

? Are UK R&D grant subsidy schemes in fact designed to encourage specialist aerospace supply chain companies to innovate? (This is not the same as 'R&D funding')

? Can aerospace cluster partners contribute to making national R&D funding more accessible?

? What lessons can be drawn from regionally designed and delivered aerospace R&D programmes such as NAT EP 1 and Aerospace UP (MAA/University of Nottingham)?

? Would the region benefit from coming together behind a 'Midlands Aerospace Technology Strategy' (MATS) - which takes into account regionally important considerations such as innovation in advanced manufacturing supply chains - to complement national aerospace strategies?



Photo source: Rolls-Royce