



# Coventry & Warwickshire Business Intelligence

August 2023

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All previous editions of the Coventry & Warwickshire Smart Region report can be accessed from our Publications page: <https://www.cwgrowthhub.co.uk/publications>

## 1. Executive Summary

Welcome to the August 2023 edition of the Coventry & Warwickshire Smart Region report. This month our spotlight theme is 'Electrification Infrastructure', highlighting latest trends, issues, challenges, and future opportunities.

Wider recommendations and findings in this month's report are based on intelligence gathered from CW Growth Hub's contacts with local businesses, alongside survey data, information, and other intelligence provided by Coventry City Council and Warwickshire County Council.

Other sources include the Official National Statistics (ONS), Midlands Connect, Gov.uk, WM-REDI, ZapMap, and other specialist labour market research and analysis bodies.

### CW Growth Hub Update

***"I always look forward to September as a time to focus on delivery, following the disruption that the summer break brings to business planning.***

***It is within the same context that I remind the government, as they return, of the damage being done to our economy in the absence of an industrial strategy. The consequence is that the British economy risks losing out to companies around the world because of the government's lack of a long-term plan for industry, in stark contrast to the United States where Biden's Inflation Reduction Act is providing the catalyst to attract international investment.***

***Make UK, which represents 20,000 manufacturers, has urged for a royal Commission to develop a long-term industrial strategy to support companies across the UK and tackle regional inequalities, allowing the UK to compete better globally. Currently the UK is an outlier, with most other major economies from Germany to China and the US having long-term national manufacturing plans signifying the importance of an industrial base to the success of their economies.***

***We know from our experience in delivering Made Smarter across the West Midlands that there is strong appetite for targeted support that offers demonstrable benefits to recipients. Accessible to manufacturing and engineering SMEs, Made Smarter affords them access to independent experts to deploy digital technology and accelerate their growth, and has been a highly successful programme, with significant impact on the regional economy.***

***So, as we all return, the Growth Hub will remain committed to our focus on maintaining high quality support for businesses, and will continue to urge the government, to determine how best it can deliver the strategies needed to support UK plc and give British companies the support they need to be more competitive over the longer term, within the framework of an Industrial Strategy."***

***Craig Humphrey, Chief Executive, CW Growth Hub***

## 2. Latest Economic & Labour Market Trends

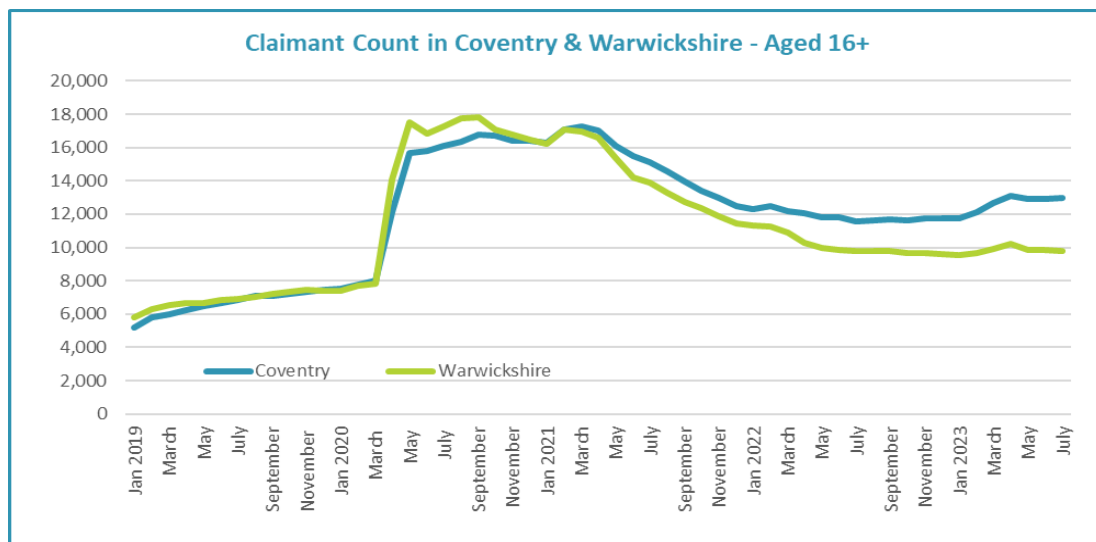
### 2.1 Labour Market Trends

- In July 2023, the claimant count in Coventry & Warwickshire totalled **22,775 people** – the same total it has been since **May**. At the start of the pandemic, over three years ago in March 2020, the claimant count stood at 15,830.

Area	March 2020	July 2022	May 2023	June 2023	July 2023
Coventry	8,000	11,575	12,895	12,905	12,990
North Warwickshire	845	995	1,015	1,005	965
Nuneaton & Bedworth	2,830	3,135	3,200	3,165	3,270
Rugby	1,535	1,965	2,045	2,065	2,050
Stratford-on-Avon	1,050	1,610	1,570	1,580	1,505
Warwick	1,570	2,095	2,050	2,055	1,995
Warwickshire	7,830	9,800	9,880	9,870	9,785
<b>CWLEP</b>	<b>15,830</b>	<b>21,375</b>	<b>22,775</b>	<b>22,775</b>	<b>22,775</b>

Source: Office for National Statistics

- Over the past twelve months there has been an increase in the claimant count across **Coventry & Warwickshire**, rising from a total of 21,375 this time last year.



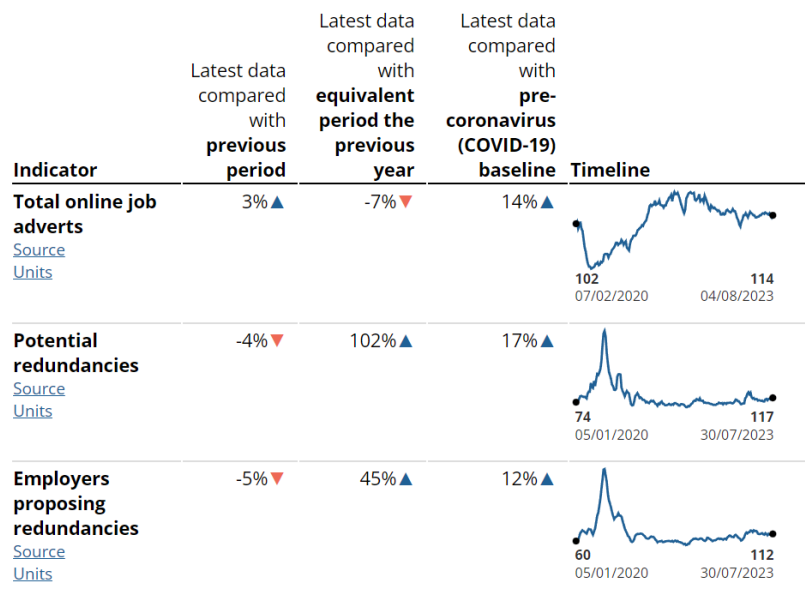
Source: Office for National Statistics

- There is a slowly widening gap emerging between the claimant counts in **Coventry** and in **Warwickshire**.
- The falls in both counts slowed in early 2022, and have been relatively flat since then, except for the uptick in Coventry's count that occurred at the start of 2023.

The Office for National Statistics (ONS) also reported in August 2023 that nationally:

- **The UK employment rate for April to June 2023 was 75.7%, 0.1 percentage points lower than the previous quarter.** Employment decreased on the quarter, driven by full-time employees and self-employed workers.
- **Latest estimates of payrolled employees for July 2023 showed a monthly increase, up 97,000 on the revised June 2023 figures, to 30.2 million.**
- **The unemployment rate for April to June 2023 increased by 0.3 percentage points on the quarter to 4.2%.** The increase in unemployment was driven mainly by people unemployed for up to six months.
- **The economic inactivity rate decreased by 0.1 percentage points to 20.9% in April to June 2023.** Looking at economic inactivity by reason, the fall was driven largely by those 'looking after family or home' and those who are long-term sick.
- **In May to July 2023, the estimated number of vacancies fell by 66,000 on the quarter to 1,020,000** - the thirteenth consecutive monthly fall.

- **The most recent estimate of the number of online job adverts showed an increase by 3% on latest figure on 4<sup>th</sup> August.**



- **The current level is 7% lower than the corresponding period in 2022,** and notably, the Human Resources & Recruitment and IT, Computing & Software sectors both experienced a more substantial decrease of 39%.

- **The growth in average total pay (including bonuses) was 8.2%, and regular pay (excluding bonuses) was 7.8% among employees in April to June 2023.**

Source: Office for National Statistics; Release date – 10<sup>th</sup> August 2023

For regular pay, it is highest rate since comparable records began in 2001. Meanwhile, total pay was affected by NHS one-off bonus payments made in June 2023.

- **In real terms (adjusted for inflation) total pay increased by 0.5% and regular pay by 0.1% on the year in April to June 2023.**
- **In June 2023, there were 160,000 working days lost to labour disputes.** Over half of the days lost were in the Health & Social Work sector.

## 2.2 Economic Trends

### Economic Growth

- A change by ONS to the methodology for calculating GDP has led to a rebase of earlier data, which now shows that the UK economy recovered to its pre-pandemic size in late 2021, much earlier than previously thought.
- The UK economy grew by 0.5% in June, with both the Automotive and Pharmaceutical sectors contributing to the growth, and to the quarterly overall increase of 0.2% for UK GDP in the second quarter of 2023 (April to June). Additionally, Construction also grew strongly, alongside a welcome boost in Hospitality supported by a spell of hot weather in June.
- The UK's GDP is now forecast to grow by 0.3% for the whole of 2023.
- Inflation decreased to 6.8% last month, a 7-month low, from its peak of 11.1% in October 2022. However, the [IPPR warned of continued recession risk](#), as core CPI inflation stands at 6.9% and services inflation at 7.4%. Although food price inflation is declining, it remains high at 14.9%. **Factory output prices fell by 4.8% in July, signalling potential relief in future goods price inflation. However, concerns remain over private sector wage inflation which remains high.**
- The upcoming interest rate decision on 21<sup>st</sup> September may lead to a further base rate rise to 5.5%, with the possibility of reaching 6% by early 2024.
- Increasing interest rates are putting more pressure on indebted businesses. The Bank of England (BoE) predicts 50% of firms with loans will struggle to meet debt payments by year-end, up from 45% last year. The British Chambers of Commerce share these concerns, citing most companies seeing no improvement in sales, cash flows, or investment, over the past year.

- The BoE anticipate prolonged economic stagnation until 2025, with minimal growth in GDP and stagnant business investment, coupled with slowly rising unemployment.

Table 1.A: Forecast summary (a) (b)

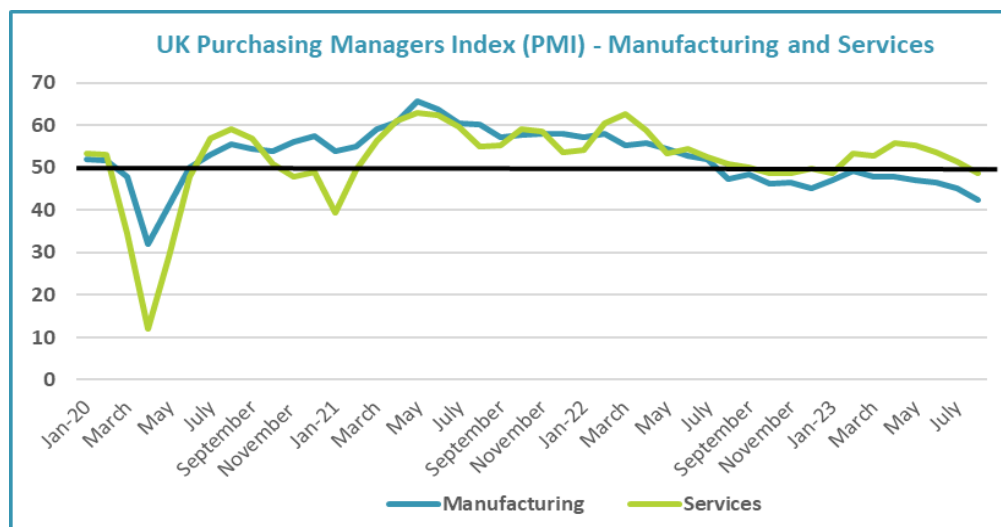
	2023 Q3	2024 Q3	2025 Q3	2026 Q3
GDP (c)	0.8 (0.6)	0.3 (0.6)	0.3 (0.8)	1.1
Modal CPI inflation (d)	6.9 (7.0)	2.8 (2.9)	1.7 (1.0)	1.5
Mean CPI inflation (d)	6.9 (7.0)	3.1 (3.7)	2.0 (1.8)	1.9
LFS unemployment rate	4.1 (3.8)	4.3 (3.9)	4.8 (4.4)	4.8
Excess supply/Excess demand (e)	½ (0)	-½ (-¾)	-1¼ (-1)	-1½
Bank Rate (f)	5.3 (4.7)	6.0 (4.2)	5.2 (3.7)	4.5

Source: Bank of England

- The latest report from National Institute for Economic & Social Research (NIESR) highlights how low-income growth and stagnant productivity will disproportionately affect lower-income households. This will add to widening income and asset gaps, with many households experiencing stagnant real incomes, low savings, increased debts and rising living costs, potentially resulting in an estimated 17% decline in real disposable income between 2019 and 2024.

### Business Confidence

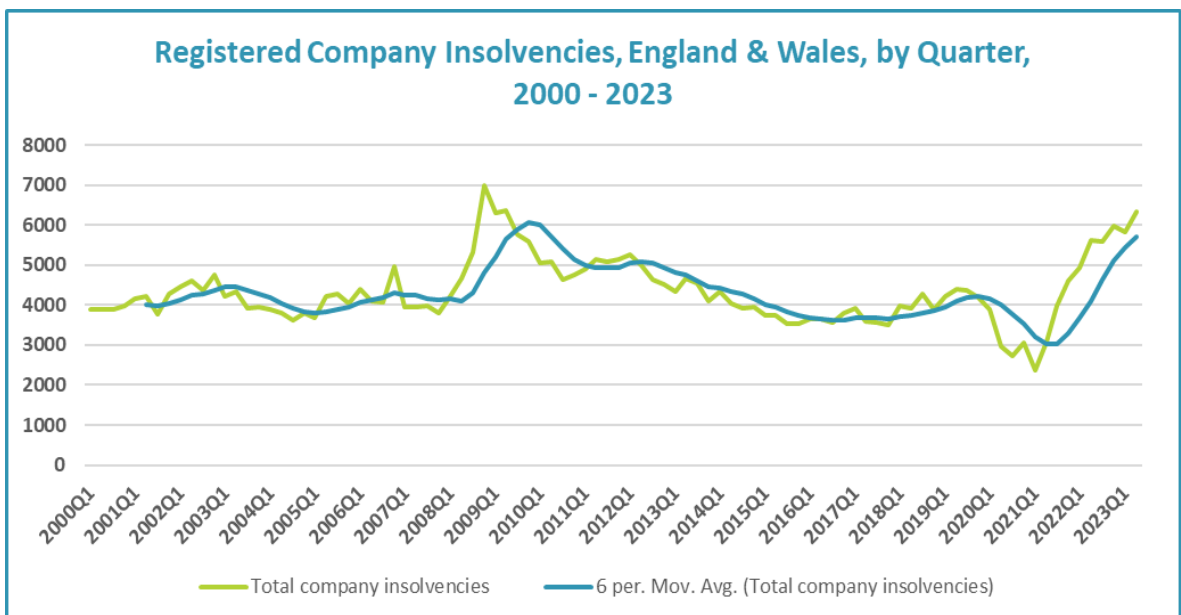
- **The UK Purchasing Managers Index (PMI) for manufacturing decreased further in August to 42.5 from a revised 45.3 in July** (a figure above 50 represents growth, and contraction below 50). The manufacturing PMI has not been above 50 since July 2022. Reduced consumer demand, the delayed delivery of inputs, energy costs, labour shortages, and increasing labour costs are all continuing to contribute to this subdued confidence.



Source: Trading Economics

- **The services PMI also fell further in August to dip below 50, to 48.7 from a revised 51.5 in July.** The services PMI has been above 50 since the beginning of the year but has been pointing downwards over the Spring and Summer months.
- **The West Midlands Business Activity Index (Nat West PMI) also fell, from 52.6 in June to 51.3 in July, hitting six-month low.** While new work orders increased, concerns are coming from cooling demand for goods and services. Input cost inflation in the West Midlands private sector accelerated in July, a trend that started last December. **On brighter note, the West Midlands registered the highest positive sentiment among the 12 UK regions.**
- However, [FSB West Midlands report](#) a decline in confidence among small businesses. And the West Midlands is experiencing a slowdown in business activity, as reflected in the latest results from the [ONS Business Insights Survey](#):

- In July, 23.9% of firms reported increased turnover compared to June, however, a higher 29% reported a decrease
  - While 12.6% saw increase in demand, 18.5% reported reduced demand for their products or services
  - Recruitment difficulties stood at 26.6%, higher than the UK average of 24.4%.
- The Institute of Chartered Accountants England & Wales Q2 2023 survey reported **strong domestic sales growth of 5.3% in the West Midlands, surpassing UK average**, with expectations to increase 5.7% over next year. **While export sales lagged 1.8% year-on-year, they are expected to improve by 3.9% in the coming year.**
  - In August, Wilkinson's administration affected 12,000 jobs nationwide, including stores across Coventry & Warwickshire. On the other hand, JLR announced three hundred new jobs, mostly located at Gaydon and Coventry.
  - **Over the past two years there has been a steep increase in company insolvencies across England & Wales. There was an increase between April to June 2023, with 6,342 insolvencies in the latest quarter. The overall trend in these is continuing to increase, approaching that last seen during the peak reached following the financial crash in 2008/9.**
  - **It is unclear how much of this is due to closures resulting from current economic factors, or delayed insolvencies following Covid-19 restrictions,** when insolvencies had fallen to a low and where businesses were benefitting from Government support measures.



Source: Insolvency Service

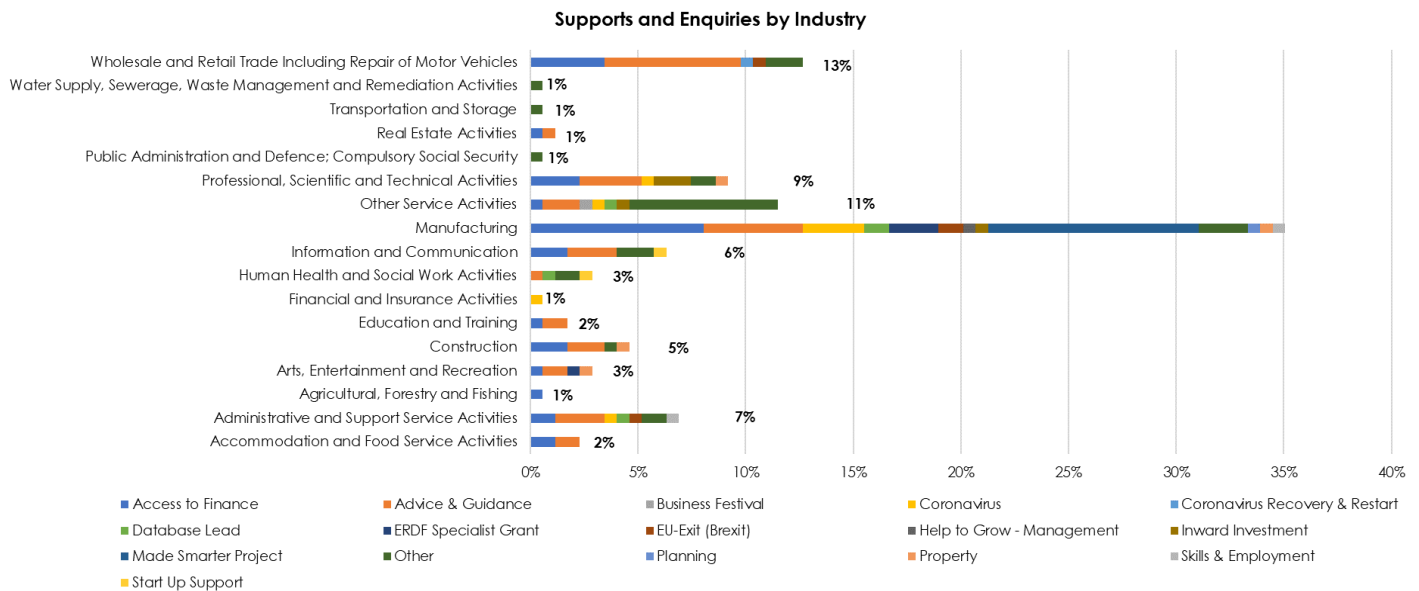


### 3. Latest CW Growth Hub Insights

#### 3.1 CW Growth Hub – Support & Enquiries

Since the start of the Covid-19 pandemic in March 2020, **CW Growth Hub has supported 5,542 businesses** including substantive discussions covering a wide range of issues impacting on potential future growth.

This month's business insights are taken from intelligence gathered in **July 2023**. The chart shows the supports and enquiries that businesses made by sector.



NB: Figures have been rounded.

**Advice & Guidance** was the most popular reason for support/enquiries over the past month, although there was also a spread across other enquiry types. In addition, businesses highlighted **Access to Finance and Other Support** as key requirements for support. There was also guidance provided around the **Made Smarter programme, Inward Investment, Covid-19, and ERDF Specialist Grants**.

**The main sectors supported by CW Growth Hub were Manufacturing (35%), followed by Wholesale & Retail Trade, including Repair of Motor Vehicles (13%) and Other Service Activities (11%).**

The size profile of businesses supported over the past month consisted of **13% Sole Traders, 44% Micro businesses (2-9 employees), 31% Small businesses (10-49 employees), 10% Medium businesses (50-249 employees), and 2% Large businesses (250+ employees).**

There was an **increase in Small and Medium Enterprises** and a **decrease in Sole Traders, Micro and Large Enterprises** approaching CW Growth Hub compared to the previous month. Around 20% of respondents came from businesses that have begun trading since 2020.

## 3.2 CW Growth Hub – Current Themes

### CW Growth Hub Account Managers reported this month:

#### Local Business Intelligence

- **Recruitment** – Businesses continue to face persistent challenges in staff recruitment, retention, and meeting wage demands across various sectors. There is a growing need for targeted skills training and staff development to mitigate the risks linked to the lack of available talent.
- **Investment** – Businesses are not only looking for grant funding but also investment to support future growth plans. Interest in capital investment projects appear consistent with recent months.
- **Material costs** – While some material cost issues persist, their impact is becoming less severe compared with the past twelve months. Furthermore, there are ongoing effects of EU-Exit, with high freight costs continuing to affect international trade.
- **Company Insolvencies** – Insolvency rates remain high, with the latest data indicating 27% increase compared to the same period last year. Construction, retail, and hospitality are the sectors worst affected.

#### Business Needs and Concerns

- **Digital Marketing** - Increase in support required for digital marketing, particularly social media, SEO, and online sales training.
- **Support Needs** – Requests for support from businesses with legacy and succession planning, exit strategies, and business sales feature again this month. Also mentoring support is being sought by Managing Directors and business owners looking to step back from their businesses in the future.
- **Energy costs** – Remains a concern, particularly for businesses with high energy consumption activities such as manufacturing (e.g. laser machining) and some hospitality businesses (e.g. food preparation).

#### Economic Shocks or Opportunities

- **Planning** – Delays with local planning systems stunting future growth projects and increasing the risk of businesses looking to relocate out of the region.
- **Rising Cost of Living** – Continued issue of increased cost-of-living driving requests for bigger wage increases, although there are some signs that the rate of increase is steady.
- **Net Zero 'Evidence'** - Businesses reporting increased demands from potential clients for evidence of Net Zero credentials, a result of growing awareness around the issues linked to this. Several businesses bidding for contracts have

highlighted they lack the resources or skills to complete lengthy documents demonstrating Net Zero credentials. As a result, some are opting out of bidding for potentially lucrative contracts, hampering future growth.

This is also a particular issue for some manufacturing businesses with high consumption operating energy-hungry equipment which face challenges in demonstrating reducing energy usage.

- **Automotive & Future Mobility sector investment** - Aston Martin has announced it will invest around £2bn over the next five years, to secure long-term growth and complete its electrification transition. This should deliver significant opportunities for West Midlands supply chain businesses over this period and underlines the importance of the electrification skills agenda to the local economy and our local workforce.

In addition, the recently announced financials at luxury car maker, Jaguar Land Rover (JLR), are improving, helped by an easing of supply chain issues, particularly for micro-chips, and better sales volumes, mix, pricing, and with the launch of new models to come.

### 3.3 CW Growth Hub – Other Business Insights

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**Electric Vehicle (EV) Infrastructure** – A business based in Coventry focusing on increasing the uptake of EVs to help decarbonise transport emissions for the long-term give their views on EV charging infrastructure locally and more generally across the country.

*“The user experience of the Rapid chargers around Coventry city is positive overall but there are issues in some parts which can make it a little hit and miss. Across the country we hear of electric charge points that do not work, or payment difficulties which can impact on the ‘experience’ of driving an EV, or the positioning of the charge points that could be better thought out and positioned in more appropriate places with easier access for EV drivers.*

*Planning and installing EV charging hubs with 10+ Super Chargers on the arterial routes in and out of the city would put Coventry in good position. This could follow the model such as at Rugby Services, which is one of the best charging stations in the UK.”*

**[EV Vehicle Hire business, Coventry]**

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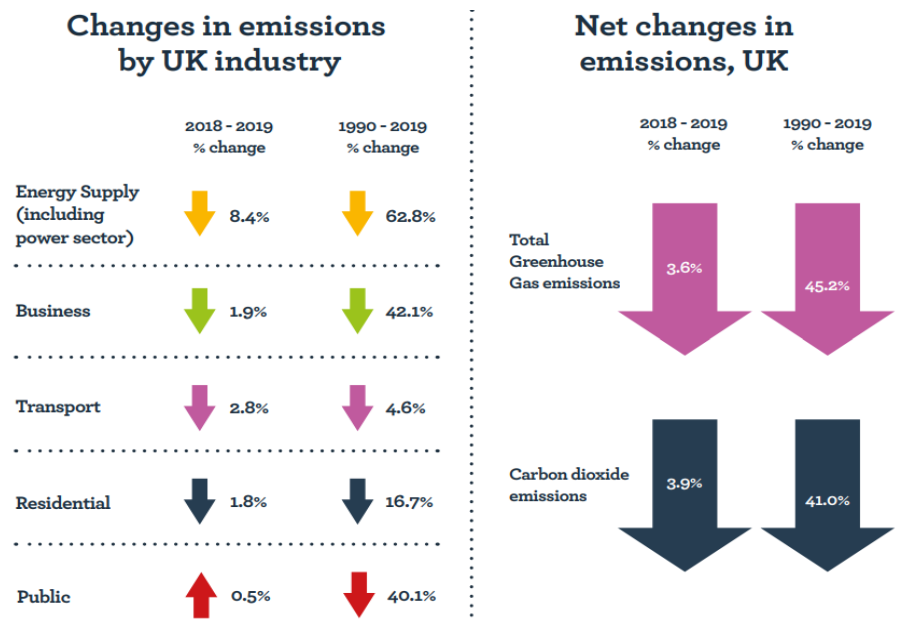
## 4. Spotlight: Electrification Infrastructure

This month's spotlight focuses on electrification infrastructure, highlighting both the challenges and the opportunities and competitive advantages that we have in Coventry & Warwickshire to build on our hugely successful track record of recent years. This also links with our feature from two months ago on the local Automotive & Future Mobility sector.

### 4.1 Current Position of Electrification Infrastructure

Climate change impacts, as reflected in government policy, is emphasising the urgent need to reduce carbon emissions throughout the economy. The UK is aiming for net zero emissions by 2050, with a further target of 78% reduction by 2035. At the end of 2020, the UK had achieved a 50% reduction from 1990 levels, however this was partly contributed to by temporary Covid-19 effects.

Considerable progress has been made in cutting carbon emissions in sectors such as the energy sector, however the transport sector is currently lagging. [Midlands Connect estimate that in 2019](#) the transport sector contributed to 34% of CO2 emissions, mainly from road transport in the region, and cars in particular. Therefore, emission reduction depends heavily on the composition of the car 'fleet'.



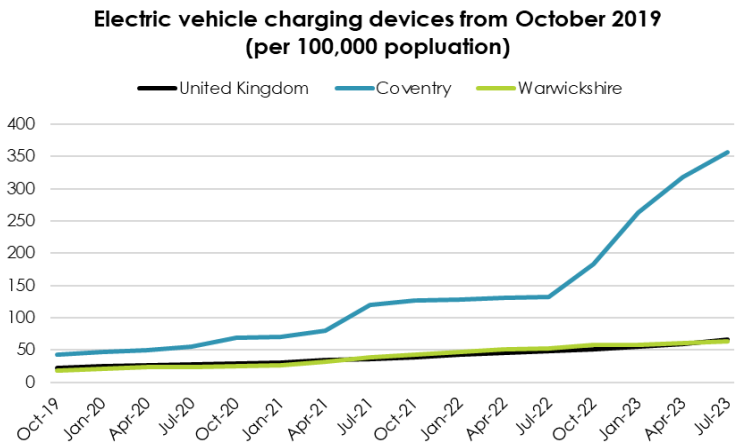
Source: Supercharging the Midlands – September 2021, Midlands Connect

### Electric Vehicles charging points

Government has taken action to accelerate the uptake of EVs, by providing subsidies to those purchasing new EVs and banning the sale of new petrol and diesel vehicles from 2023. Locally, Coventry City Council was awarded £300,000 by the Department for Transport to accelerate the installation of public EV infrastructure to help speed-up the switch to EVs.

The charts overleaf present the growth of publicly available electric vehicle charging infrastructure across Coventry, Warwickshire, and the United Kingdom.

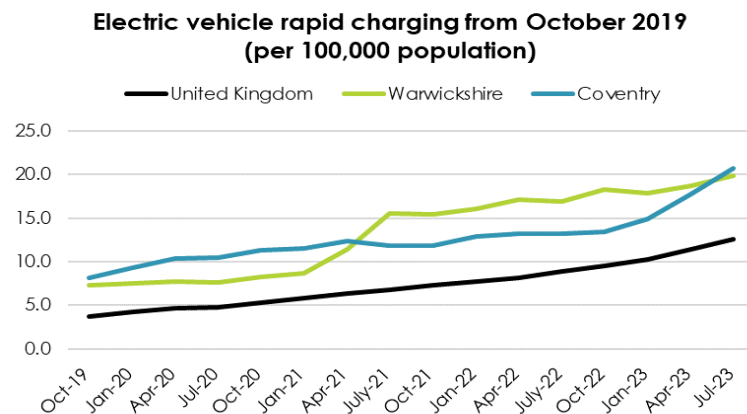
Whilst the UK has shown steady growth in the number of charging devices, Coventry stands out with a remarkable surge in delivery of the infrastructure. Between July 2022 and July 2023, the number of charging devices increased from 132.3 per 100,000 population to 356.2 devices, and a 269% growth in a year. This exceptional growth has positioned Coventry as frontrunner in EV charging infrastructure nationally, achieving the highest proportionate delivery of charging points outside London.



Source: Zapmap & ONS

### EV Rapid charging points

There has been a steadier increase in the number of rapid charging points locally. On this measure both Coventry & Warwickshire perform well, with around twenty rapid charging devices per 100,000 population, compared with the national average of 12.6 rapid devices.



Source: Zapmap & ONS

## 4.2 Challenges and Opportunities for Electrification Infrastructure

Despite the positive performance of both Coventry & Warwickshire and the West Midlands, swifter action is needed to continue to overcome challenges around encouraging behaviour change and EV adoption.

### Opportunities

**Economic and environmental benefits** - [A recent report from Midlands Connect](#), highlights the potential economic benefits from the increased adoption of EVs in the Midlands region. The study suggests that swifter transition to EVs could lead to £9bn in economic gains. These benefits extend to improved air quality worth up to £1.5bn to both the economy and NHS. This gain arises from reduced transport emissions, estimating a decline from over 14m tonnes of CO2 to under 7m tonnes by 2050. The benefits are projected to become more evident after the planned phase out of the sale of petrol and diesel vehicles from 2030.

**UK Business Climate Hub** – Government launched [the UK Business Climate Hub](#) on 14<sup>th</sup> August 2023, providing support for UK businesses, especially for SMEs in tackling climate change and boosting the economy. The Hub offers various tools, including

carbon calculators, to help companies measure, track, and report emissions while providing advice on energy-efficient practices. It also focuses on areas such as [transitioning to EVs to sustainable sourcing and fuel efficiency training](#). Additionally, the Net Zero Council encourages businesses to develop sector specific plans for decarbonisation, as well as recognising the importance of achieving net zero emissions across industries and sectors.

## Challenges

**Market volatility** – The EV market has evolved rapidly, from increasing the average range of a single battery charge to the introduction of new models to market. Given the lack of universal charging point for all EVs, it is essential manufacturers maintain support for all EV owners.

**Slow and costly connecting new charge points to the electricity grid** – There are an increasing number of electricity grid requirements particularly in remote areas to accommodate the charging demand resulting from the projected growth in EV ownership. Addressing this challenge will require conventional grid upgrades, grid level load management, flexible connections, battery storage and on-site generation. This is to increase available energy being used effectively and supply available to charging stations.

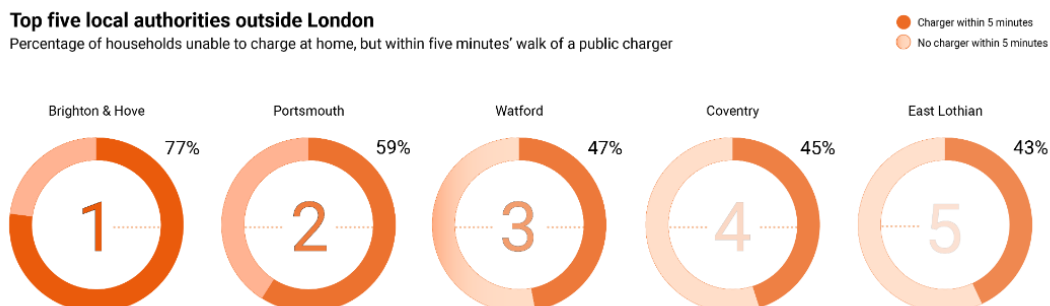
**Legal implications of EV and PHEV** – EVs and PHEVs presents legal implications as, for example, owners will need to consider feasibility and safety of charging their vehicles using extensions cables. This concern holds potential implications for businesses that deal with EV charging infrastructure.

**Poor public charging experiences** – Every EV driver wants access to a reliable and fairly priced public charging network. However, they often face issues like poor customer service, difficult, or excessive charging costs, poor reliability and complex access procedures involving numerous apps and smartcards.

**Lack of off-road parking** – A significant challenge in transitioning to EVs, particularly in regions with lack of off-road parking. The West Midlands faces the most hurdles, as residents without access to private parking or driveways are expected to pay about £8 more per charge due to reliance on public charging networks. [Around 25% of UK households lack of easy access to off-street parking](#) outside their homes. The Midlands region has the lowest off-road availability, with only [45% of car-owning properties having such facilities, compared to Yorkshire where 65% of homes have off-road parking](#).

### Top five local authorities outside London

Percentage of households unable to charge at home, but within five minutes' walk of a public charger



Source: Field Dynamics in partnership with Zap-Map 2022,

Average rounded up to nearest whole number.

**Public and private sector contributions** - By 2030, local authorities will need to increase and improve local engagement and the use of planning legislation to balance the cost of installing infrastructure, grow the accessibility for EV owners, and increase the convenience of charging locations to ensure longevity of new charging points.

**Challenging in commercial deployments** – Establishing electric vehicle charging points for businesses can be challenging, especially in areas with the potential low utilisation or high connection costs. In 2022, there were regional disparities in deployment, creating problem for EV purchasers at both the individual and company fleet levels. Therefore, businesses become reluctant to buy EVs until more charging points are becoming available.

Overall, all these challenges and opportunities highlighted above not only shape the uptake rate of EV adoption and its environmental impact but also influence businesses across sectors and their potential for growth. This fuels reluctance amongst some businesses, particularly those reliant or working with transport, around adoption and integration of EVs and PHEVs within their strategies. According to [report by the British Chambers of Commerce](#), three in five SMEs nationally are currently not taking any action to achieve net zero, although many had adopted green technologies, such as electric/hybrid/hydrogen vehicles (34%), and solar panels (30%). However, the main challenges for businesses to reaching net-zero remain energy costs, inflation, and government policy uncertainty.

### 4.3 Government's Electric Vehicle Infrastructure Strategy

The government have produced their strategy for a nationwide EV infrastructure vision by 2030. The aim is to eliminate charging infrastructure as a barrier to adopting EVs as well as to make EV charging more affordable and convenient, compared to petrol stations. The government states that by 2030, their target is to have a minimum of around 300,000 public charging points nationally - a need to do around seven times as much delivery as current levels (based on a current 44,000 charging points) to reach that target.

Significant challenges to be addressed to achieve this vision for 2030 range from uncertainty around the mix and quantity of charge points due to rapid advancements in battery and charging technology to evolving consumer preferences and behaviours. The government's proposed strategic framework includes:

- **Focus on high-powered chargers on the strategic road network and local on-street charging**, targeting accelerated deployment in these crucial areas.

- **Accelerate the rollout of high-powered chargers on the strategic road network through a funding initiative**, ensuring widespread coverage and accessibility.
- **Transform local on-street charging by placing a responsibility on local authorities to develop and implement strategies for a zero-emission vehicle fleet.**
- **Allow thriving sectors to grow by removing barriers to private sector rollout** and ending direct subsidy support for certain charging sectors.
- **Ensure reliable and easy-to-use charge points through regulation**, including requirements for open data, price transparency, payment methods, and reliability.
- **Collaborate with energy regulators, Ofgem, to integrate charge points seamlessly into the energy system**, considering smart charging and connection costs.
- **Support innovation in business models and technology**, encouraging innovative approaches and collaborations.

## 4.4 Future of Electrification Infrastructure in Coventry & Warwickshire

The global Automotive & Future Mobility sector is undergoing rapid change with the shift towards decarbonisation and autonomy. Electric Vehicle demand is on the rise, with projections of 145m units and accounting for 60% of all vehicle sales by 2030.

The delivery of electrification infrastructure in Coventry & Warwickshire has been with hugely successful, with a range of innovative projects underway locally.

### Coventry

Coventry can boast a growing reputation for progress made in this area, including the UK's most intensive charging point infrastructure in the UK outside of London, as well as advancement in becoming the UK's first all-electric bus city. Electrifying Coventry involves a strategic blend of government funding and private sector investment, to boost local economic growth and job opportunities while expanding EV charging infrastructure to the wider city.

- **Increasing Public Charging Points** - Coventry already possess an extensive EV charging network, with 958 operational charging points and an additional 450 set to be operational by April 2024. These will provide a total of 2,160 charging spaces available for electric vehicles.



- **Workplace Charging** – The city has deployed forty-four fast chargers at a range of the City Council's properties and launched the Plug-in Coventry project, to support charging point installation at business premises.
- **Zero carbon transport** – By combining Very Light Rail (VLR), electric buses and taxis, Coventry aims to achieve fully electric public transport system from 2025.
  - **Ultra Low Emission Buses** –In partnership with National Express, Coventry introduced ten electric buses in August 2020, supported by approximately £2.3 million grant funding from Office for Zero Emission Vehicle (OZEV).
  - **All Electric Bus Town [AEBT]** – Secured funding of £50 million to fully electrify the bus fleet in the city and key routes into Warwickshire.
  - **Electric Fleet First project** – Highways England awarded funding for a fleet of electric vans, pool cars and taxis, allowing local businesses to test electric vehicles before buying electric vehicles for their fleets.
- **Improving Air Quality** – Coventry City Council is actively implementing Action Plan of Coventry Local Air Quality and Climate Change Strategy.
- **EV Bay Monitoring** – Coventry City Council is collaborating with Connected Kerbs and AppyWay on a project involving deployment of parking bay sensors in over 500 EV bays. These sensors help to monitor bay occupancy and the status of Electrical Vehicle Charging Points (EVCPs). These benefits include facilitating anti-icing for EV bays and providing insights into EV adoption. Furthermore, EV owners gain real-time information on EVCP availability and improving their charging experience.
- **Exploring 'Car clubs' and 'Lift-Share'** – Coventry City Council is considering future mobility schemes that enable people to exchange their older, polluting cars for mobility credits. These credits can be use on trains, buses, car clubs and bike rentals.

## Warwickshire

Given the significant momentum directed towards the reduction of greenhouse gas and the wider adoption of electric vehicles, Warwickshire County Council have adopted the Electric Vehicles Charging Infrastructure strategy in 2017 to support the implementation of charging infrastructure across the county.

To assist the transition, HM Government has released its **Local Electric Vehicles Infrastructure (LEVI) fund of which Warwickshire County Council has submitted projects worth £3million to roll out infrastructure and develop capacity locally**. If approved, this will support the installation of public charge points to assist residents, visitors and local businesses embrace the transition to Electric Vehicles.

**The challenge in Warwickshire is to provide access to EV Charging in the rural areas of the County, ensure an even distribution of new charge points to future proof the County, and to encourage adoption by equipping residents for future changes.**

To date, Warwickshire has:

- **Installed eighty-three twin headed charge points**, totalling 166 plug-in points
- **Delivered a charging hub at Harbury** using Solar PV & battery storage
- Established a local **pilot to provide charging infrastructure in Lamp Post columns**
- Engaged with new sites to **match and support installation with private developers**, and
- **Examined Traffic Regulation Orders to strengthen the use of EV bays** for individuals, households, and businesses with electric vehicles.

## 5. Recommendations

### August's Golden Recommendation:

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**It is crucial that the new UK Shared Prosperity Fund (UKSPF) Business Support and Employment & Skills Programmes can be fully launched as soon as possible, given the gap in service provision that now exists with ERDF having ended. The business support programmes could play a crucial role in unlocking barriers to growth and innovation amongst SMEs, and these new support services could play a vital role in creating jobs and economic output for the local economy.**

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The following recommendations have been derived from analysis of macro-economic and business-level data and intelligence collated from Coventry & Warwickshire stakeholders. We begin with three short-term recommendations:

#### a. Short Term

**5.1.a - With interest rates likely to rise further, we must ensure that local businesses are able to access the necessary support to tackle barriers to growth and improve efficiency and productivity.** This includes access to local business support programmes that will be delivered through the UKSPF.

**5.1.b – Coventry & Warwickshire has made substantial progress to date in delivering electrification infrastructure locally.** This pace of delivery needs to continue so that our local economy remains at the forefront of the electrification transition and revolution. High profile local projects already underway include:

- All Electric-Bus City
- Coventry Very Light Rail (VLR)
- Roll-out of super-fast charging infrastructure

#### b. Medium Term

Further initiatives that would help the local economy and the labour market in the medium term include the following recommendations:

**5.2.a – We need to see targeted investment to unlock the growth potential of key sectors of Coventry & Warwickshire's economy, notably Net Zero, Future Mobility and Electrification.** Whilst the CW Gigafactory Levelling-up Zone promises to be a helpful step, work is underway to secure the location for the Investment Zone within the West Midlands, to not only provide financial and tax incentives to accelerate future investment, but also provide funding for business, innovation, and skills support, and to help realise regional supply chain growth potential in these sectors.

**5.2.b - The long-term uncertainty facing business support funding requires clarifying. As [CW Growth Hub](#) has highlighted, UKSPF is due to end in March 2025, and plans for the successor fund need to start swiftly.** Moreover these need flexibility to cover wider geographical areas, such as Coventry & Warwickshire-wide, and the funds need to finance both the account management type business support ecosystem, as well as a sufficient range of targeted support programmes that will enable business growth, innovation, and deliver the growth of priority economic sectors/clusters.

**5.2.c – Local partners should continue to build on the engagement and collaborations with our local universities.** This will ensure that we maximise the benefits to Coventry & Warwickshire's economy of current and future talent, skills, future workforce, R&D facilities, and innovation assets.

### c. Long Term

Businesses and the economy would benefit if both central government and local stakeholders support these long-term recommendations:

**5.3.a – For the longer-term Coventry & Warwickshire remains exceptionally well-placed to take advantage of innovations around electrification infrastructure with appropriate support and investment.** These include:

- Trade-in schemes for local residents to swap older, polluting cars for mobility credits. (Credits could be used on trains, buses, car clubs, and bike hire.)
- Inclusion of Car Club cars into residential and mixed-use developments.
- Development of innovation in charging methods, such as charging on the move - Dynamic Wireless Power Transfer.
- Delivery of the Coventry & Warwickshire City Linking Energy and Network (CLEAN) Hub,

**5.3.b - Future employment and skills support should become more locally designed, produced, and delivered. This approach should build on the findings and recommendations from the forthcoming Local Skills Improvement Plans and the National Electrification Skills framework,** to respond to future local economic/sectoral needs, including the long-term skills needs for the Electrification, Automotive & Future Mobility sectors.

**5.3.c - We need to build on announcements in the WMCA Trailblazer Deeper Devolution Deal, and to work with local and regional partners to lobby Innovate UK to devolve funds to the region** to deliver programmes that will support more small firms to innovate and invest, and be targeted at growing priority sectors and clusters, including Advanced Manufacturing, Electrification, Future Mobility, and Creative Sectors. This should help attract further long-term inward investment into our area for these sectors.