



**SmartRegion**  
Powered by Business Intelligence

# Coventry & Warwickshire Business Intelligence

December 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>

For more details about CW Growth Hub, see our latest YouTube update:

<https://www.youtube.com/watch?v=YtKd6Xib5SQ>

# 1. Executive Summary

**Welcome to the December 2023 edition of the Coventry & Warwickshire Smart Region report.** Analysis in this month’s report is based on intelligence 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.

This month, in Section 4, we take a closer look at the Government’s recently published ‘Advanced Manufacturing Plan’ and its new ‘UK Battery Technology Strategy’, drawing out some of the future opportunities these could bring to Coventry & Warwickshire.

Other sources of data in this month’s report include the Official National Statistics (ONS), Department for Education, CW Chamber of Commerce, FSB, Gov.uk, WM-REDI, and other specialist labour market research and analysis bodies.

## CW Growth Hub Update

**“Happy New Year!**

**As the new calendar year begins, we reflect on 2023, a year that was exceptionally challenging across many areas of our business community and one of change for Coventry and Warwickshire Growth Hub.**

**Let us hope that as we look forward to 2024, we all enjoy calmer conditions as interest rates, inflation, and energy costs continue to stabilise and to fall. There will always be challenges in doing business and those that adapt are the most resilient to those challenges, however, alongside that adaptability, business leaders want stability and certainty from their political leaders, at a local, regional, and national level, thus enabling them to make informed choices for the longer term.**

**All of us at Coventry and Warwickshire Growth Hub look forward to 2024 with renewed energy and endeavour. On behalf of my whole team, I wish you a prosperous and successful New Year.”**

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

## 2. Latest Economic & Labour Market Trends

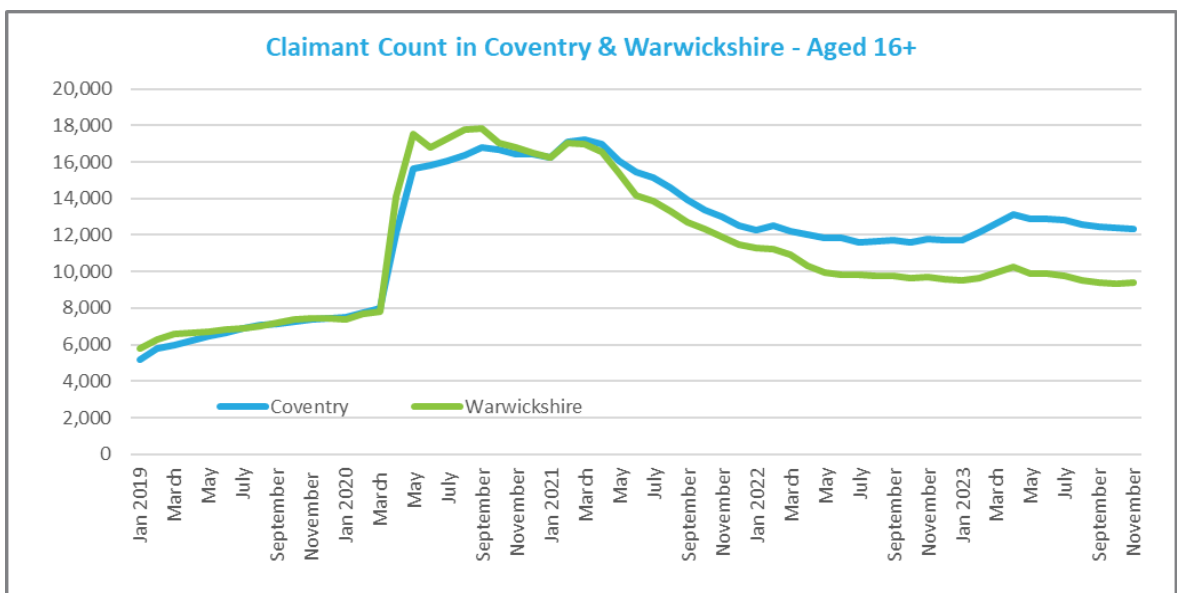
### 2.1 Labour Market Trends

- **In November 2023, the claimant count in Coventry & Warwickshire rose to 21,750 people.** At the start of the pandemic, over three years ago in March 2020, the claimant count stood at 15,830.

Area	March 2020	November 2022	September 2023	October 2023	November 2023
Coventry	8,000	11,775	12,455	12,380	12,345
North Warwickshire	845	1,040	955	945	975
Nuneaton & Bedworth	2,830	3,050	3,075	3,065	3,110
Rugby	1,535	1,900	1,945	1,930	1,885
Stratford-on-Avon	1,050	1,630	1,495	1,470	1,490
Warwick	1,570	2,070	1,925	1,925	1,945
Warwickshire	7,830	9,690	9,395	9,335	9,405
<b>Coventry &amp; Warwickshire</b>	<b>15,830</b>	<b>21,465</b>	<b>21,850</b>	<b>21,715</b>	<b>21,750</b>

Source: Office for National Statistics

- **Over the past twelve months there has been a small increase in the claimant count across Coventry & Warwickshire,** rising from a total of 21,465 this time last year, although over the past couple of months have seen some falls in the total, with a large fall occurring between August and September.



Source: Office for National Statistics

- **There continues to be a little changing gap between the claimant counts in Coventry and in Warwickshire.**
- The falls in both claimant 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 December 2023 that nationally:

- **The estimate of payrolled employees in the UK for November 2023 was largely unchanged**, on the revised October 2023 figure, down 13,000 to 30.2 million.
- **Experimental estimates of the UK employment rate for August to October 2023 remained largely unchanged on the quarter, at 75.7%.**
- **Similar estimates of the UK unemployment rate for August to October 2023 were largely unchanged on the quarter, at 4.2%.**
- **Economic Inactivity of working-age people during August to October 2023 were unchanged compared with the previous quarter, at 20.9%.**
- **In September to November 2023, the estimated number of vacancies in the UK fell by 45,000 on the quarter to 949,000.** Vacancies fell on the quarter for the 17th consecutive period, the longest consecutive run of quarterly falls ever recorded.

#### Job vacancies

Number of job vacancies

Quarterly change: ▼ -45,000

Since Jan-Mar 2020: ▲ 148,000

Vacancies decreased on the quarter but are above pre-pandemic levels.

Source: Vacancy Survey from ONS



Source: Office for National Statistics

- **Annual growth in regular pay (excluding bonuses) in Great Britain was 7.3% in August to October 2023**, this growth continues to remain strong but is not as high as in recent periods.
- **Annual average regular earnings growth for the public sector was 6.9%** in August to October 2023 - the highest regular annual growth rates since comparable records began in 2001 and **7.3% for the private sector.**
- **Annual growth in employees' average total pay (including bonuses) was 7.2%.** In real terms (adjusted for inflation using Consumer Prices Index including owner occupier's housing costs (CPIH)), annual growth for total pay rose on the year by 1.3%, and regular pay rose on the year by 1.4%.
- **There were 131,000 working days lost due to labour disputes in the UK in October 2023.** Three-fifths of the labour disputes were in the health & social work sectors.

## 2.2 Economic Trends

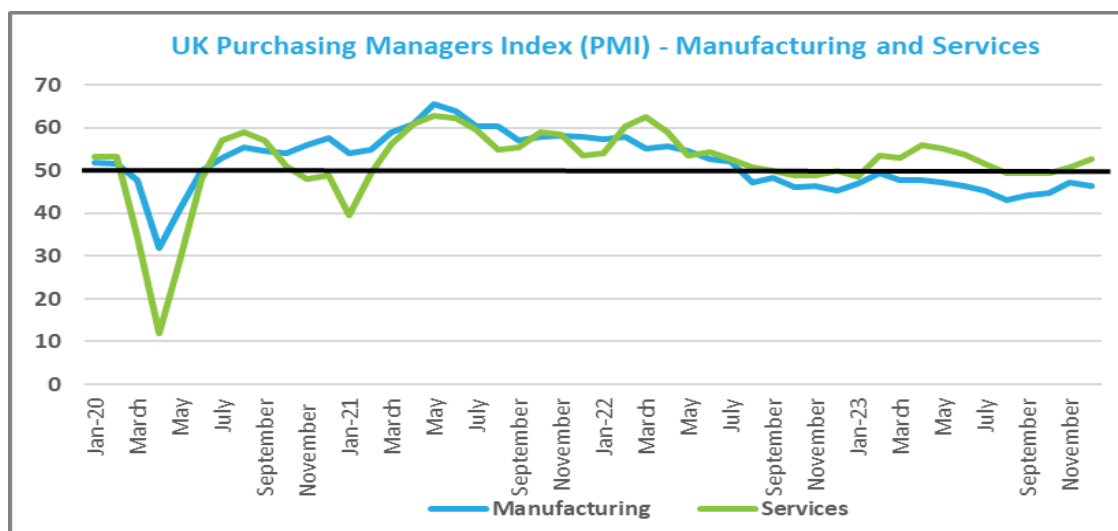
The Economic Development Service at Coventry City Council have compiled 'Business and Economy Briefing' highlights this month:

### Economic Growth

- UK GDP fell by 0.3% in October following the growth of 0.2% in September. Contractions** were seen in **Services (0.2%), Construction (0.5%), and Production (0.8%)**. Overall, this was a bigger contraction than expected.
- The Bank of England voted to hold the base interest rates at 5.25% and** indicated that the rate would need to stay at an elevated level in the medium term to keep a check on 4.6% inflation rate. There are expected to be some cuts during 2024.
- The British Chambers of Commerce** forecasts that economic growth from 2023-2025 will be all but static, with **growth rates of 0.4% in 2024 and 0.6% in 2025**. Whilst inflation has now halved since the start of the 2023, the BCC predicts that **inflation will fall to the Government's target of 2% until Q4 of 2025**.

### Business Confidence

- The UK Purchasing Managers Index (PMI) for manufacturing decreased slightly in December to 46.4 from a revised 47.2 in November** (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 high labour costs are contributing to overall subdued confidence in manufacturing over the past eighteen months.

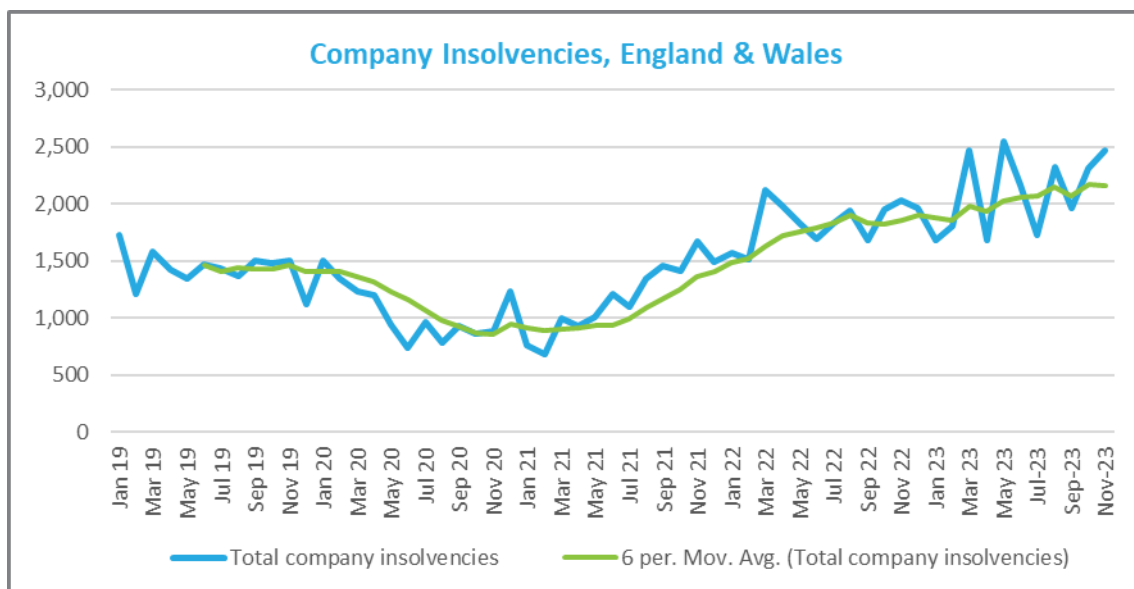


Source: Trading Economics

- Meanwhile, the services PMI rose to 52.7 in December, from a revised 50.9 in November.** The services PMI had been above 50 since the beginning of 2023 but

has been heading downwards over the Spring and Summer months, so December's uptick is welcome.

- The West Midlands had another positive month of growth with a Business activity score of 50.6 in November, according to the [latest NatWest PMI report](#).** The West Midlands was one of only two regions to score over 50 with increasing orders and demand helping this trend.
- Across the economy, there were 2,466 company insolvencies in November 2023 in England & Wales,** a 21% increase on the November 2022 number of 2,031. The overall trend in company insolvencies continues to rise, with continued very volatile month-to-month totals.



Source: Insolvency Service

### International Trade

- The latest [Business Insights and Conditions Survey \(BICS\)](#), shows that **20.4% of West Midlands businesses exported less in October 2023** than same month last year. Furthermore, 6.4% of businesses suggested they have export potential with goods or services development.
- The picture on imports was more positive, with just 12.8% of West Midlands businesses imported less in October 2023** than they did in the same month last year. However, only 11.0% imported more.
- With the end of the EU transition period, **16% of WM businesses reported experiencing an increase in trading costs, with 9.8% of local firms encountering extra tariffs or taxes, and 17.1% businesses experiencing additional transport costs.** However, 43.8% of West Midlands businesses said they have experienced no extra costs.

- **Global supply chain issues remain an issue for some businesses, with 4.8% of West Midland firms experiencing some sort of disruption in the October and November period.**
- **A three-year delay was approved in mid-December to the implementation of the ‘Rules of Origin’ proposals on certain UK exported and imported vehicles.** This proposal would have imposed a 10% tariff on any vehicles sold between the UK and the EU that did not contain a certain level of parts originating from either area.
- **The UK automotive industry** had long campaigned for a delay to the rules as the UK looked to establish its own battery manufacturing sector to provide batteries needed to meet the growing demand for electric vehicles.
- **The SMMT describe this as a pragmatic solution that will safeguard the future of the EU and UK automotive industries, support motorists, and allow the UK and EU to compete with the rest of the world and crucially give the UK and European battery industry time to catch up with other global competitors.**
- **The semiconductor producer, Pragmatic, have raised £182m funding to expand their production facility in the North-East,** adding up to eight production lines over the next five years. With the diversification in the supply chain this could also create hundreds of well-paid jobs, to positively impact the West Midlands.

### Business Challenges

- **Some 21.9% of the West Midlands businesses continue to cite falling demand for goods and services as their most common concern.** Business support across the West Midlands provides one-to-one advice, grants, and other one-to-many support to tackle barriers to diversification and process innovations helping reduce the cost of goods and services.
- **The proportion of West Midlands businesses reporting a month-by-month increase in turnover remained stable at 22.9%,** although figures reporting a decrease is starting to rise, at 21.3%.
- Finally, according to the [ONS Business Insights and Conditions survey \(BICS\)](#), **23.7% West Midlands businesses are looking to adopt part or full homeworking as a permanent business model, whilst 55.3% of businesses have no plans to adopt it.**

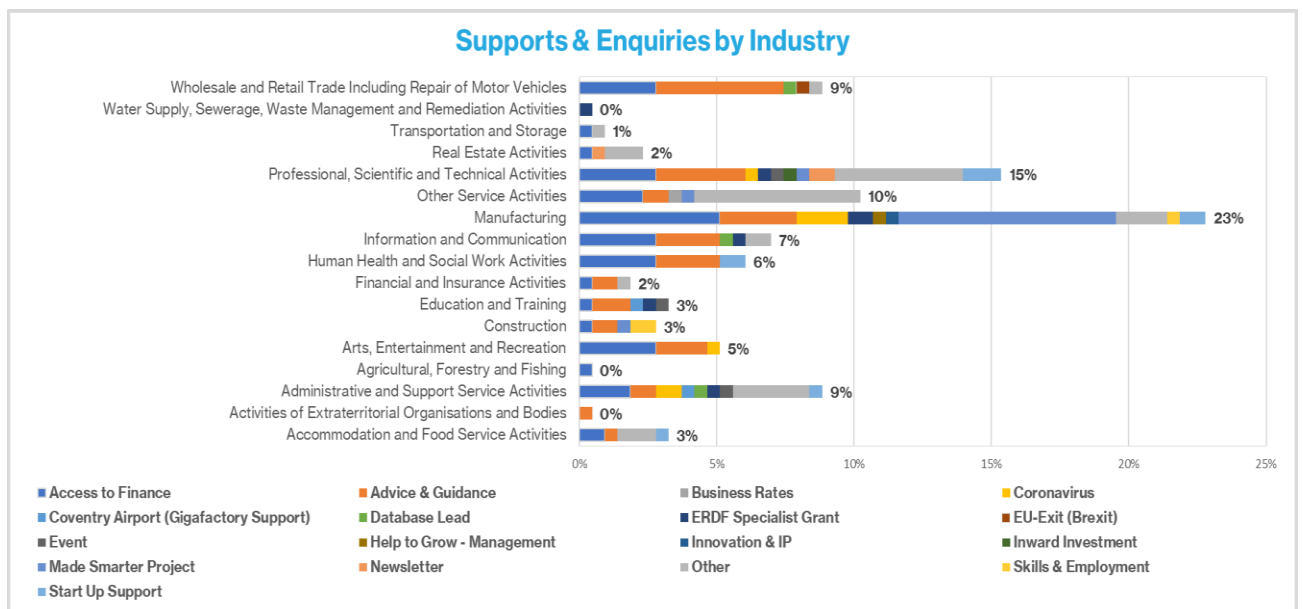


### 3. Latest CW Growth Hub Insights

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

Since the start of the Covid-19 pandemic in March 2020, CW Growth Hub has held 6,323 engagements with local businesses, including substantive discussions covering a wide range of issues impacting on potential current and future growth.

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



NB: Figures have been rounded.

**Advice & Guidance and Access to Finance** were the most popular reasons for support/enquiries over the past month, although there was also a spread across other enquiry types. These include guidance provided around the **Made Smarter programme, Startup Support, and Other Support**.

**The main sectors supported by CW Growth Hub were Manufacturing (23%), followed by Professional, Scientific & Technical Activities (15%), Administrative and Support Service Activities (9%), and Wholesale & Retail Trade Including Repair of Motor Vehicles (9%).**

The size profile of businesses supported over the past month consisted of **37.3% Micro businesses (2-9 employees), 25.8% Sole Traders, 25.3% Small businesses (10-49 employees), 10.5% Medium sized businesses (50-249 employees), and 1.1% Large businesses (250+ employees)**, with 190 out of 216 businesses stating their size.

There was an **increase in Large, Medium, and Micro sized businesses** and a **decrease in Sole Traders and Small businesses** approaching CW Growth Hub compared to the previous month. Around 34% of respondents came from businesses that have started trading since 2020, with 192 out of 216 businesses stating their incorporation date.

## 3.2 CW Growth Hub – Current Themes

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

#### Local Business Intelligence

- **Energy Costs** – Businesses welcome the new carbon reduction programmes launched across the West Midlands region to mitigate the energy price rises.

One example highlighting why these programmes will continue to be important comes from a business sharing details of its current energy costs, which are rising from 12p kW/h to 75p kW/h, a 625% increase!

- **Cost of Living** – Increasing salaries alone is not enough to attract and retain staff. Businesses are adapting to offer revised overall packages including additional holiday, flexible hours, and medical cover.
- **Supply Chain & Materials** – The conflict in Ukraine has impacted the delivery lead times for the supply of aero grade materials such as cobalt, nickel alloys, and titanium, increasing from 12 weeks up to 80 weeks. Sourcing them from China, Mexico, the US, and the UK is more expensive.
- **Ongoing Recruitment Struggles** – Examples this month include a successful arboriculturist, struggling with lack of skilled tree surgeons. Similarly, a lack of available staff in the Hospitality sector still pushing some venues to review opening times, and a shortage of temporary staff in the Logistics and Warehousing sectors driving up hourly pay rates to attract staff.

#### Business Needs and Concerns

- **Investment** – Businesses looking for investment include a regional innovator developing batteries for electric aircraft. Having recently secured £1.2m, they are now looking to bring processes in-house, reducing the need for expensive Chinese imports and creating opportunities to recruit Electronic Engineers.
- **Training** – Businesses, especially from the Accountancy and Manufacturing sector, has been requesting support with Leadership and Management training.
- **Other Support** – Support with grants, property searches, business plans, and expert mentoring remains as a business need.

#### Economic Shocks or Opportunities

- **Inward Investment** – A new innovative business looking to relocate to Coventry, is looking for suitable premises in Coventry for the development of Modular EV battery packs that can fit a variety of vehicles. Plans to establish three sites by the end of Q1 2025 to meet the demand of 2035 net zero policies. Significant investment is being sourced to secure contracts and recruit up to 120 jobs in the initial phase.

## 4. Spotlight: ‘Advanced Manufacturing Plan’ and ‘UK Battery Strategy’

This month’s spotlight focuses on the Government’s recently published **Advanced Manufacturing Plan and UK Battery Strategy**. This section outlines the Government’s vision, strategy, approach, and the potential benefits for Coventry & Warwickshire and the wider West Midlands region.

### 4.1 Advanced Manufacturing Plan

The UK is an existing global hub for Advanced Manufacturing. Advanced Manufacturing strengths are supported by a strong business environment, world class network of universities and innovation centres, and an increasingly highly skilled workforce. The Advanced Manufacturing Plan outlines how £4.5bn of funding, including £2bn for the Automotive sector, will build and strengthen manufacturing in the UK for the future.

#### UK Government’s Vision

The Government’s ambition is for the UK to be the best place in the world to start, grow, and scale-up a manufacturing business.

#### UK Government’s strategy

##### 1. Investing in the long-term future of manufacturing

- **Capital grants** - to unlock investments in **electric vehicle and the battery supply chain**.
- **R&D grants** - to support the **design and development of zero emission vehicle** prototypes, systems, and supply chain inputs.
- **Scale-up grants** - to fast-track the development of **zero emission vehicle technologies**, strengthening the UK supply chain.
- **Develop a centre of excellence for UK Connected and Automated Mobility** - to work with Government departments and a range of private and public organisations.
- **Made Smarter programme will be expanded**, committing up to £16m in 2025-26, to offer the scheme to all regions in England, before making it UK-wide by 2026-27.
- **Industry Innovation Accelerators** - to accelerate the **adoption and diffusion of transformative digital solutions** across all parts of manufacturing.
- **£50m** - to deliver **2-year apprenticeships** pilot in England to stimulate training and address barriers to entry in high value apprenticeships.
- **£975m for the Aerospace sector** - to support the development of **energy efficient and zero-carbon aircraft technology**.

- **R&D support scheme** – to support SMEs with up to **£10m** available each year through the **ATI Programme**.
- **£520m** funding - for **Life Sciences Manufacturing** over five years.
- **£960m Green Industries Growth Accelerator** - for expanding manufacturing capacity and removing Carbon Capture Utilisation Storage (CCUS), offshore wind and nuclear.
- **Agreement on UK's association with Horizon Europe with its €500 million budget** – for international collaboration projects and support the UK's advanced manufacturing sector via 'Cluster 4'.

## 2. Cooperating internationally and building better supply chain resilience

- **Increase the opportunities** offered by **free and open trade**.
- **Build** supply chain analysis capabilities, provide a **reliable and supportive** business environment, **respond**, and **adapt** to shocks, **address long-term trends**, and **expand collaboration** between Government and industry on issues of supply chain resilience.
- **Explore the support** needed for **critical minerals and chemicals**.
- Government ensures the access to goods through **resilient global supply chains**.

## 3. Reducing Costs and removing barriers to boost competitiveness.

- Businesses to be able to **claim back 25%** when they invest in new machinery and equipment.
- The **tax rate** for lossmaking companies will be reduced from **25% to 19%** and **intensity threshold** will be reduced from **40% to 30%**.
- **Connections Action Plan** - for **quicker and easier connection** to the electricity grid.
- **Transmission Acceleration Action Plan** - to speed up the building of new transmission network infrastructure.
- **Reducing costs and removing barriers** - will attract investment in this sector.

## Benefits for the West Midlands Region

- **Capital grants** to unlock strategic investments will help develop the **Coventry & Warwickshire Gigapark and wider West Midlands Electric Vehicle and Battery Supply Chain**.
- The **WMCA Investment Zone, including the Coventry & Warwickshire Gigapark site**, can access funding to compliment the initial £160m Investment Zone funding package.

- The West Midlands region can secure further funds from the R&D grants to bolster finance available for the **Electric vehicle supply chain**.
- The £975m for the aerospace sector to 2030 could appeal to members of **Coventry and Warwickshire Aerospace Forum (CWAF)**.

## 4.2 UK Battery Strategy

Batteries are essential products in modern, industrialised economies. In recent years, batteries have been used to power many of the new and emerging technologies that will continue to enable the transition towards net zero and is increasing their importance. It is also essential that the UK economy can produce, use, and recycle battery technologies both efficiently and effectively for the future, so there are huge opportunities to continue to do this much better.

### UK Government's Vision

The Government's 2023 vision is for the UK to have a globally competitive battery supply chain that supports economic prosperity and the net zero transition. The UK is striving to be a world leader in sustainable design, manufacture, use, and recycling, underpinned by a thriving battery innovation ecosystem.

### UK Government's Strategy

The Strategy was developed with the UK Battery Strategy Taskforce. It sets out the Government's activity to support its objectives and sets the framework for their future work with industry to build, grow, and support the sector. The forecasts include:

- **A battery industry** for electric vehicles which could employ **100,000 people** by 2040 (35,000 in cell manufacturing and 65,000 in the battery supply chain).
- An estimate of **700,000 people** to be employed by 2040 in the **automotive sector**.
- Prediction of **a ten-fold increase in the UK automotive sector production** – from 74,000 to 750,000 annual electric cars and vans produced.
- The Faraday Institution's 2022 forecast suggests **EV production could be over 1.4 million by 2030** and up to nearly 1.8 million by 2040, with large export potential.
- Major emphasis on the **Automotive Transformation Fund** to support the many stages of the Electric Vehicle supply chain.
- **Next generation batteries** including Sodium-ion, Lithium-sulphur, Solid state, and Metal air could create opportunities for increased specialisation.

### UK Government's Approach

The Strategy is based around a **DESIGN – BUILD – SUSTAIN** approach.

- **Design** and develop batteries. This will be achieved by: 1) Continuing to support **innovation** across the battery value chain. 2) Exploring innovative **financing**

mechanisms to support scale-ups. 3) Maintaining stringent battery **safety and product standards** to support growth and protect workers and consumers.






- **Build** strong and resilient UK **supply chains** through the Automotive Transformation Fund and the UK Critical Minerals Strategy, open new markets through greater **international collaboration** work, support **energy intensive industries** and speed-up **energy grid connections**, ensuring **planning and permitting** reform actions.
- **Sustain** by developing a thriving sector, that drives investment across the supply chain, from raw materials through to end-of-life and recycling, which can be achieved by: 1) Identifying and facilitating the **skills** needed for the battery sector. 2) Collaborating with international partners on **green trade** to reduce barriers. 3) Exploring pro-growth regulation and industry standards to incentivise investment in the **circular economy**.

### Key Actions Announced

- **£2bn for future capital and R&D funding** – to help automotive industries for the transition to net zero, whilst safeguarding existing jobs and delivering new ones.
- **£12m for the University of Warwick (WMG) in Coventry & Warwickshire and CPI at NETPark in the North-East** – to fund a new Advanced Materials Battery Industrialisation Centre (AMBIC).
- **£38m to upgrade UKBIC (UK Battery Industrialisation Centre) in Coventry & Warwickshire** – to include a secondary electrode line, an additional 800m<sup>2</sup> of flexible industrialisation space and introduction of advance digital manufacturing.
- **£11m for 20** competition winners developing technologies across the battery value chain, and to explore new financial mechanisms **supporting start-ups**.
- Provide **sustained, consistent, and targeted support** for large-scale, long-term research and innovation activities.
- Explore **opportunities to promote the establishment of R&D centres** in the UK.
- Explore **international collaboration** on batteries through new and existing forums.
- Welcome **foreign investment in battery technology**, whilst protecting national security.
- Work with **industry and network companies** to deliver the actions needed as promptly as possible and at pace.
- Ensure **manufacturing skills, training, and education** are well supported.

## Benefits for the West Midlands Region

### F. West Midlands

-  UK Battery Industrialisation Centre
-  Warwick Manufacturing Group Energy Innovation Centre
-  The Manufacturing Technology Centre
-  National Electrification Skills Framework & Forum (Coventry University)
-  Electric Revolution Skills Hub (Coventry University)
-  Digitally Enhanced Battery Ubiquitous Training (DEBUT) West Midlands (University College Birmingham)
-  Automotive manufacturing

- **The Faraday Challenge and Coventry-based UK Battery Industrialisation Centre (UKBIC), Advanced Propulsion Centre and WMG Energy Innovation Centre** deliver some of the key drivers of innovation relevant to the battery sector.
- **Project Dancer** - a collaboration between Echion Technologies and Warwick Manufacturing Group, has been awarded two grants totalling £1.46m.
- Warwick based **Eatron Technologies** and Solihull based **Hy-Met** also secured funding.
- University of Birmingham is leading a **£18.5m project (“RELIB”)** exploring new battery recycling routes.

## Press Reaction to the Advanced Manufacturing Plan and UK Battery Strategy

### *Rishi Sunak, Prime Minister, said:*

“I am proud that the UK has overtaken France to become the eighth-biggest manufacturing nation in the world, thanks in large part to our incredible automotive industry. That is why this week I have announced that we are going even further to back Britain’s car manufacturers, with:

- £2bn investment in the automotive sector from 2025 for the next five years.
- Full expensing made permanent so businesses can invest for less, getting 25p back for every £1 they spend when buying new equipment and machinery.

Making the UK the best place to do business is at the heart of our economic plan – we will continue to back the best of British manufacturing, to deliver the jobs of the future and grow our economy.”

### *Mike Hawes, Chief Executive, Society of Motor Manufacturers & Traders (SMMT) said:*

“Decarbonising road transport is essential if Net Zero is to be achieved, and that transition must be ‘built in Britain.’ The Government’s Advanced Manufacturing Plan sets out measures to support the UK automotive supply chain as it undergoes the most significant transition in its history. The Plan, together with a new UK Battery Strategy to support the development and production of this critical technology, is essential if the UK is to compete in the face of fierce global competition. These initiatives can only help to attract the investment necessary to seize the growth opportunities a Net Zero economy offers.”



## 5. Recommendations.

### December's Golden Recommendation:

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**The announcement of £4.5bn funding announced through the Advanced Manufacturing Plan, including £2bn for the automotive sector and for strategic capital investments, R&D, and supply chain development programmes especially for Low Emission Vehicles, alongside the announcements made in the UK Battery Strategy, are very welcome locally. It is critical that Coventry & Warwickshire partners continue to work closely together to successfully secure funding for the projects that will continue to accelerate the growth of local sustainable Automotive and Future Mobility supply chains.**

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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 short-term recommendations:

### a. Short Term

#### **5.1.a – The announcements made in the last Autumn Statement need to rapidly deliver significant and impactful outcomes related to:**

- Kick-starting growth in the currently stagnating economy
- The tax incentives announced helping to stimulate the Green Economy
- The announcements on investment through the Advanced Manufacturing Plan and UK Battery Strategy, related to the automotive and future mobility sector need to start being delivered against
- Delivery of more intensive support for exporters via additional Department for Business & Trade capacity and interventions needs to happen.

**5.1.b - With falling demand becoming an ever-greater concern for local businesses, it is vital that business support programmes available across Coventry & Warwickshire are used to focus on tackling this with solutions such as process innovation, including interventions that improve energy efficiency, alongside support with diversification, including introducing new products and services and entering new markets.**

**5.1.c - With the West Midlands Gigapark now formally named as a site for Tax Incentives and Business Rate Growth Retention, it is crucial that local partners continue to work effectively with WMCA to ensure that the Investment Zone “flexible funding” package contains suitable provisions for supply chain, innovation, and R&D. This should have the focus to address barriers to growth in Future Mobility sectors, especially where the region has potentially strong competitive advantage.**



## 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 – Funding for the next round of Local Skills Improvement Plans is used effectively** so that it can continue to build on the momentum generated through the work to date and enable a more joined-up approach with other local and regional business support activities related to skills improvement.

**5.2.b - It will be critical that Government provides the necessary investment in the skills required to provide the workforce needed to support the Coventry & Warwickshire and wider West Midlands ambitions that could be realised through both the Advanced Manufacturing Plan and UK Battery Strategy.** There needs to be a coordinated approach between Government, local authorities, schools, universities, and colleges, to ensure skills gaps are identified and adequately planned for.

## c. Long Term

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

**5.3.a – The long-term uncertainty facing business support funding needs addressing.** UKSPF is due to end in March 2025, and plans for the successor fund need to start swiftly. Moreover, these need to include clarity on future funding for Growth Hubs.

**Successor funding needs to improve on the experience of UKSPF, and have flexibility to cover wider geographical areas, such as being Coventry & Warwickshire-wide.** The funds need to better finance both account management type business support, as well as a sufficient range of targeted support programmes that will enable business growth, innovation, and deliver the sustainable growth of priority economic sectors/clusters in our local economy

**5.3.b - Providing high quality support to businesses should be seen as a strategic intervention in both short and long-term economic recovery and success.** It is essential we keep pace with our competitors but in a landscape that is crowded, confusing, and often supplier led, we need to reduce the fragmentation in the business support system, simplifying it for those we engage, the business community. **Taking a longer-term view on support will give businesses the stability they need.**

**5.3.c – More sub-national investment is needed to build long-term sustainable growth opportunities for Coventry & Warwickshire.** This needs to include resource and capacity linked to:

- Building sustainable local supply chains
- Developing the Green Economy
- Internationalisation and intensive support for exporters.