

WRIF: General Update

7 September 2022

Dave Ayton-Hill

General Update on WRIF progress

Business Investment Growth (BIG) Fund

Two large projects in the BIG pipeline are progressing to the next stage:

- ▶ One project is for a large investment (c. £10m), and we have been working closely with a financial intermediary who has been helping structure the whole deal. Business case has passed Stage 1 and is now in due diligence which we hope to complete within the month.
- ▶ The second project is for a mid-sized loan (c. £4m), and working on a co-investment model with another regional fund. Stage 1 business case expected to be considered in September.

Property Infrastructure Fund (PIF)

- ▶ CBRE have been appointed as Fund Advisors, and we currently working with them to review the investment strategy, potential pipeline of investments, and process/governance for the PIF to feed into wider WRIF review.

Local Communities Enterprise (LCE) Fund

- ▶ Delivery of the LCE funds has continued a positive trajectory since the last MOG.
- ▶ Initial £500,000 was paid to fund managers CWRT in June 2022
- ▶ 3 loans have now been disbursed with a total value of £130,000
- ▶ Current Pipeline shows 23 businesses with current loan values identified as £547,600 (6 business have yet to state the loan requirement value).
- ▶ There are 8 business which have progressed from our support programme i.e. Jumpstart or Business Support seeking £169K in loans with 4 yet to determine the level of LCE requirement. CWRT are working with the programmes to promote LCE and supporting these fledging businesses through the LCE process



Agenda Item 8

WRIF: Communications

Plan

7 September 2022

Dave Ayton-Hill

BIG Monthly Communication Plan

- ▶ Local and national press coverage of the BIG fund and the 1st deal (forge care) under the programme.
- ▶ Continued and sustained networking with a variety of Stakeholder & specialists including:
 - Investment & financial specialists
 - Legal specialists to promote the BIG Fund to them and their clients.
 - Local Banks
 - Equity Financers
 - Professional bodies and associations
 - Financial Brokers (a future prospect)
- ▶ Targeted outreach to Warwickshire businesses using internal WCC software to promote directly to suitable businesses.
- ▶ Attending & presenting at networking events with the correct target audience for the BIG fund.

BIG PR To-Date

Recent PR pieces for the BIG Fund:

- Public Finance (July 22) - Case study: Warwickshire County Council's economic regeneration

https://www.publicfinance.co.uk/case-study/2022/07/case-study-warwickshire-county-councils-economic-regeneration?utm_source=Adestra&utm_medium=email&utm_term=

- Coverage on **Coventry and Warwickshire BBC Radio** - 10th July - News on Forge Care and successfully being awarded £1m WRIF loan.

- Coverage on Forge Care - **University of Warwick Science Park Newsletter** July 14th

<https://www.warwicksciencepark.co.uk/wrif-support-makes-new-childrens-care-facility-possible/>

- Worked closely with Advent Communications to broaden coverage - the piece was successfully placed in the **Business & Innovation Magazine**

<https://www.businessinnovationmag.co.uk/forge-care-receives-funding-from-warwickshire-reinvestment-fund/>

- BIG Team are in dialogue with **Advent Communications**, a general piece has been drafted to be sent via local channels - awaiting approval from Cllr Martin Watson's quote before this is released beginning of September.

LCE Communication & Marketing Plan

- ▶ All LCE Comms follows WCC comms guidance issued to CWRT in March 2022
- ▶ Monthly marketing & communications for the LCE include:
 - Communicating with Previous WCC Business start-up support programme applicants.
 - Case Studies on the Coventry & Warwickshire Reinvestment Trust website
 - News articles on loans for Warwickshire Means Business and other media outlets
 - Social Media Campaigns
 - Attending Job Fairs & Networking Events
 - Leafleting to Warwickshire small businesses
 - Google ads

LCE Comms To-Date

- ▶ LCE launch <https://business.warwickshire.gov.uk/april-2022/news-in-brief/new-lce-fund-will-plug-a-gap-in-the-loans-market-for-small-businesses>
- ▶ Mari Carmen - Fitness LCE case study <https://www.cwrt.uk.com/case-studies/maricarmen>
- ▶ Forget Me Not Café <https://business.warwickshire.gov.uk/july-2022/news-in-brief/forget-me-not-cafe-moves-forward-thanks-to-cwrt-recovery-loan>
- ▶ Initial BBB RLS Announcement <https://www.british-business-bank.co.uk/ourpartners/recovery-loan-scheme/current-accredited-lenders/>
 - CWRT release and webpage <https://www.cwrt.uk.com/recovery-loan-scheme>
- ▶ Article about funding options in Coventry and Warwickshire Chamber of Commerce blog page <https://www.cw-chamber.co.uk/top-tips/cwrt-311222/>



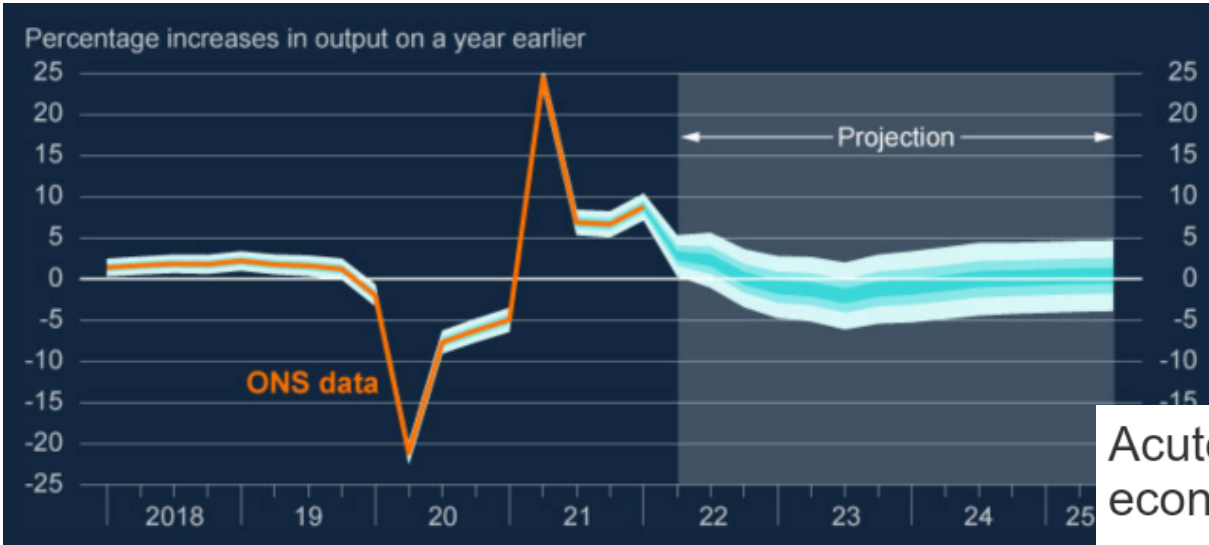
Agenda Item 9

WRIF: Economic Update

7 September 2022

Dave Ayton-Hill

Economic Trends - National



- GDP declined by 0.2% between June & July, and BoE forecasting technical recession in Q4 2022, potentially lasting through 2023. Consumer confidence at a lower point than in any of the previous 4 recessions

Acute concerns in the face of soaring cost-of-living and bleak economic prospects

GfK's long-running Consumer Confidence Index decreased three points in August to -44. All five measures were down in comparison to the July 22nd announcement.

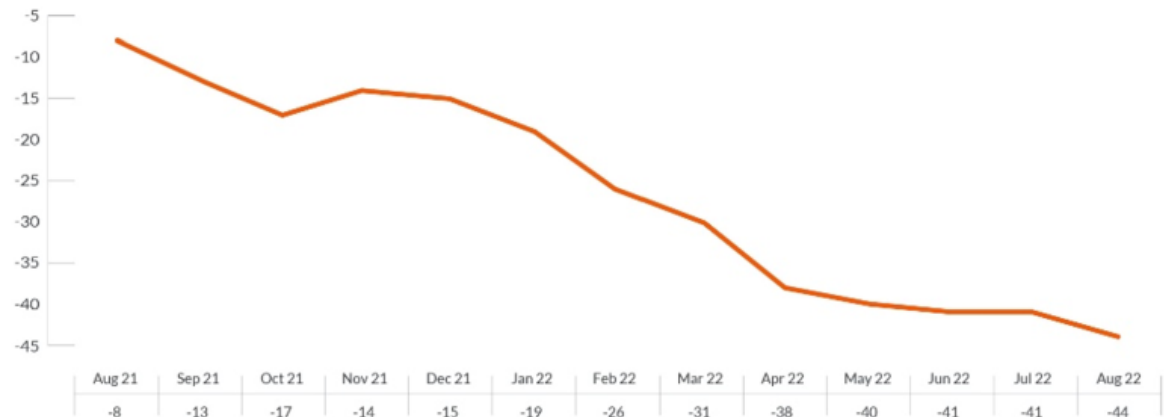
“The energy price cap only applies to consumers, and many small and medium-sized companies are going to face a triple whammy: higher fuel bills, higher wage bills, and falling demand”

Guardian, 26th August 2022



Growth from Knowledge

Index Score August 2021 – August 2022

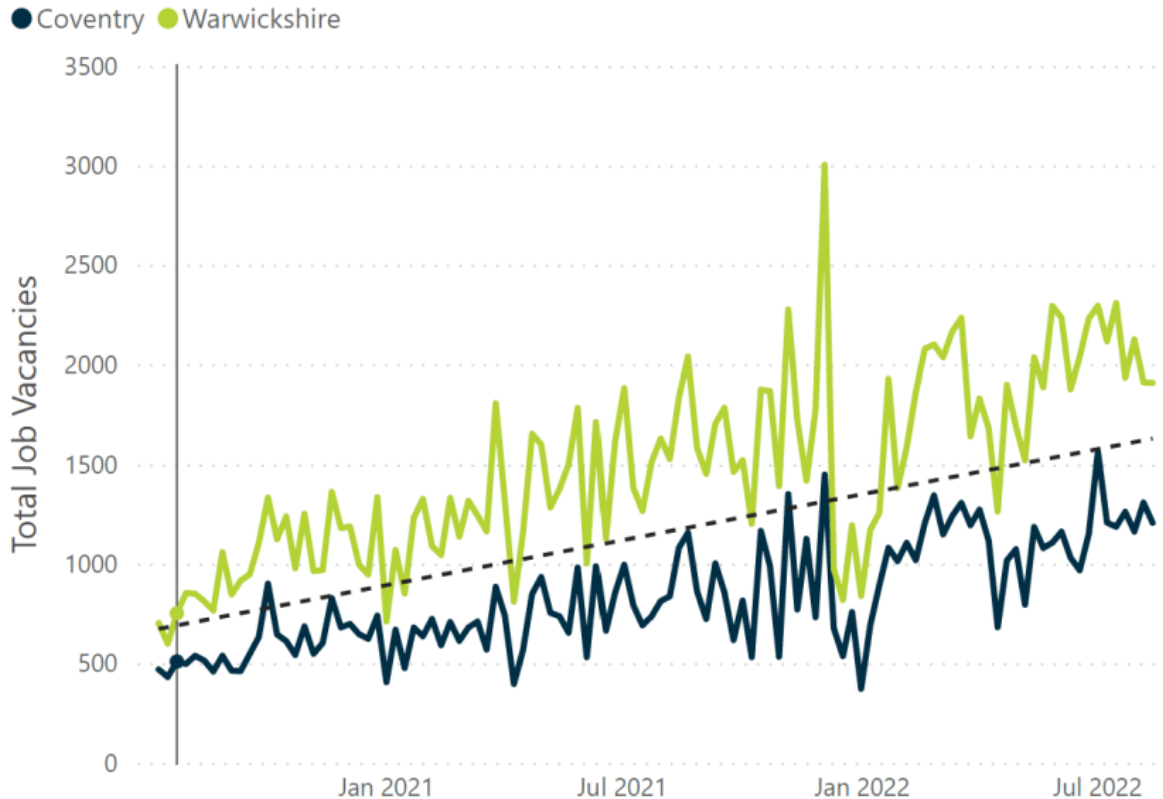


Source: GfK Consumer Confidence Barometer (August 2022)

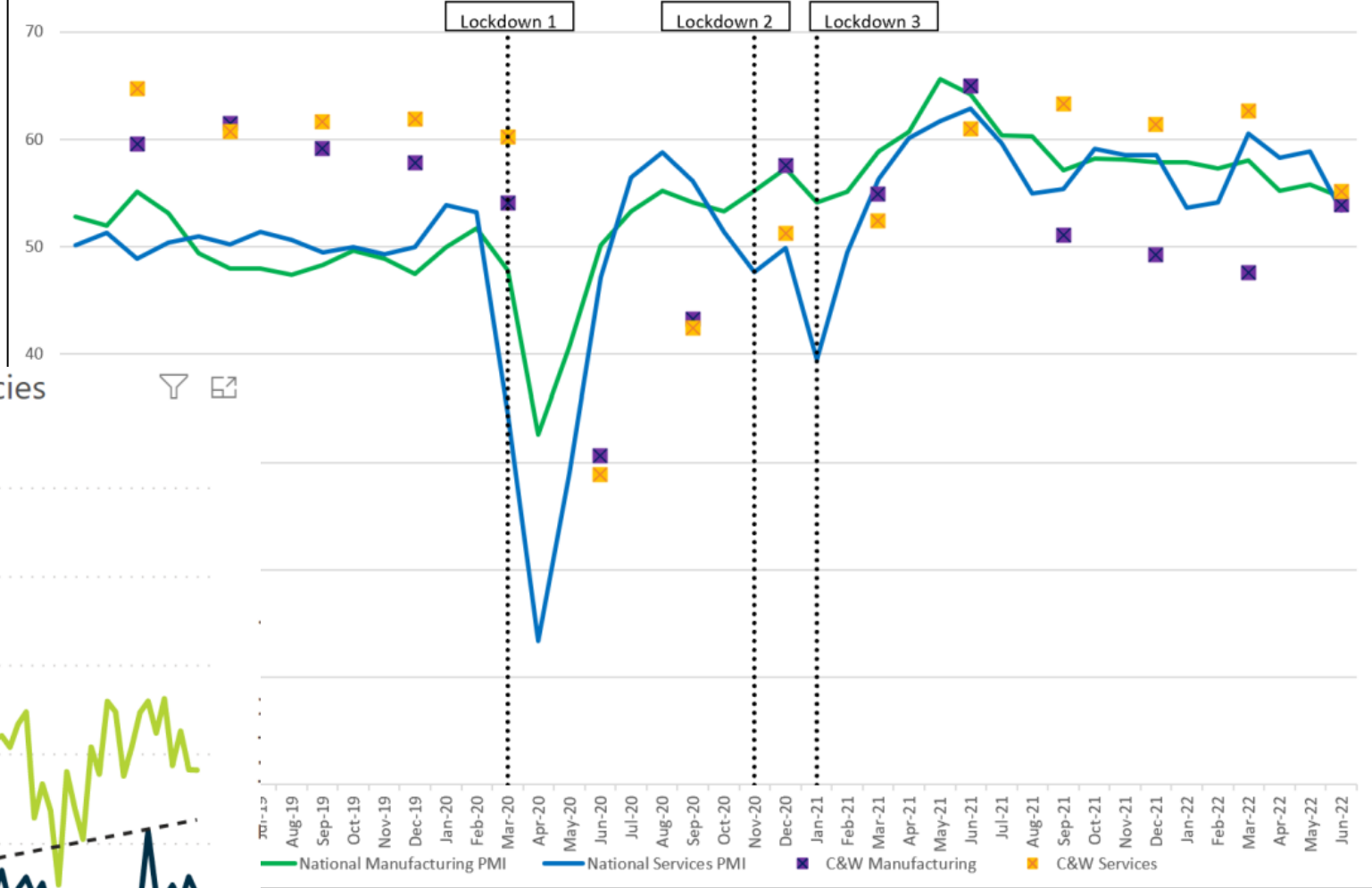
Local economic data

	W'shire	UK
Unemployment rate	2.0%	4.1%
Employment rate	81%	78.5%

Coventry & Warwickshire Total Job Vacancies



C&W Overall Economic Outlook Index



Mixed picture

- ▶ Significant headwinds facing the national and local economy
- ▶ Challenging period ahead in terms of energy costs, cost and wage inflation
- ▶ Increasing pressures on small businesses, particularly in retail, hospitality & leisure, and energy-intensive lower value manufacturing
- ▶ However, labour market still very buoyant and businesses actively looking fill a growing number of vacancies
- ▶ Business investment sentiment still remains relatively high, particularly in key sectors
- ▶ Continued strong flow of Foreign Direct Investment into Warwickshire, particularly in automotive technology and CreaTech (gaming companies); and sustained growth in logistics and e-commerce fulfilment
- ▶ Demand for office and property space in the county remains high and outstripping supply