

Communities O&S – April 2023

Economic Development Update

The following briefing note provides an update to the Communities Overview & Scrutiny Committee on recent economic development activity in Warwickshire.

It covers work undertaken by County Council officers and partners across a range of services as well as other key pieces of relevant news and information.

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3. Employability & Skills Support
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Appendix 1: Business News – Major business headlines from around Warwickshire

HEADLINES/ KEY SUMMARY POINTS

- **Launch of Warwickshire Supported Employment Service**

February saw the Launch of our Supported Employment Service which aims to help people with Autism and/or learning difficulties into sustainable employment. A successful launch event was held at our business centre EPIC in Nuneaton with over 50 attendees. So far, the service is seeing high demand with 98 individuals entering the new service in the first few weeks, against a target of 400 individuals being supported over 12 months.

- **Digital Creative Grants approved**

The newly launched WCC Digital Creative Recovery Grant scheme saw 11 full applications received with a total grant request value of £284,525.50. Following the scoring evaluation process 6 applications with a complete project value of £345,265, have been approved for grant offer with a total grant value of £157,757.50.

- **Launch of the Property and Infrastructure Fund (PIF)**

The PIF is the third strand of the Warwickshire Recovery and Investment Fund. The fund received a soft launch in February, with an official launch at UK REiiF in May. PIF will provide loans of up to £10m to support or facilitate the development of employment land within the county, or to help bring forward the necessary site infrastructure to bring a site to market. CBRE were appointed to manage the funder after a competitive tender process. We have already seen a good level of interest with several leads passed over to CBRE to review.

- **Warwickshire Skills Hub 3rd Birthday**

The original concept of the skills hub was to create a physical space which could host partners, educators, and businesses to come together and work in a collaborative way to shape key pieces of work linking to the skills agenda.

Since the launch of the Warwickshire Skills Hub:

- over **1000** businesses have engaged with the skills hub and received over **5000** hours of support.
- The team has grown from just 2 in 2020, to currently **18** members of staff.
- **£1.1** million pounds provided to small and medium businesses through our Apprenticeship Levy Fund
- Created **120** apprenticeships for Warwickshire's young people
- Worked with **66** businesses who have committed to shaping inclusive jobs
- Seen the launch of the new Warwickshire Supported Employment Service which aims to support **400** people with Autism and/or learning difficulties find sustainable, fulfilling employment.

- **New Branding for Invest in Warwickshire**

The inward investment team, invest in Warwickshire, has been working with our colleagues in the equivalent team at Coventry City Council, to develop new branding and marketing materials ahead of key capital and development trade shows MIPIM 2023 and UKREiiF in May.



1. ECONOMIC OVERVIEW

National Overview

- **Gross Domestic Product:** monthly real GDP is estimated to have grown in January by 0.3% after falling by 0.5% in December 2022. Monthly GDP is now estimated to be 0.2% below its pre-coronavirus levels (February 2020).
 - **Services output** - the services sector grew by 0.5% in January 2023 and was the main driver of the increase in GDP. The largest driver of the growth was education, which grew by 2.5% after falling in December 2022.
 - **Production output** fell by 0.3% in January 2023 with manufacturing being the largest negative contributor,
 - **Construction output** decreased by 1.7%, the weakest monthly growth since June 2022. The decrease came from a fall in new work.
- **CPI inflation** rose by 10.4% in the 12 months to February 2023, up from 10.1% in January 2023. The largest upward contributions to the monthly change in CPI rates came from restaurants and cafes, food, and clothing, partially offset by downward contributions from recreational and cultural goods and services (particularly recording media), and motor fuels.
- The Bank of England's Monetary Policy Committee (MPC) raised **interest rates** by 0.25% on its last meeting on 23rd March, this takes the base rate to **4.25%**
- **Average weekly earnings** excluding bonuses were £589 in January 2023 up from £556 in January 2022. In real terms (adjusted for inflation), pay fell.
- **Employment** – 30,049,888 people were in employment in February 2023, up 684,236 from February 2022. The three-month employment rate (Nov 2022- Jan 2023) was 75.7% up 0.1 percentage points from the previous quarter but 0.8 percentage points lower than before the pandemic.
- **Unemployment** - the unemployment rate was 3.7% in the 3-months November 2022-January 2023, lower than the same period last year where it was 4%. The number of people unemployed for over 12-months increased slightly.
- **The value of sterling** fell from 1.3192 US\$ in March 2022 to 1.2224 US\$ in March 2023, falling to its lowest value of 1.0745 in September 2022.

Local Overview

- The **Warwickshire unemployment rate (aged 16-64)** shows a decrease from 3.5% in the year Oct 2020-Sep 2021 to 2.8% in the year Oct 2021-Sep 2022. The local unemployment rate remains low in line with the national rate of 3.7%.

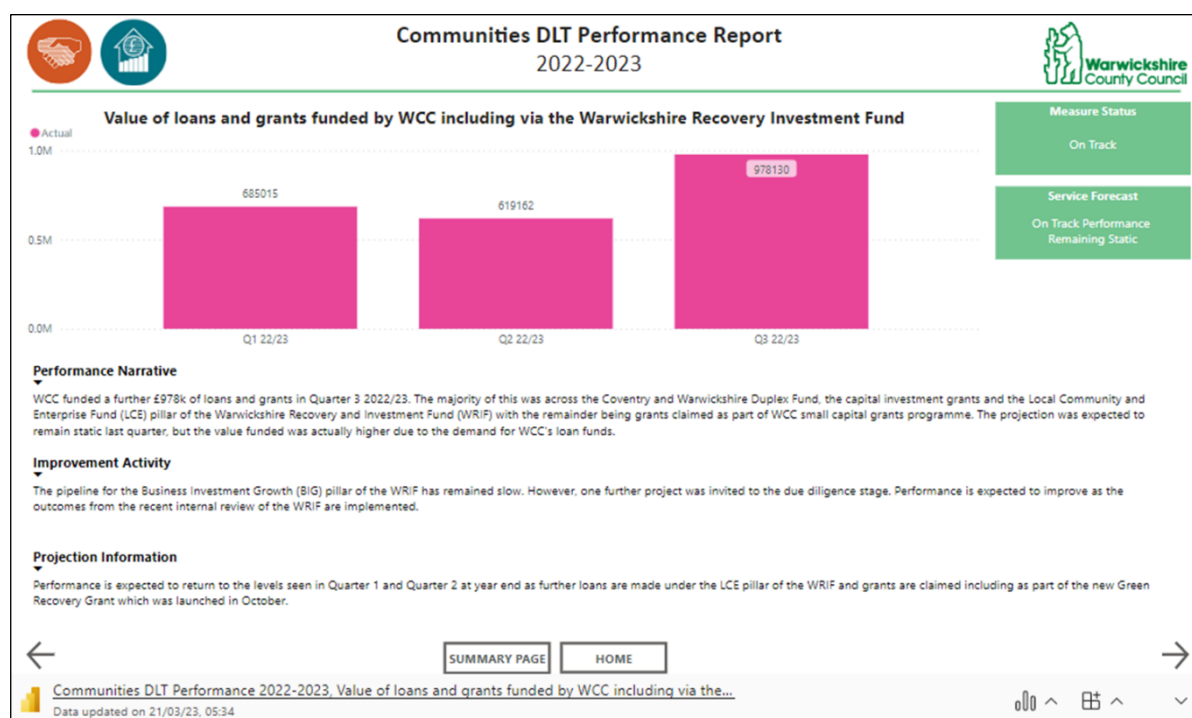
All latest economic updates can be found in the [Economic Recovery Dashboard](#) developed by WCC's Business Intelligence team for CWLEP partners.

2. BUSINESS & ECONOMY SUPPORT

Access to Finance

Overall Performance

WCC had provided a further £978,130 of loans and grants by the end of 2022/ 23 Q3 bringing the total funded this year to £2,282,307.

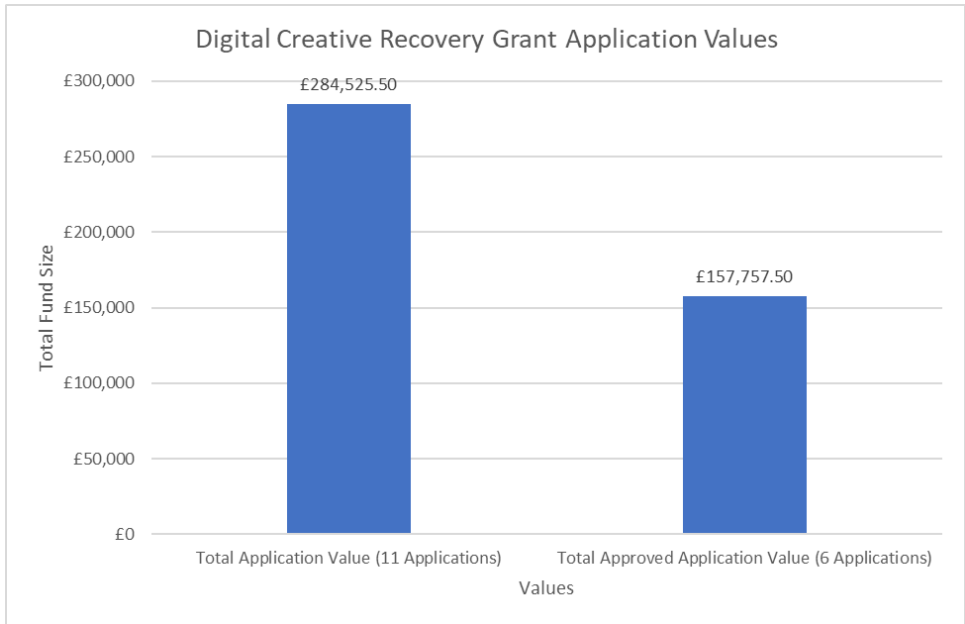


Digital Creative Recovery Grant

Following the application submission deadline for the WCC Digital Creative Recovery Grant scheme there were 11 full applications received with a total grant request value of £284,525.50.

Following the scoring evaluation process 6 applications with a complete project value of £345,265, have been approved for grant offer with a total grant value of £157,757.50.

The 6 successful applications will all use the funding to accelerate the growth of projects that are looking to bring new products and services to the market as well as evolving existing products or services to include new aspects to lead to growth and in some cases further future investment.



This programme is funded by the COVID-19 General Grant.

Further details on the fund can be found at <https://www.warwickshire.gov.uk/dcfund>

For general information about the programme, contact Jon Stead in the Business & Economy team (jonstead@warwickshire.gov.uk).

Small Capital Grants

WCC’s Small Capital Grants programme is continuing to see a good level of interest. Enquiries continue to come from a range of sectors including engineering, manufacturing, food & retail, and education services. The most recent Grants Panel in March approved a further two investment projects worth over £205,000 with WCC agreeing to make total grant contributions of just under £70,000. The two projects, as well as unlocking over £135,000 of private sector investment, are expected to create six new jobs & one apprenticeships. Two further applications with a total grant value of £70,000 require further information before Panel can make a decision.

For general information about the programme, contact Jon Stead in the Business & Economy team (jonstead@warwickshire.gov.uk).

To refer a Warwickshire business, contact WCC’s Business Growth Delivery team (business@warwickshire.gov.uk).

WRIF (Warwickshire Recovery and Investment Fund)

Local Communities & Enterprise Fund

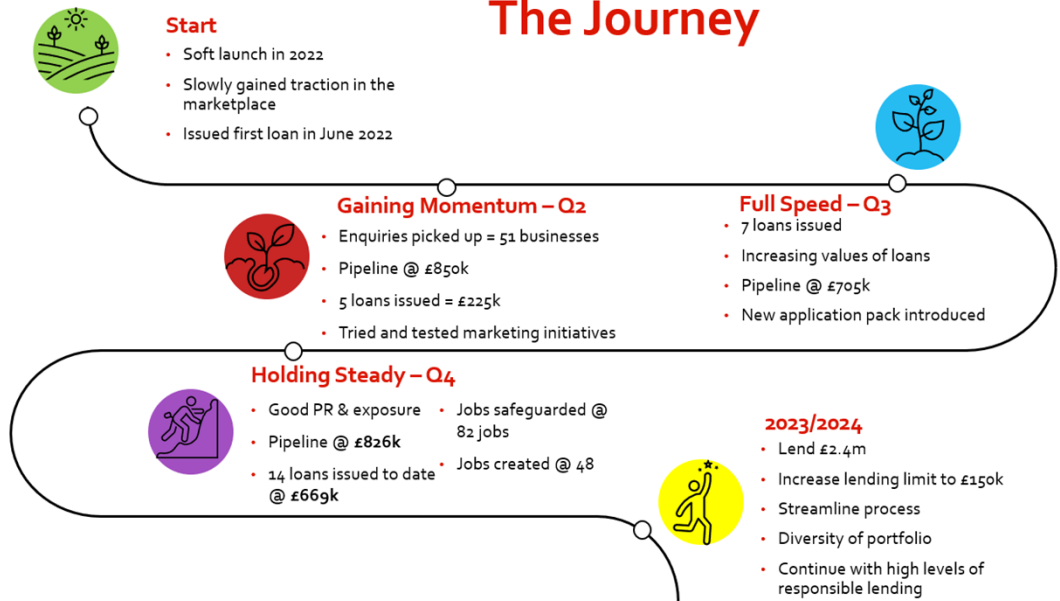
- **5 New loans approved since the previous update with a total value of £234,000**
- **18 Total loans approved to date**
- **£902,701 Total value disbursed to date**
- **£205,000 forecasted to be approved & disbursed by March 31st.**
- **Lending in 2022/23 forecasted to achieve £1.1M**
- **Maximum loan size increased to £150,000**
- **£53,915 Total repaid by businesses (No defaults)**
- **Findings shown from the declaration from businesses any previous access to public sector investments are zero to low**
- **This means that LCE is getting to the market that aren't engaged with mainstream providers and public sector initiatives which is a positive to the scheme**

The Local Communities and Enterprise Fund (LCE) pillar of the WRIF which was launched at the end of April 2022 has now awarded 18 loans worth £902,701 with a further five since the last Communities O&S. The 18 loans have unlocked over £593,000 of private sector investment, safeguarded 82 jobs and are forecasted to create 50 new jobs in the future.

The latest loans include **4 Site CCTV Ltd**, a provider of high volume 4G and wireless rapid, redeployable CCTV solutions operating in Nuneaton; **Entertainment Nation Ltd** a Stratford-upon-Avon based entertainment agency; and **TS Online Solutions Ltd** a legal recruitment specialist based in Warwick who offer a bespoke business-to-business consultancy service designed to specially support start-ups and established businesses.

The LCE fund continues to attract high levels of interest with a current pipeline of 14 businesses totalling over £700,000 of potential applications.

The Journey



The Impact

Out of the 14 loans that we have done...

Pre-loan turnover Post-loan turnover

£4.5m

£9.2m

Jobs Safeguarded Jobs To Be Created

82

48

Own Investment

£593k

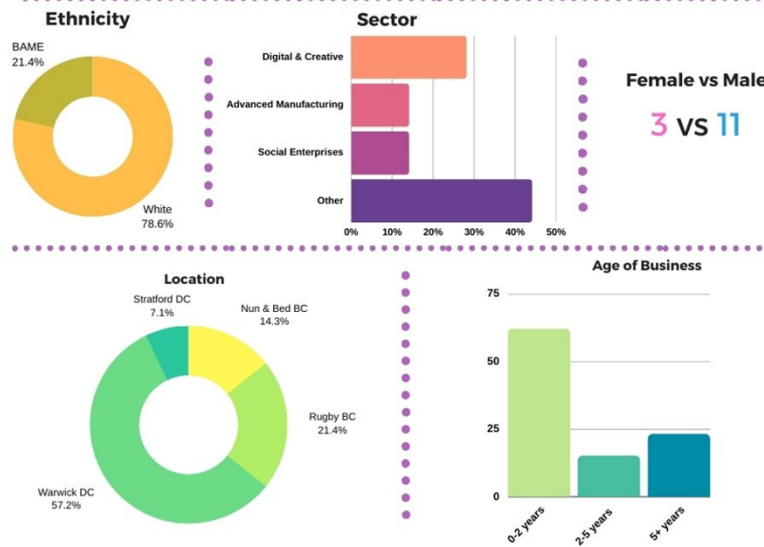
Public Sector Investment

The fund is engaging with businesses that have not accessed business support, grants or other initiatives from public sector bodies



Highlights

LCE Fund - Highlights 22/23



Challenges

The M in SME

- Mainly micro and small businesses
 - Aim = attract more medium sized businesses
 - Solution = tweaked the marketing message to target more medium sized businesses

Length of Conversion

- Supporting more 'micro' and startup size businesses, they require more support
 - Aim = make the process simpler for clients and loans team
 - Solution = created a new application pack for loans under £20k

Diversity of Portfolio

- Diversify the loan portfolio
 - Aim = improve the demographics across sector, size, ethnicity and gender
 - Solution = utilisation of relatable case studies, targeted marketing, grass roots outreach etc

Loan Size

- Supporting more medium sized businesses
 - Aim = attracting more medium sized businesses that require a slightly higher investment and also reduce the gap between LCE and BIG
 - Solution = request to increase lending threshold – awaiting response from the panel

2023/2024...



Increase Lending

1. Lend £2.4m
2. Increase lending limit to £150k
3. Decrease the gap between LCE and BIG



Diversify the Portfolio

1. More medium sized businesses
2. Increase demographics
 - Sector, age, gender & ethnicity



Streamline

1. Streamline the process
 - Responsible lending
 - High due diligence

The LCE pillar of the WRIF provides loans of between £1,000 and £100,000 to help small businesses including social enterprises start, survive, and grow. The fund is managed by Coventry and Warwickshire Reinvestment Trust (CWRT) on behalf of WCC.

For general information about the LCE fund, contact Jon Stead in the Business & Economy team (jonstead@warwickshire.gov.uk).

For more detailed information, to register an interest or to refer a business, visit www.cwrt.uk.com/wrif-lce-fund

Property Infrastructure Fund

Following a procurement exercise, CBRE have been appointed to help Warwickshire County Council promote and manage the Property & Infrastructure Fund element of the WRIF. The fund launched softly in February and will provide loans of up to £10m to support or facilitate the development of employment land within the county, or to help bring forward the necessary site infrastructure to bring a site to market. Between the County Council and CBRE, we have developed a pipeline of potential schemes that may be interested in the Fund, and market assessment has proven a demand for this sort of funding, particularly for bringing forward speculative build schemes (those where there isn't an identified end user at the point of construction).

An official launch of the fund will take place at UKREiiF on 16th May. UKREiiF is one of the UK's largest infrastructure and construction investment events with over 6000 attendees from across construction, property, local authority, developers and investors.

ERDF Business Support Programmes

CW Business – Start, Grow and Scale

No additional information is available for this report as the project reports on a quarterly basis.

We have recently produced an infographic which features the data from Jan 2019 to Sept 2022 and is attached here.

CW Business: Start, Grow and Scale



Since 2019 the CW Business: Start Grow and Scale programme, totalling £3.6M has provided intensive support to businesses in Warwickshire to encourage growth in the local economy.

Match Funding:



To September 2022:



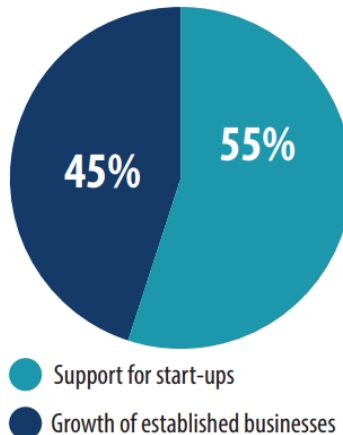
GVA Uplift
£11,777,524

ROI £11.73
for every £1 of local authority funding.

Businesses supported by strand



Support type:



Based on a recent evaluation...



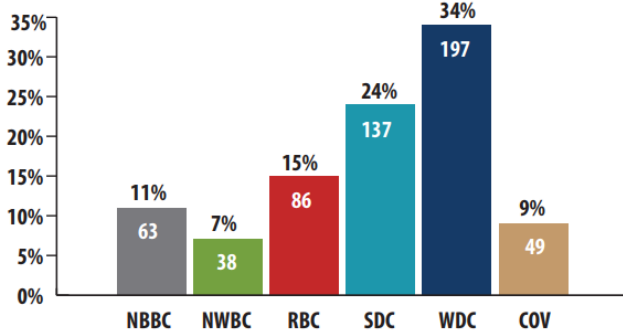
European Union
European Regional Development Fund



Geographical Breakdown



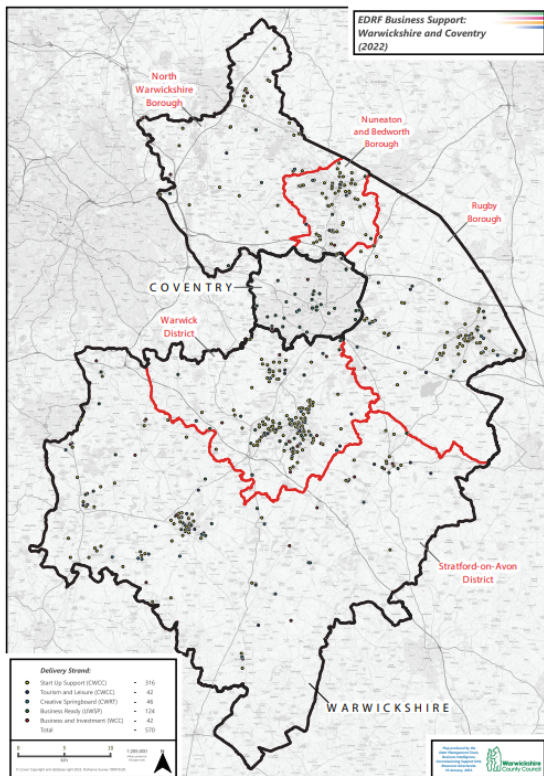
Businesses supported per District & Borough



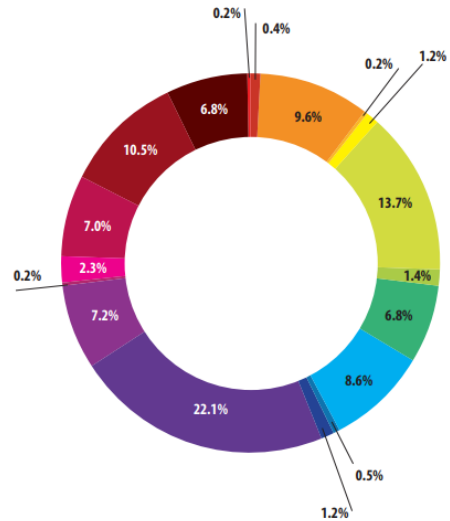
ONS % of businesses in each District & Borough

NBBC	9.8%
NWBC	7.6%
RBC	13.5%
SDC	21.8%
WDC	20.6%
COV	26.8%

Geographical distribution of businesses by delivery strand



- Agriculture, forestry and fishing
- Manufacturing
- Electricity, gas, steam and air conditioning supply
- Construction
- Wholesale and retail trade; repair of motor vehicles and motorcycles
- Transportation and storage
- Accommodation and food service activities
- Information and communication
- Financial and insurance activities
- Real estate activities
- Professional, scientific and technical activities
- Administrative and support service activities
- Public administration and defence; compulsory social security
- Education
- Human health and social work activities
- Arts, entertainment and recreation
- Other service activities
- Renewable energy / low carbon / environmental



European Union
European Regional Development Fund

The total number of businesses supported since 2016 is over 1,000. 444 new jobs have been created and over 470 Warwickshire residents helped to start their own business

This was featured in the latest edition of Warwickshire Means Business

<https://business.warwickshire.gov.uk/february-2023/news-in-brief/wcc-programme-has-supported-more-than-1000-businesses>

The start-up support strand (delivered by Coventry and Warwickshire Chamber of Commerce on behalf of WCC) has been particularly targeting businesses in the north of the county.

Project Warwickshire (Tourism, Leisure and Hospitality business support) have held a highly successful event in Rugby (in partnership with Rugby Borough Council) on the 21st of March which had over 80 businesses attend.

The current phase of the programme (to June 2023) is funded by £1.8 million from the European Regional Development Fund (ERDF) as well as WCC, University of Warwick Science Park, and the District and Borough Councils.

Recent case studies:

<https://business.warwickshire.gov.uk/february-2023/news-in-brief/wcc-programme-has-supported-more-than-1000-businesses>

<https://business.warwickshire.gov.uk/january-2023/news-in-brief/business-ready-support-priceless-to-purple-planet>

<https://business.warwickshire.gov.uk/december-2022/news-in-brief/mobile-coffee-business-on-the-move-thanks-to-great-advice>

<https://business.warwickshire.gov.uk/december-2022/news-in-brief/business-ready-support-invaluable-to-growing-care-business>

For more information and/ or to refer a business or Warwickshire resident, visit: www.warwickshire.gov.uk/cwbsp or contact Gillian Dale in the Business & Economy team (gilliandale@warwickshire.gov.uk).

Coventry and Warwickshire Innovation Programme

The Coventry and Warwickshire Innovation Programme, part funded by European Regional Development Fund (ERDF) provides a range of help for SMEs to develop innovative and new to the market, products, services, or technologies. Grants of up to £100k are available to support businesses on innovative projects. The programme is managed by Coventry City Council and a WCC Growth Advisor as part of the Business Investment Growth Team.

Three businesses have been supported to secure grant funding to develop innovative products; the combined project size will be a total of £439,665. Which will see a total private sector investment of £220,858, a total grant funding of £218,807 (subject to remaining and available grant funds) and 13 new jobs created across the three Warwickshire businesses. The grants are all in the process of being finalised.

With the programme ending in June 2023, there has been a focus on working with those business who have been awarded grants, to make sure they are able to deliver their projects and submit their claims and evidence of settlement in suitable time. This approach has resulted in several businesses confirming that aspects of their original grant projects are not going to be finished within the deadline and therefore monies have been clawed back for reallocation. Some of this grant reallocation has already been awarded to recent Warwickshire grant projects and a further £12,813 has been provided to one business and a second Warwickshire business is being offered a further £25,000. All businesses benefiting from additional grant funds, will also need to complete their projects within the deadlines.

3. EMPLOYABILITY & SKILLS SUPPORT

The Warwickshire Skills Hubs 3rd Birthday



This March 2023 celebrates 3 years of the Warwickshire Skills Hub. The original concept of the skills hub was to create a physical space which could host partners, educators, and businesses to come together and work in a collaborative way to shape key pieces of work linking to the skills agenda.

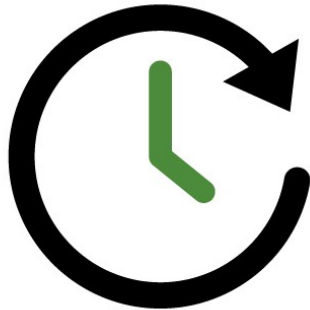
Eliot Park Innovation Centre would become home to the Warwickshire Skills Hub, offering office and board room facilities which has seen hundreds of visitors over the 3 years.

The north of the county location was chosen based on feedback from our business community, it shows our commitment to understanding the challenges that we have for skills in the north of the county but also offer county wide balance to our Shire Hall base.

Since the launch of the Warwickshire Skills Hub, over **1000** businesses have engaged with the skills hub and gained support from a team of business skills advisors. The skills support provided in led by the business and their needs, the support package provided by the team can range from 2 to 8 hours of support.

Businesses report that the impartiality of the skills hub service is something which is most useful, the support is unlimited and over **80%** of businesses continue to work with the Skills Hub in a long-term partnership. This enables the Skills Hub to hold relationships across a wide variety of businesses and access to “on the ground” intelligence about Warwickshire's Skills needs. This unique position has supported

the skills hub service to build strong partnerships with businesses, education and strategic partners with a reputation to provide innovative solutions to Warwickshire's skills needs.



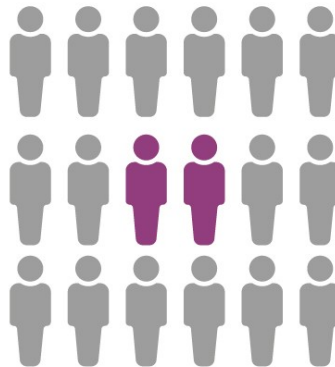
**1002 businesses
have received
over 5000 hours
of skills support**



The Growing Team

The Warwickshire Skills Hub team launched with just 2 staff in 2020 (a senior business skills advisor and project officer) The growing team will soon consist of 18 staff with further opportunity to grown in response to the governments Levelling Up agenda

**The Skills Hub
team has
grown from a
team of just 2
to a growing
team of 18**



Over the 3 teams there are a considerable number of programmes, services and workstreams which are all examples of responsive solution-based work.

The Business Skills Support Team

- The Warwickshire Small Business Apprenticeship Programme

- The Warwickshire Apprenticeship Progression Programme
- The Fair Chance Employer Programme
- The Fair Chance Jobs Portal
- The Coventry and Warwickshire Redundancy Programme
- The Warwickshire Inclusive Apprenticeship Development Programme

The Careers and Employability

- Warwickshire Community Skills Hubs
- The Digital Filming Programme
- The Ukrainian Working in Warwickshire Employment Programme
- The Resettlement Working in Warwickshire Employment Programme
- The Future Careers Schools Programme

The Warwickshire Supported Employment Service

- Supported Employment Service
- Supported Employment Job Clubs
- Supported Employment Workshops
- Supported Employment Job Coaching

Apprenticeships

One of the Warwickshire Skills Hubs first programmes was developed in response to gaps in the funding of Apprenticeships and the financial contributions businesses had to make to the cost of training. During this time, the large employer Apprenticeship Levy was introduced and WCC amongst thousands of other Levy paying businesses were forecast to have an underspend of their Apprenticeship levy which led us to explore how we might use this and share with small businesses in Warwickshire.

The Small Business Apprenticeship Levy Programme enabled Warwickshire to be one of the first local Authorities to shape a programme which supported a third party, the team set out Apprenticeship priorities which ensured the programme to meet local need and help businesses to work through the barriers they had in recruiting apprentices.

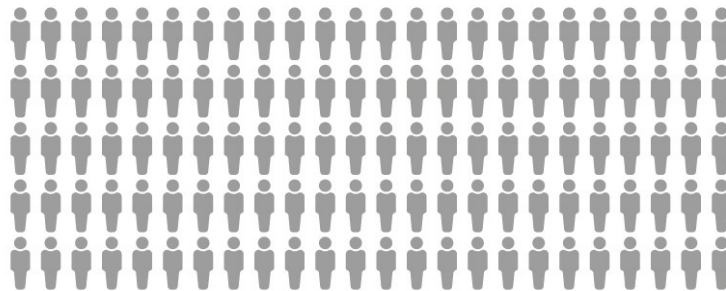


We shared over **£1.1 million of Warwickshire County Council's Apprenticeship Levy Funds to small to medium sized businesses**



The Apprenticeship Levy fund and the programme value is typically a minimum of £300k per year with funds shared to:

Sectors	Priority Groups
Care	Care Leavers
Construction	NEETs
Digital	Young Carers
Logistics	Resettlement
Hospitality	Armed Forces
Manufacturing	Youth Justice



We created over **120 apprenticeship opportunities for Warwickshire young people**



The Warwickshire Skills Hub's work and commitment to apprenticeships has received various awards and recognition, the team have also supported

neighbouring authorities to create their own Apprenticeship Levy Programmes such as Leicestershire and Birmingham.

<https://www.cwgrowthhub.co.uk/news/warwickshire-county-council-awarded-best-small-business-friendly-programme-apprenticeship-levy>



Our Small Business Apprenticeship programme won the FSB Small Business Friendly Award and was awarded the High Sheriff Award for our commitment to promoting Apprenticeships



Being Inclusive

Supporting employers to be more inclusive has been a priority for the team following the pandemic. We have seen the Labour market become increasingly tight, with businesses struggling to recruit, with many being happy to recruit individuals who may not immediately have all the skills needed and then invest in additional training. We also know that 70% of those unemployed in Warwickshire have a supportive need/barrier.

We have focused on educating businesses on the inclusive agenda and the benefits this can bring to their teams and business. We have also helped them to identify and provide adjustments that some individuals need when entering employment.

The Fair Chance Employer Programme has successfully enabled us to work with businesses to be more inclusive. The programme offers a dedicated skills advisor to shape roles, advise on adjustments which might work for the business and meet the needs of those looking for work. With over 60 employers now working with the team, new areas of development such as a jobs portal and jobs fairs will soon emerge and increase the opportunity for more employers to take part in the programme.



Developed partnerships with 66 Inclusive Employers who have committed to shaping inclusive jobs



The Warwickshire Supported Employment Service

The Warwickshire Supported Employment Service is a new service which supports young people and adults with Learning Disabilities and/or Autism to gain paid and sustainable employment.



We launched a new service to support over 400 Young People and Adults with learning disability and/or Autism to gain employment in Warwickshire



Further to the launch in February 2023, the service has been in high demand with 98 individuals entering the service within the first few weeks of the service going live. With an annual target of delivering support to 400 people, this shows that the service will be needed to support a much higher number of people than originally planned.

The support offered to those who enter the service:

- 1-1 Journey Guide Support
- Working in Warwickshire Job Clubs
- Preparation for Employment Workshops
- Access to Warwickshire Inclusive Employment Employer Tours
- Travel Training
- Support into work and Job Coaching

- Access to Training and Qualifications
- Ongoing Careers Development Support

<https://www.warwickshire.gov.uk/news/article/3873/launch-of-the-groundbreaking-and-unique-warwickshire-supported-employment-service>

Careers Support

The Warwickshire Skills Hubs Futures Careers Schools Programme offer career leaders in Warwickshire Secondary Schools, 6th forms and colleges the opportunity to gain annual funding to build careers activity.

During the pandemic the programme supported career leaders to transform their provision to be digitally accessible and continue to deliver their activity during the period of lockdown restrictions.

This investment meant Warwickshire Schools kept the Gadsby benchmarks (a set of performance indicators). Our NEET figures remained lower than the national average and as Ofsted inspections restarted, Warwickshire Education Providers were able to show their ability to be flexible, inclusive and deliver relevant activity, all of which contributed to positive outcomes.

During 2021 we focused on a theme of “building back”. Schools were asked to design and send applications, showing how they would re-build their curriculum to be reflective of the changes to the economy. We all encouraged them to build in activities to support students who may be experiencing additional challenges. During 2022 we launched a programme which challenged schools to think about Future Skills, it’s important that our schools proactively shape their activity to represent the future skills needs of the economy. The programme asked careers leaders to be innovative and work with local employer networks.

The programme supports many schools and has supported over 19,000 students. Whilst we acknowledge the strong relationship with over 80% of Warwickshire Education providers, the challenge now is to bring schools who currently do not

engage in the programme of support, such as private and special schools.



**19,000
Students**

**We supported over
19,000 Warwickshire
students to engage in
meaningful careers
activity and access
digital careers during
the COVID 19
pandemic**



**We delivered
over £240,000 of
careers activity...**



£240,000

**...to over 42
Warwickshire
schools, colleges
and 6th forms**



4. SECTOR DEVELOPMENT AND INWARD INVESTMENT

New Branding

The inward investment team, invest in Warwickshire, has been working with our colleagues in the equivalent team at Coventry City Council, to develop new branding and marketing materials ahead of key capital and development trade shows MIPIM 2023 and UKREiiF in May.



The updated materials will bring together our existing Invest Coventry & Warwickshire brand with the 'Be Here' concept, developed originally with Coventry University in response to a need to better brand the Coventry & Warwickshire area.

There is a new logo, and an investment brochure and investment prospectus were developed in time for MIPIM which ran from March 13th-17th and the brochures were circulated at the Coventry & Warwickshire event held there. The investment brochure presents the local offer and support, include key sectors, and the investment prospectus includes six major sites (MIRA South Site, Transforming Nuneaton, Creative Quarter Leamington Spa, Friargate Coventry, City Centre South and West Midlands Gigafactory) and 18 other sites.

Next steps include adapting and updating the Invest Coventry & Warwickshire website to integrate the new branding.



MIPIM 2023

Invest in Warwickshire attended MIPIM 2023 to promote the county of Warwickshire, together with the city of Coventry as part of a wider West Midlands presence. This year there was a West Midlands Pavillion. Coventry & Warwickshire also ran an event for local partners and other businesses we wanted to engage.

Warwickshire County Council took part in three panels, with Mark Ryder joining 'How the Creative Industries are Driving Investment', 'Driving Britain's Green Industrial Strategy with Future Mobility' and 'Delivering West Midlands Housing for the Future'.

As well as promoting key sectors and local investment sites and inward investment, the team were also there to promote WPDG, the new Property Infrastructure Fund as well as the wider Warwickshire offer.

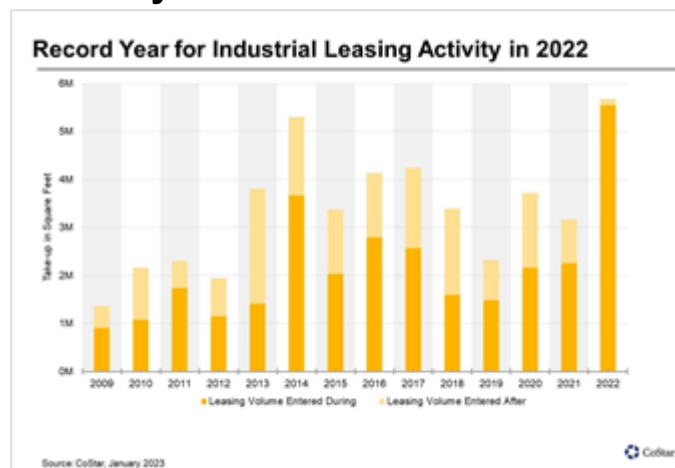
Invest Coventry & Warwickshire Recognised in International Awards

Invest in Coventry & Warwickshire scooped three awards at the recent FDI Intelligence Awards, which tracks inward investment agencies in the UK and overseas.

The region appeared in the top 10 for three awards, placed in the top three for FDI Strategy for the second year running.

- *FDI strategy (ranked 3rd)*
- *Economic potential (ranked 8th)*
- *Business friendliness (ranked 9th)*

Coventry & Warwickshire industrial market reaches new highs



The leasing of Industrial space in the Coventry Market enjoyed a record year in 2022 due to several landmark deal activity for units greater than 100,000 square feet, according to commercial property platform CoStar.

The Coventry market includes the city area as well as the five district and boroughs of Warwickshire. Take up rates exceeded 5m sqft and Coventry & Warwickshire

posted its best year for the data set 2009-22, even out-pacing 2014, the last time take-up exceeded the 5m mark. In 2021 the same figure, though still strong, was less than 3.5m sqft.

The strong performance partly reflected key larger sites coming online that had been allocated in local plans, including SEGRO plc Coventry Gateway, Tritax Symmetry Rugby, and Baytree Logistics Properties Faultlands Farm. These lettings to DHL, Rhenus Logistics and Maersk all represented FDI (foreign direct investment) from Germany and Denmark.

The rise in this leasing activity is being led by e-commerce and 3PL demand, rather than manufacturing. 3PL or third-party logistics is where a provider offers outsourced logistics services and promises to improve efficiency and reduce costs for retailers and businesses.

Invest Coventry & Warwickshire, the inward investment and place promotion agency, recently estimated a pipeline of 20m sq. ft. of industrial space recently delivered or in development, including the space in the 2022 data included in the CoStar calculations.

While this development space is positive for the region, most of this space is for larger units in excess of 100,000sqft, and there remains a lack of new development of this smaller space. The Spa Park scheme at Leamington Spa from Blackrock/Stoford, which has four units remaining totalling 151,000sqft, the new 35,000sqft AC Lloyd Space Park development with 61 units of 200-500sqft, the Wigley Group development of nine units between 1500 and 5000sqft at Stonebridge Industrial Estate, and the Warwickshire Property Development Group (WPDG) Southam Park development with nine units of 42,000sqft in total, are among some local sites that will address some of this need for smaller spaces. But according to the commercial agent community, and referenced in the recent Bromwich Hardy Barometer report, there is still a lack of supply in some Coventry & Warwickshire locations.

For more information, contact Ian Flynn, Technical Specialist (Automotive, Advanced Engineering & Manufacturing) (ianflynn@warwickshire.gov.uk) or Stacy O'Connor, Technical Specialist (Digital Creative) (stacyoconnor@warwickshire.gov.uk).

APPENDIX 1: BUSINESS NEWS

Major business headlines from around Warwickshire

Digital Creative Sector

Yellow Panther Expands into New Leamington HQ

Digital studio Yellow Panther, which has worked with some of the world's biggest brands, has launched its new UK headquarters in Leamington on the back of rapid growth. Yellow Panther has become the fourth tenant to move into 11 Waterloo Place in the town centre since it opened last year following extensive refurbishment.

<https://www.businessinnovationmag.co.uk/digital-studio-yellow-panther-expands-into-new-leamington-headquarters/>

Automotive/ Future Mobility Sector

Warwick EV Company Secures £100M Financing

Onto, a Warwick-based electric car subscription service, has raised a new credit funding line of £100 million. It follows the firm's July 2022 equity raise of £45 million, and growth across last year of 300 per cent.

<https://www.businessinnovationmag.co.uk/warwick-based-onto-secures-100m-credit-facility/>

Coventry's Hyperbat Wins LOTUS EVIJA Battery Contract

Battery development and manufacture received a major boost in Coventry & Warwickshire with the announcement that Hyperbat, the hi-tech JV between WAE and Unipart, has won a multi-million-pound contract to supply batteries to Lotus for its new all-electric Evija. The announcement came shortly before WAE, formerly Willams Advanced Engineering, is establishing a battery facility in Oxfordshire to produce specialist off-highway powerpacks with parent company Fortescue.

<https://www.manufacturing-supply-chain.com/hyperbats-ev-battery-expertise-wins-lotus-evija-contract/>

Former Ford and Britishvolt Chair to Lead MTC at Ansty

The Manufacturing Technology Centre (MTC) has appointed Dr Graham Hoare OBE to succeed Dr Clive Hickman OBE as its new CEO.

Dr Hoare brings more than 35 years of top-level industrial and commercial experience to the role. Dr Hickman will retire as CEO of the MTC on March 31 and, as announced last year he will become Chair of the MTC board with effect from April.

Dr Hoare is a former Chair of Ford of Britain, having spent two decades with the carmaker in a variety of senior roles. He began his career at Ford as director of powertrain research and advanced engineering at its US headquarters in Dearborn, Michigan.

Previously, he was the chief engineer for transmissions and driveline at BMW and chief engineer, powertrain engineering, at Land Rover.

More recently, Dr Hoare briefly acted as interim CEO of Britishvolt, appointed to secure the future of the business, which has recently been acquired by Recharge Industries.

<https://www.businessinnovationmag.co.uk/former-ford-chair-set-to-lead-advanced-manufacturing-centre/>

Auto Design Consultancy Takes New Office Space in Warwick

Fast-growing automotive design and engineering consultancy Contechs has unveiled plans to build new design offices and create more than 125 new jobs in Warwick as its global business booms. Contechs plans to build a new two-storey design office next to Grand Union House – the company’s global headquarters in Budbrooke Road.

<https://www.businessinnovationmag.co.uk/automotive-design-consultancy-contechs-to-create-125-jobs-with-a-new-design-office-at-its-warwick-hq/>

London EV Company Hackney Carriages Overtake Diesel Cabs on Streets of the Capital

There are now more Warwickshire-built London Electric Vehicle Company TX electric taxis on the streets of London than diesel LEVC TX4s, new figures show.

The electric TX is now the most common black cab in operation, representing more than 40 per cent of all official black cabs in London.

<https://www.businessinnovationmag.co.uk/levc-electric-black-cabs-overtake-their-diesels-on-london-streets/>

Coventry & Warwickshire Tops Local Authority Patent League Tables Thanks to Jaguar Land Rover

The top three local authorities owe their high ranking due to corporate titans in their backyard. Jaguar Land Rover, BAE Systems and Dyson R&D and design activity push patent activity locally to top of the UK league tables.

<https://www.businessinnovationmag.co.uk/bae-systems-dyson-jaguar-propel-wiltshire-coventry-westminster-to-top-of-local-authority-patent-league-tables/>

Other Business News

Hundreds of jobs to go at Leamington Covid 'mega lab'

More than 600 jobs are set to go at the Covid-19 testing "mega lab" The Rosalind Franklin Laboratory. Opened in June 2021 in Leamington Spa it was the largest of its kind in the country.

Up to 8.5 million tests were processed there, but now it is being scaled down, the UK Health and Security Agency said. Officials hope the site could be used by the pharmaceutical industry.

<https://www.bbc.co.uk/news/uk-england-coventry-warwickshire-64325300>

The Warwickshire Area Hits New Highs for Start-ups

Figures just released show that more new businesses were established in Warwickshire during 2022 than in any previous year to date – making it one of the UK’s most successful counties. A total of 5,540 new formations were registered in Warwickshire during the last 12 months, an increase of 8.3% on 2021 when 5,117 were recorded. This brings the number of registered companies in the county to an all-time high of 42,564.

<https://www.businessinnovationmag.co.uk/warwickshire-hits-record-high-for-start-ups/>

£15bn of Investment Opportunities Showcased by West Midlands

Representatives from across the West Midlands' public, private and academic sectors will be promoting more than £15bn of investment opportunities at MIPIM next month. The West Midlands' pavilion at the annual property conference will play host to a four-day programme of more than 30 events. It will showcase the region's investment opportunities to an audience of more than 20,000 property professionals and investors from around the world. They will be joined by senior representatives from a number of the region’s real estate firms, including Arcadis, Arup, Hammerson, Lovell Homes, MEPC, Mott MacDonald Muse and Stoford, as well as academics and leaders from Aston University, University of Birmingham and University of Wolverhampton.

<https://www.insidermedia.com/news/midlands/west-midlands-to-showcase-15bn-of-investment-opportunities-at-mipim>

WPDG Progresses Plans for Southam Business Park

Warwickshire Property & Development Group (WPDG) has been granted planning consent on a 42,000 sq ft industrial scheme at Holywell Business Park which is part of the Kineton Road Industrial Estate in Southam. It will feature nine units between 1,900 sq ft and 15,000 sq ft to suit a range of businesses and could create 100 new jobs.

<https://www.warwickshireworld.com/news/people/planning-granted-for-new-business-units-in-southam-which-could-attract-100-jobs-3997999>

New Development Partnership to Build 2,000 Homes in Warwickshire

Warwickshire County Council and its property company Warwickshire Property & Development Group (WPDG) have announced a major new joint venture with leading developer Countryside Partnerships, which will see 2,000 new homes created across the county. Develop Warwickshire will help bring sites forward for housing over the next 30 years, with three being taken forward for development within the next 12 months.

<https://www.insidehousing.co.uk/news/news/council-announces-new-joint-venture-to-deliver-2000-homes-79543>

Berry Global Arrives in Leamington with New Plastics Recycling Facility

Commercial property developer Stoford has handed over a new purpose-built production plant in Leamington Spa that will create more than 100 new jobs. Plastics manufacturing company Berry Global has taken receipt of a new 166,859 sq ft unit at the multi million pound Spa Park off Tachbrook Road, close to the A46.

<https://www.commercialnewsmedia.com/archives/126410>

Local Commercial Property Agency Launches Latest Property Barometer

Coventry & Warwickshire property agency Bromwich Hardy recently launched their annual Barometer report, full of a wealth of facts and figures in the commercial property market in the area.

<https://www.bromwichhardy.com/News/Bromwich-Hardy-launches-new-barometer-and-calls-for-new-development-vital-for-economic-future-of-region>

Remembering the Former Chiltern Railways Chairman and Vivarail Founder

Rail industry executive and businessman Adrian Shooter passed away in December, leaving a legacy of rail innovation and development that has supported growth and connectivity in south Warwickshire since the 1990s. Locally he was key in bringing forward the Warwick Parkway Station with Warwickshire County Council and he was also the founder and chairman of Vivarail, the rolling stock engineering company that went into administration in early December.

<https://www.theguardian.com/business/2022/dec/22/adrian-shooter-obituary>