

# **Communities O&S – September 2023**

## **Economic Development Update**

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**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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**Appendix 1: Business News – Major business headlines from around Warwickshire**

### **HEADLINES/ KEY SUMMARY POINTS**

- The overall economic outlook has improved slightly with modest increases in Gross Domestic Product (GDP) and output in the services, production and construction sectors along with a slowdown in the growth rate of inflation. Unemployment in Warwickshire has increased slightly, but it remains low compared to the rates for the West Midlands and Great Britain.
- WCC's business support and employment support services and programmes continue to perform strongly and to adapt to meet demand. This includes the establishment of the new Warwickshire Careers Hub, the launch of the new Future Skills Fund and the appointment of a new Future Skills Advisor.
- The annual official FDI data released by the Department for Business and Trade in July has revealed that the Coventry & Warwickshire area remains among the best performing locations in the country for FDI, continuing to outperform the overall UK average. The area attracted 56 foreign investment projects in the year 2022-23 a 24% increase in project numbers, bettering the equivalent UK increase of 4%.

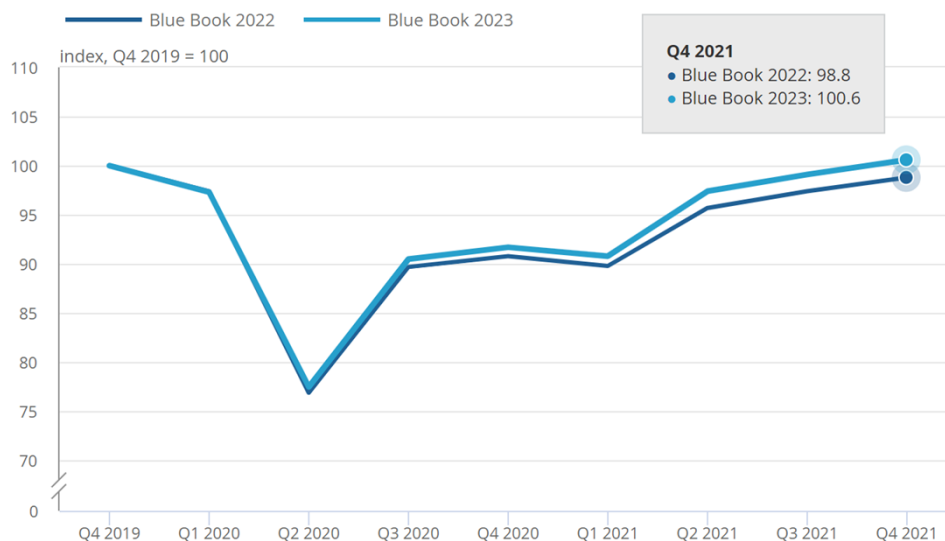
# 1. ECONOMIC OVERVIEW

## National Overview

- **Gross Domestic Product:** monthly real GDP is estimated to have grown in June by 0.5% after a fall of 0.1% in May. Quarterly GDP as of 11 August 2023 was estimated to be 0.2% below its pre-coronavirus levels (Q2 2023 vs. Q4 2019). However, the Blue Book 2023 announced on 1 September 2023 includes methodology changes which show that Q4 2021 is now estimated to have been 0.6% above pre-coronavirus levels (Q4 2019), whereas this was previously estimated as 1.2% below. Meaningfully updated estimates for 2022 and 2023 as compared to 2019 are expected from the ONS later this year.

### Comparison of Blue Book 2023 vs 2022, indexed to Q4 2019

UK, Quarter 4 2019 (Oct to Dec) to Quarter 4 2021



<https://www.ons.gov.uk/economy/grossdomesticproductgdp/articles/impactofbluebook2023changesongrossdomesticproduct/2023-09-01>

- **Services output** - the services sector rose by 0.1% in Q2 2023 and contributed positively to growth. The largest contribution to growth was the information and communication sub-sector, which grew by 1.0%. The increases were particularly in motion picture, video and TV programme production.
- **Production output** grew by 0.7% in Q2 2023 with manufacturing being the largest contributor, rising 1.6%. Anecdotal reports from the Society of Motor Manufacturers and Traders (SMMT) say that car production was up 16.2% in June 2023 vs. June 2022.
- **Construction output** increased by 0.3% in Q2 2023, after a growth of 0.4% in in Q1 2023. The growth in Q2 2023 was driven by repair and maintenance, while there was a fall of 0.1% in new work.
- **CPI inflation** rose by 6.8% in the 12 months to July 2023, down from 7.9% in June 2023. The largest downward contributions to the CPI rates came from electricity and gas. The annual rate of inflation in food prices was 14.9% in

July 2023, however as this was the slowest annual growth rate since September 2022 the net effect was to help reduce overall CPI annual inflation.

- The Bank of England's Monetary Policy Committee (MPC) raised **interest rates** by 0.25% on its last meeting on 2<sup>nd</sup> August 2023, this takes the base rate to **5.25%**
- **Average weekly earnings** excluding bonuses were £613 in June 2023 up from £568 in June 2022. In real terms (adjusted for CPIH inflation), pay rose 0.1% on an annual basis.
- **Employment** – early estimates are that there were 30.2 million people were in PAYE employment in July 2023 (flash estimate), an annual rise of 578,000 people or 1.9%. The three-month employment rate (Apr-Jun 2023) was 75.7%, down 0.2 percentage points from the previous quarter and 0.9 percentage points lower than before the pandemic.
- **Unemployment** - the UK unemployment rate was 4.2% in the 3-months April-June 2023, higher than the same period last year where it was 3.8%. The increase was driven by people unemployed for up to 6 months. Meanwhile, those inactive because of long-term sickness increased to a record high.
- **The value of sterling** increased 5.9% from 1.1999 US\$ in August 2022 to 1.2707 US\$ in August 2023, after falling to its lowest value of 1.0745 in September 2022.

### Local Overview

- The **Warwickshire unemployment rate (aged 16-64)** shows an increase from 2.1% in the year Apr 2021-Mar 2022 to 3.0% in the year Apr 2022-Mar 2023. The local unemployment rate remains low compared to the equivalent rate of 3.7% for Great Britain and 4.9% for the West Midlands.

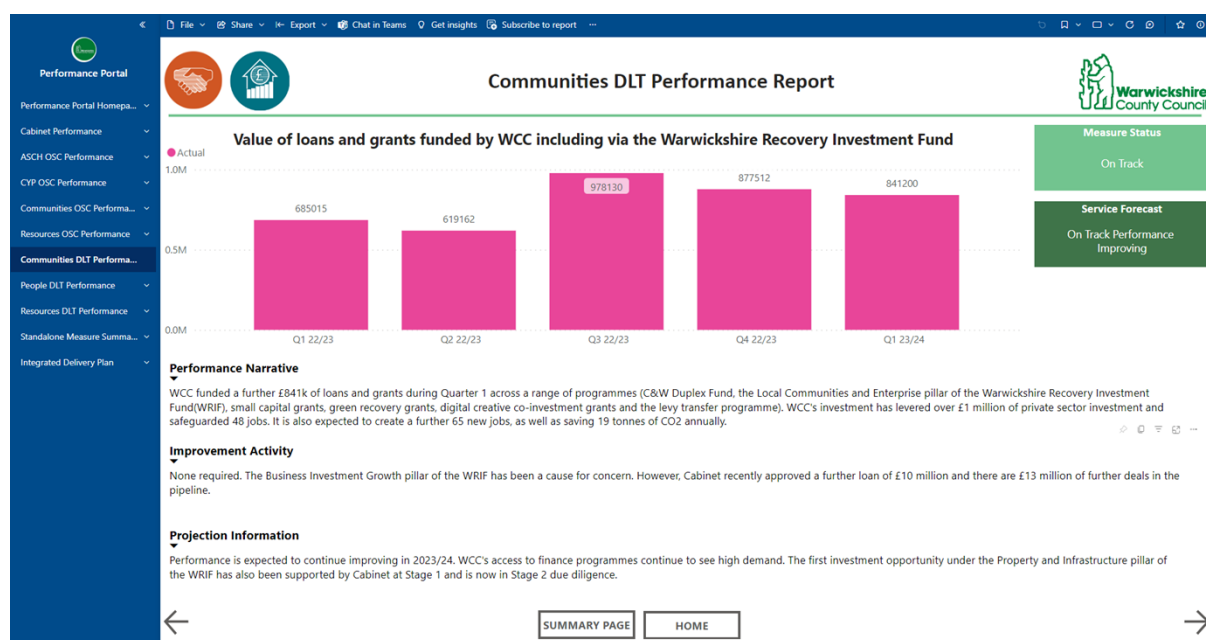
Many economic updates can be found in the [State of Warwickshire Dashboard](#) developed by WCC's Business Intelligence team.

## 2. BUSINESS & ECONOMY SUPPORT

### Access to Finance

#### Overall Performance

WCC provided a further £841,200 of loans and grants during 2023/ 2024 Q1 across a range of programmes.



WCC's investment has so far levered over £1 million of private sector investment and safeguarded 48 jobs. It is also expected to create a further 65 new jobs as well as save 19 tonnes of CO2 annually.

#### Digital Creative Co-Investment Fund Round 2

Following the success of Round 1 earlier in the year, Round 2 of the Digital Creative Co-Investment Fund has now been launched. The £350,000 fund is open to micro and small businesses in the digital creative sector who have been in business for a minimum of three years. It is designed for businesses that are already looking to raise finance to grow but are facing challenges in securing private sector investment, or those looking to accelerate activities that put them in a position to raise additional finance. The fund will offer match funded grants of between £10,000 and £30,000.

The process for application is by invitation after an expression of interest. For more information, please visit: [www.warwickshire.gov.uk/dcfund](http://www.warwickshire.gov.uk/dcfund).

To express an interest or to refer a business, please contact Stacy O'Connor, Digital Creative Industry Specialist at: [invest@warwickshire.gov.uk](mailto:invest@warwickshire.gov.uk).

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

## Small Capital Grants

WCC offers small capital grants to small businesses with growth plans where loans or other sources of finance are not appropriate. The programme continues to see positive levels of interest across a range of sectors. The last Grants Panel agreed to fund a further project worth £80,067 with WCC agreeing to make a total grant contribution of £24,020. The project, as well as unlocking over £55,000 of private sector investment, is expected to create four new jobs. Overall, levels of investment have now returned to pre-pandemic levels.

Recent issues of Warwickshire Means Business have included articles about two businesses which have benefited from the programme including an education centre in Brandon and a new gym in Stratford-upon-Avon.

<https://business.warwickshire.gov.uk/july-2023/news-in-brief/beckis-education-centre-business-expanding-in-brandon-after-grant>

<https://business.warwickshire.gov.uk/august-2023/news-in-brief/gym-powering-forward-after-small-capital-grant>

Programme RAG: **Green** – 230 new jobs have been created since 2015 (against a target of 310 in the revised business case) and a further 239 new jobs are still forecasted to be created. A further £0.5 million is also still to be allocated. It is, therefore, expected that the programme will exceed its targets by some margin despite the pandemic and current economic uncertainty.

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

To refer a Warwickshire business, contact WCC's Business Growth Delivery team ([business@warwickshire.gov.uk](mailto:business@warwickshire.gov.uk)).

## Warwickshire Recovery and Investment Fund

### Local Communities and Enterprise Fund

The LCE pillar of the WRIF provides loans of between £1,000 and £150,000 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. A further two loans worth £34,500 have been approved since the last Communities O&S, bringing the total loans approved to-date to 27 worth £1,411,000. The LCE fund continues to attract high levels of private sector investment; £1,990,537 across all loans to-date.

Among businesses to have received LCE funding is Leamington Spa-based software company CAE Tech whose director Peter Harman said the support had been invaluable. CAE Tech was featured in a recent Warwickshire Means article marking the fund's first year.

<https://business.warwickshire.gov.uk/june-2023/news-in-brief/lce-fund-passes-12million-awarded-in-first-year>

RAG: **Green** – The LCE continues to attract positive levels of interest despite the quiet summer period. The current pipeline includes 42 small businesses with an estimated combined loan value of £811,000. This represents a sharp increase, thanks partly to a recent successful social media campaign by CWRT.

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

For more detailed information, to register an interest or to refer a business, visit [www.wrif.co.uk](http://www.wrif.co.uk) or [www.cwrt.uk.com/wrif-lce-fund](http://www.cwrt.uk.com/wrif-lce-fund)

### Business Investment Growth Fund

The BIG pillar of the WRIF continues to see a steady flow of enquiries from a range of different sectors.

- 10 live engagements in the pipeline with a combined value of over £43 million.
- Over 60 business engagements in total carried out to date, totalling almost £80 million.
- Enquiries received from a range of industries, the most frequent being: manufacturing, sports and leisure, and retail and hospitality.

Outreach and engagement activities have continued, to raise the profile of the WRIF as a whole and encourage more referrals. Events have been limited over the summer months; however, engagements with key partner organisations have taken place including with Innovate UK, British Business Bank, Manufacturing Technology Centre, and local business centres and co-working spaces.

In the next quarter, business events are due to recommence and over 20 events from September onwards have so far been earmarked for the Business Investment Growth Delivery team to network and market the fund. Upcoming events include: the Cenex Connected Automotive Mobility Show, the Business Growth West Midlands launch event, the Warwickshire Producers Network, and the Tomorrow's Net Zero Show.

For general information about the BIG fund, contact Hardeep Sandhu in the Business Investment Growth Delivery team ([hardeepsandhu@warwickshire.gov.uk](mailto:hardeepsandhu@warwickshire.gov.uk)).

### Property and Infrastructure Fund

The PIF pillar of the WRIF – which was launched in early 2023 following the appointment of CBRE as Fund Advisor – continues to be well received by developers, commercial agents and other stakeholders including the Districts and Boroughs. Cabinet approved the further development of the first investment opportunity in June 2023, and it is expected that the final due diligence report will be ready for an investment decision in October 2023. There is a further pipeline of eleven opportunities with an estimated value of over £50 million. The majority of these opportunities are long term and not expected to come forward until next year.

RAG: **Green** – The PIF continues to build its pipeline with some very promising opportunities for the future, and the first deal is expected to be ready for a decision in October 2023.

For general information about the PIF fund, contact Jon Stead in the Business & Economy team ([jonstead@warwickshire.gov.uk](mailto:jonstead@warwickshire.gov.uk)).

For more detailed information, to register an interest or to refer a business, visit [www.wrif.co.uk](http://www.wrif.co.uk).

## **Business Support Programmes**

### **CW Business – Start, Grow and Scale**

The last Economic Development Update reported on the end of WCC's European Regional Development Fund (ERDF) programme after six years. The programme met or exceeded all its targets with the only area behind profile being the number of new jobs created which was lower than contracted due to the impacts of the pandemic and small businesses in some sectors (particularly tourism, hospitality & leisure) facing recruitment issues. However, it is understood that 86% achievement is higher than many similar projects elsewhere in the West Midlands. It should also be recognised that the 185 jobs created to-date actually represents 233 individual jobs, but that a number of these are part-time or seasonal roles.

A detailed end of programme report is expected to be brought to the next Communities O&S. A range of communications activities are also planned, including a recent article about the Business Ready strand of the programme: <https://business-ready.co.uk/2023/09/06/business-ready-reflects-on-success-after-generating-over-19m-in-value-over-7-years/>

RAG: **Green**. For more information about the support provided by the programme and its achievements, contact Gillian Dale in the Business & Economy team ([gilliandale@warwickshiregov.uk](mailto:gilliandale@warwickshiregov.uk)).

### **UK Shared Prosperity Fund**

WCC has been working with the five District and Borough Councils on the implementation of the new UK Shared Prosperity Fund (UKSPF) which is designed to replace the European Structural Funds.

Three programmes previously funded by ERDF have been extended until the end of September 2023 with funding from UKSPF, WCC and Stratford District Council. These are the Warwickshire start-up service (delivered by Coventry and Warwickshire Chamber of Commerce on behalf of WCC), Business Ready (with University of Warwick Science Park) and Project Warwickshire for tourism, leisure and hospitality businesses (which is also delivered by the Chamber on behalf of WCC).



The start-up service and Project Warwickshire are also expected to be extended further with funding from UKSPF via all five District and Borough Councils (subject to Cabinet/ Council decisions at some of the Districts and Boroughs over the next few weeks) and WCC.

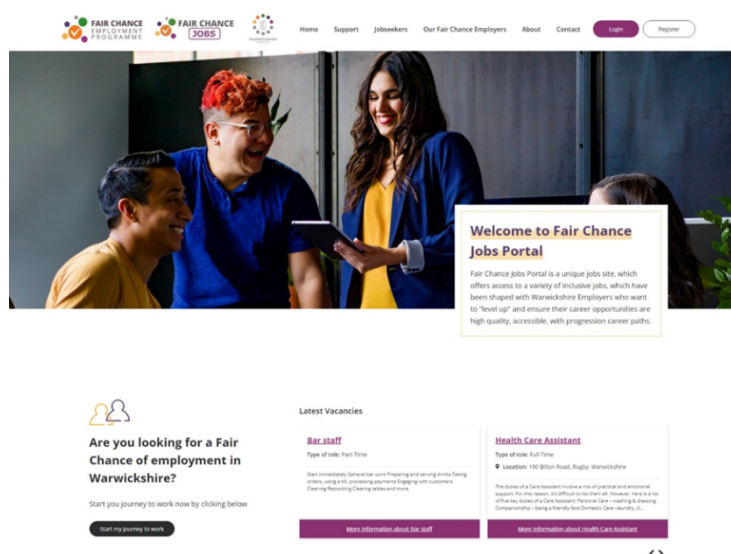
WCC has also worked with the District and Borough Councils to develop, design and commission four new programmes around business resilience, support for high growth businesses, support with the transition to net zero, and support for the manufacturing sector. These programmes are currently the subject of a competitive procurement exercise via WCC's Dynamic Purchasing System for Business Support Services.

All six programmes are expected to be in place later in the Autumn as part of a part of single, co-ordinated and integrated package of UKSPF funded support for businesses across Warwickshire.

For more information about the interim delivery visit:

[www.warwickshire.gov.uk/cwbsp](http://www.warwickshire.gov.uk/cwbsp) or contact Gillian Dale in the Business & Economy team ([gilliandale@warwickshire.gov.uk](mailto:gilliandale@warwickshire.gov.uk)).

### 3. EMPLOYABILITY & SKILLS SUPPORT



#### Fair Chance Jobs

Further to the success of the Fair Chance Employer Programme and over 50 businesses now working with WCC to shape inclusive jobs, in the coming weeks we will see the launch of a new jobs portal which will provide a highly engaging and accessible digital platform to showcase the inclusive jobs shaped by our Fair Chance Employers.

The Fair Chance Jobs portal uniquely provides job seekers with the opportunity to evaluate if the job is right for them. Individuals can click to view a film of the employer introducing their job, a GPS map to support journey planning, a tab to ask the



employer a question and a link to upload an “about me” document which is an inclusive CV supporting individuals the opportunity to present themselves and their skills along with any support they may need in the workplace.

## The Warwickshire Careers Hub

Warwickshire  
CAREERS HUB

THE CAREERS &  
ENTERPRISE  
COMPANY

Further to the closure of the CWLEP earlier this year, WCC were invited by the Careers and Enterprise Company to consider the opportunity to create a new Warwickshire Careers Hub and incorporate a new service within Warwickshire's existing careers offer to schools. It was recently agreed at Corporate Board that WCC should build on the legacy of the Coventry and Warwickshire Careers Hub and work with Coventry City Council to create individual Career Hubs which will be managed by each local authority and deliver career focused outputs which reflect each local authority's priorities. Although Coventry and Warwickshire will create individual Career Hubs, we will aim to align our work wherever possible and shape projects which are relevant to the local area.

The new Warwickshire Careers Hub will offer a continuation of employment to existing Coventry and Warwickshire Careers Hub staff and many of the team moved across to WCC via a TUPE arrangement on Friday 1<sup>st</sup> September 2023. The Warwickshire Careers Hub team will be situated in the Employability and Skills team (The Warwickshire Skills Hub) and will work with all Warwickshire Secondary Schools, 6<sup>th</sup> Forms and Colleges.



Whilst the Warwickshire Skills Hub will be home to the Warwickshire Careers Hub, the team will have strong links with the WCC education team and colleagues in education will play an important strategic role in working with us to shape the future work of the career's hub.

For Warwickshire our mission is clear, we will merge both the Careers Hub and Warwickshire Skills Hub team to support collaboration and we believe by working as a team we will achieve the strategic objectives set out by the Career and Enterprise Company and those set out in the Council and various Warwickshire service plans. The overarching priority of the Career Hubs will be to support all education settings to build and deliver effective careers provision which reflects the future skills needs of our Warwickshire business community, whilst also ensuring there is accessible and meaningful careers activity to meet the needs of every student in Warwickshire.

### **Warwickshire Supported Employment Service**



Since the launch of the service in January 2023, over 225 individuals have been referred to the service through a number of different referral routes. DWP and WCC's Adult Social Care are the largest referral partners with education providers and self-referrals now on the increase.

The number of customers across the county seem to be reasonably similar, with Nuneaton and Bedworth being the exception. Nuneaton in particular are showing a high number of individuals with supportive needs, and whilst the labour market intelligence tells us that such needs of employment support will only rise the WSES service will work to ensure the service builds sufficient provision to ensure there is support for those who need it.

The WSES work with a number of partners to deliver the different strands of support the service has to offer, a recent partnership has been formed with our own Adult Community Learning team who have co-designed an employment programme and successfully utilises Adult Education Budget to deliver new activity which meets ACL's aspiration to build activity which meets the new demands of Warwickshire.

## **The Future Skills Fund**

A new three-year programme of support to boost apprenticeships in industry which support new and emerging technologies has now launched.

The Future Skills programme will see £300,000 per year invested in a range of schemes to power apprenticeships across Warwickshire in sectors such as digital, automotive engineering, battery technology and the evolving construction industry. The programme has been designed to deliver a diverse range of support to help jobseekers into, or back into, work through apprenticeships and will work with a number of partners such as Warwickshire's Districts and Boroughs, DWP, FE colleges and many more.

## **Future Skills Advisor**

Louise Stolz has been appointed to the position and will start her new role very soon!



The Future Skills Advisor role will have a key focus on future skills agenda and will work across various priorities such as green skills and the transformation of future skills development across a number of sectors. It is going to be an exciting role and one which will play a crucial role in enabling Warwickshire to make a significant contribution in shaping pieces of work which meet our future economic needs.

For more information about WCC's Employability and Skills Support, visit the Skills Hub web site <https://skillshub.warwickshire.gov.uk> or contact Fay Winterburn ([faywinterburn@warwickshire.gov.uk](mailto:faywinterburn@warwickshire.gov.uk)).

## 4. Warwickshire Business Centres

### Redevelopment of estate

The project to improve the estate continues to go to timeline and budget. Often when we get individual units back from tenants, they need significant investment to modernise them to allow WCC to be able to provide quality accommodation to local businesses and also to maximise the rental income we can achieve. Here are the “before” and “after” photos of one example that was done last month.



Thanks to the fantastic work of our estates team, this unit was turned around in less than a month and is now achieving a rental of more than double what it previously was whilst being fully compliant with modern standards.

At the staffed sites, we are in the middle of installing new reception areas to improve both the level of service we deliver and improve the efficiency levels and output from the staffing teams on site. This will allow us to significantly increase capacity in our teams and focus on delivering the changes we want at each site. As we are in the middle of this work at present, we will be able to share photos of these in the next update.

### Partnership working and stakeholder engagement

As we have started to get on top of the operational demands and improvements of the service we are now able to start increasing the level of outreach that Warwickshire Business Centres is able to do. This is important from a brand awareness, impact and also stakeholder support point of view. We have been doing this with District and Borough Council colleagues as well as with a range of external stakeholders. This includes MIRA Technology Park who often struggle for space for smaller businesses and, within their supply chains on their site, are regularly sending businesses down

to Milton Keynes or Northamptonshire, and so are keen to explore the opportunities of how we can support them.

### **Improvement in tenant community engagement**

Over the summer we have been continuing to improve the events that we host for our tenants and their staff. These are incredibly well attended and are really starting to build a community feel within the centres. The improvement in the feel of the centres and relationships between our team and tenants is significantly improved and this is leading to lots of benefits for both us, tenants and their staff.



### **Increases in rental income**

Over the past 24 months we have made a concerted effort to start bringing the rental levels charged across the estate up to market value as leases expire in order to maximise the return for WCC on the estate. This has led to an increase of 49% in the combined amount billed for rent and service charge over that period. This is essential to allow us to continue to deliver the 5-year strategy goals and to provide the funds to invest in and redevelop the estate and service to ensure it can continue to thrive and survive. There has also been real focus on chasing up any debts.

### **Holly Walk House**

As the most recent addition to our portfolio that only was ready for occupation earlier this year, we are really pleased to be able to announce that the building is already over 50% let. As with most heritage buildings, we are working through some snags now that the building is occupied, but the tenants who have taken space and moved in are really happy.

For more information about Warwickshire Business Centres, contact Luke Pulford ([lukepulford@warwickshire.gov.uk](mailto:lukepulford@warwickshire.gov.uk)).



## 5. SECTOR DEVELOPMENT AND INWARD INVESTMENT

### SAE Institute opens its new Leamington Campus

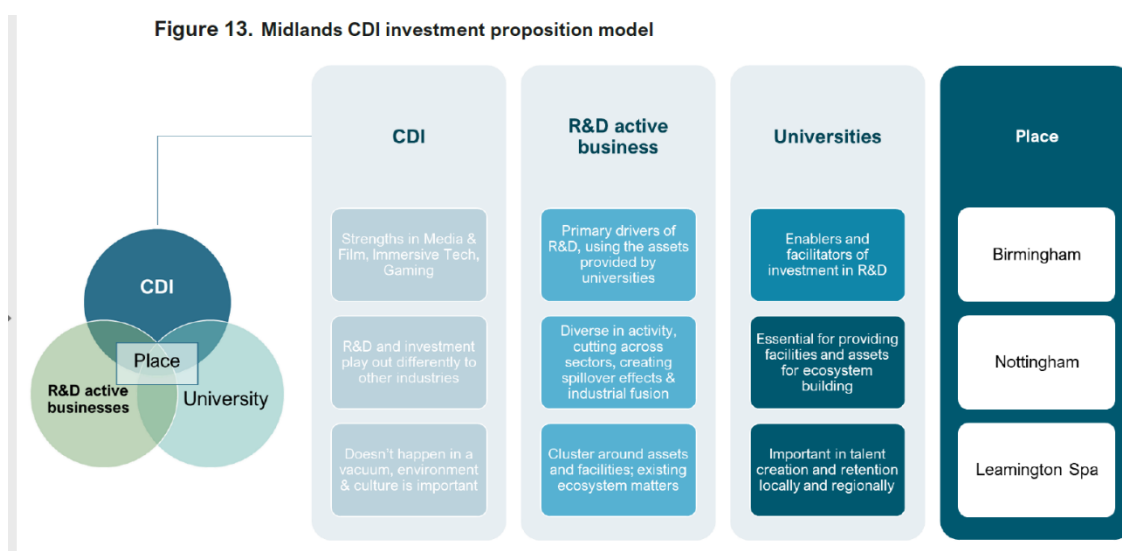
SAE Institute, one of the global leaders in its field will be opening its doors this month, for its new campus in the Leamington Spas Creative Quarter, co-located with industry partners Cogent. It will be offering two-year degrees in a wide range of growth creative industries, including audio, content creation and online marketing, film, game art animation, games programming and visual effects.

SAE Leamington Spa will join a global network of more than 40 campuses, including three existing UK campuses located in London, Liverpool, and Glasgow. The new campus forms part of Phase 1 of the Leamington Creative Quarter regeneration project renovating the United Reform Church and surrounding buildings in Spencer's Yard. The official opening will be happening later this month.

[New SAE Leamington Spa creative media campus: what degree courses are available and how do I apply? - CoventryLive \(coventrytelegraph.net\)](http://coventrytelegraph.net)

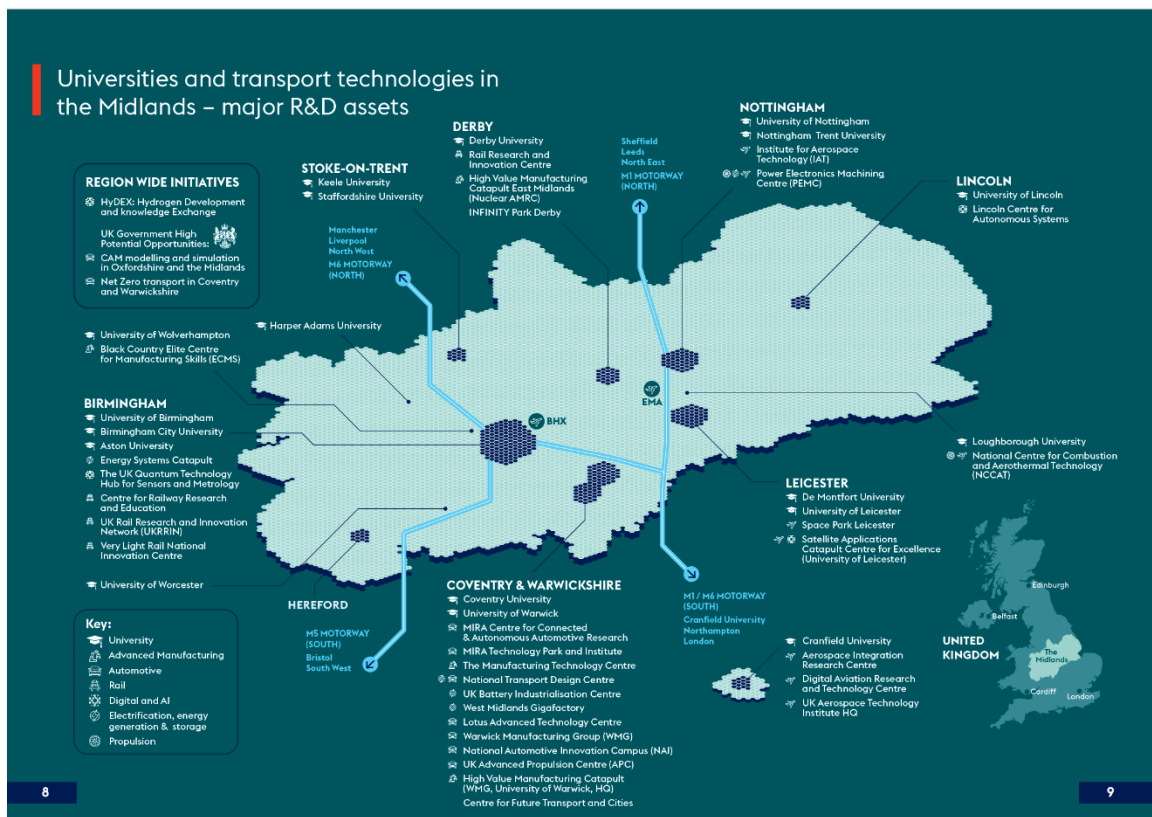
### Universities as drivers of trade & investment in the Midlands

Midlands Innovation (a strategic partnership between eight Midlands universities) have been undertaking a large-scale research project around the role of universities being a driver for supporting trade & Investment. For the Creative Industries strand of the research, three have priority areas has been identified across the Midlands to have 'creative cluster' investment proposition developed and Video Games in Leamington Spa has been identified as one of them. Work will now begin with Midlands Innovation to support the development of this proposition.



The Warwickshire area also featured heavily in the Universities and Transport Technology in the Midlands, including a rich mix of opportunities including MIRA

## Technology Park and MIRA South Site in North Warwickshire and the Long Marston Rail Innovation Centre in Stratford-on-Avon District.



## Birmingham Tech Week 2023

The UK's largest regional tech festival, Birmingham Tech Week, is returning in October. Taking place from 16<sup>th</sup> to 20<sup>th</sup> October 2023, the event will bring over 25 sessions and 150 speakers together, including tech founders, government officials and industry experts. Invest Coventry & Warwickshire is supporting delegations from Future Mobility and Agri-tech attending from overseas markets.

<https://thebusinessmagazine.co.uk/technology-innovation/birmingham-tech-week-returns-for-2023/>

## CENEX LCV and CAM Event

Invest Coventry & Warwickshire is exhibiting at the CENEX Low Carbon Vehicle and Connected Automated Mobility show at Millbrook in Bedfordshire from 6<sup>th</sup> to 7<sup>th</sup> September 2023. The event has become the UK's leading event for automotive and future mobility technology. The show presents an opportunity to pitch the county and city to potential inward investors and intermediaries as the UK's centre for automotive R&D, development and manufacturing.





Invest Coventry & Warwickshire will also be exhibiting at the Engineering Design Show in October at the Coventry Building Society Arena in the city.

## FDI Foreign Direct Investment

The annual official FDI data released by the Department for Business and Trade in July has revealed that the Coventry & Warwickshire area remains among the best performing locations in the country as a leading destination for FDI, continuing to outperform the overall UK average.

The area attracted 56 foreign investment projects in the year 2022-23, maintaining the trend of recent years. With 45 projects in the previous year 2021-22, the latest figures represent a 24% increase in project numbers, bettering the equivalent UK increase of 4%. The number of jobs created also increased, up to 3,195 compared to 1,534 last year, while the UK saw a fall of almost 7% for the same period.

Key sectors for Coventry & Warwickshire included automotive and future mobility (17 projects) and digital creative and software (13 projects) and e-commerce and logistics (5 projects). The area also accounted for 17% of the total UK automotive projects. Recent investors into the area included Berry Global, DHL, Rhenus, REE Auto, and Switch Mobility, from countries as diverse as Australia, China, Germany, India, Japan, Sweden and the US.

The latest data confirms the city and county as leading UK destination for FDI over the last decade. The Coventry and Warwickshire area has seen 22,714 jobs created from 403 foreign direct investment (FDI) projects over the last nine years.

Per capita, Coventry & Warwickshire was the best performing area of all 38 LEP geographies across England for the number of new jobs created through FDI investment per 100,000 working age people in 2022/ 2023. Coventry & Warwickshire is also the leading Midlands area for FDI project investments when local population is taken into account.

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

## **APPENDIX 1: BUSINESS NEWS**

### **Major business headlines from around Warwickshire**

#### **Digital Creative Sector**

#### **Tencent investment marks "new beginning" for UK studio Lighthouse Games – Leamington's Newest Games Studio**

Lighthouse Games has secured an unspecified investment from leading tech firm Tencent, financing its goal to become one of the UK's biggest AAA studios. The developer opened its doors last year, founded by former Playground Games studio head and co-founder Gavin Raeburn, and emerged from stealth in March. It is currently working on an unannounced IP. While Tencent has invested in Lighthouse Games, Raeburn told GamesIndustry.biz the studio still has full control over its creative and publishing decisions. The funds will be used to invest in new technology and recruitment.

<https://www.gamesindustry.biz/tencent-investment-marks-new-beginning-for-uk-studio-lighthouse-games>

#### **Marketing agency opens Alcester offices**

An international PR and marketing agency has opened an office at Long Barn Village near Alcester. Talking Tortoise was founded by Jessica Blyth-Sweetingham in 2014, specialising in marketing IT hardware, software and cybersecurity. Talking Tortoise are one of the first firms to move into the newly renovated Makers' Space on the outskirts of Alcester. The former visitor attraction is currently being refurbished and transformed into a home to creative businesses and a cafe.

<https://www.insidermedia.com/news/midlands/marketing-agency-opens-warwickshire-office>

## **Automotive/ Future Mobility Sector**

### **TATA Chooses UK over Spain for Battery Cell Gigafactory with £500m subsidy**

Tata Motors is to build a flagship battery factory in the UK to supply Jaguar Land Rover's electric cars. Tata, owner of JLR, has chosen a site in Somerset in south-west England for the gigafactory over a rival location in Spain. UK Prime Minister Rishi Sunak held secret talks in May with Natarajan Chandrasekaran, chair of parent company Tata Sons, in an attempt to kick-start Britain's efforts to join the global race for electric car production. Tata has asked for £500mn of state assistance from the UK, including subsidies for the Somerset factory's high-energy use, a one-off grant from the government's £1bn automotive transformation fund, and road improvements to the site near the M5 motorway.

<https://www.ft.com/content/cc0e3bf1-a203-4e56-b4d1-fc669ee5589e>

### **JLR confirms new chief executive**

Automotive giant Jaguar Land Rover has confirmed the appointment of its new chief executive. Adrian Mardell steps into the role after serving as interim chief executive since November 2022, having been chief financial officer and a member of the board of directors for three years prior.

<https://www.insidermedia.com/news/midlands/jlr-confirms-new-chief-executive>

### **JLR unveils 300 new technician jobs across Midlands**

Premium car maker Jaguar Land Rover announced this week the creation of 300 new jobs in the midlands. The new technician roles will support the continued production of Range Rovers and the development of the next generation of electric models, said JLR. Around 100 jobs will be at the Solihull plant to operate and maintain highly production facilities in a new body shop costing around £130 million, which is aimed at lifting Range Rover and Range Rover Sport production by 30% in future quarters. In addition, JLR is recruiting around 200 technicians and test engineers to be based at its Gaydon engineering centre and Whitley Powertrain facility to support the advancement of JLR's next generation electric vehicles (EVs).

<https://thebusinessmagazine.co.uk/company-spotlight/jlr-unveils-300-new-technician-jobs-across-midlands/>

### **Truck manufacturer establishes UK base**

A commercial vehicle (CV) manufacturer in the electric truck market has set up a UK base of operations in Warwickshire as part of its plans for expansion. Volta Trucks has taken more than half of the American Barns office development on Banbury Road, Warwick, to support the engineering and production of the Volta Zero, a 16-tonne commercial vehicle designed for last-mile urban logistics. The company has approximately 20 members of staff permanently based at the site with a further 26 hot desk areas and meeting rooms that are in continuous use.

<https://www.insidermedia.com/news/midlands/cv-manufacturer-establishes-uk-base>

## **Lotus produces record 2,200 sports cars in first half of 2023**

The British carmaker Lotus, with UK HQ in Norfolk and a Midlands engineering centre at Wellesbourne, produced a record number of sports cars in the first half of 2023, as it gears up for a huge push behind sales of a new electric SUV under its Chinese owners' expansion plans. Lotus, which marked its 75th anniversary this year, produced 2,200 vehicles in the first six months of the year at its factory in a former second world war bomber factory at Hethel in Norfolk. This compares with sales of just 500 in 2022, as the company phases out petrol engined vehicles in favour of EV only.

<https://www.theguardian.com/business/2023/aug/10/lotus-produce-record-2200-sports-cars-first-half-2023-eletr-electric-suv>

## **Aston Martin overtakes market expectations**

Shares in luxury sports car firm Aston Martin surged six per cent after the Warwickshire manufacturer posted better-than-expected financial results. The firm said revenues grew by 25 per cent in the first half of 2023, and earnings were up 38 per cent. The firm also slashed its net debt from more than £1 billion to £846 million, but pre-tax losses climbed slightly to £142 million.

<https://thebusinessmagazine.co.uk/manufacturing-engineering/aston-martin-overtakes-market-expectations/>

## **Electric Truck manufacturer to merge with US counterpart**

Electric trucks innovator Tevva which last year opened a base at MIRA Technology Park in Nuneaton, Europe's leading mobility research and development location for developing advanced automotive technology, is to merge with ElectraMeccanica. ElectraMeccanica, a designer and assembler of electric vehicles, and Tevva, a pioneer in electric medium- and heavy-duty commercial vehicles have entered into a definitive agreement, which is intended to accelerate their combined ability to capture the growing opportunity in commercial electric trucks.

<https://thebusinessmagazine.co.uk/companies/305280/>

## **Other Business News**

### **£7.6 million power boost for Warwickshire**

The final stage in a major National Grid initiative to boost power supplies and support the development of new homes and businesses in Warwickshire is underway. National Grid has already built a new major substation in Wellesbourne and installed nearly a kilometre of new underground cables. Now the final 60m are due to be installed on Princes Drive, Leamington Spa. The work will help to further safeguard supply reliability to more than 65,000 customers in the Wellesbourne, Warwick and Leamington area while also supplying power to the new housing developments and industrial units in Wellesbourne.

<https://thebusinessmagazine.co.uk/companies/7-6-million-power-boost-for-warwickshire/>

## **Work underway on new delivery office for Royal Mail in Nuneaton**

Work has begun on a new state-of-the-art delivery office for Royal Mail in Nuneaton. The new 18,000 sq ft facility is being constructed on a two-acre brownfield site which was formerly part of the Stanley Brick Works at Bermuda. A total of 53 commercial vehicle spaces, including 28 electric vehicle charging points, will be available for Royal Mail's new fleet of electric vehicles.

<https://thebusinessmagazine.co.uk/property/work-underway-on-new-delivery-office-for-royal-mail-in-nuneaton/>

## **Major tourism partnership announced for Coventry and Warwickshire**

Two of the Midlands' leading tourism bodies are launching a major partnership to map out a long-term blueprint to grow Coventry and Warwickshire's national and international profile. Destination Coventry, the destination management organisation (DMO) for Coventry, and Shakespeare's England, the DMO for south Warwickshire, are forming the Coventry & Warwickshire Destination Partnership.

<https://thebusinessmagazine.co.uk/lifestyle/major-tourism-partnership-announced-for-coventry-and-warwickshire/>

## **West Midlands bucks national negative trend – Lloyds Bank**

Business confidence in the West Midlands rose two points during July to 38 per cent, according to the latest Business Barometer from Lloyds Bank Commercial Banking. The Business Barometer, which surveys 1,200 businesses monthly, provides early signals about UK economic trends both regionally and nationwide. West Midlands businesses identified their top target areas for growth in the next six months as introducing new technology (38 per cent), evolving their offer (38 per cent) and diversifying into new markets (32 per cent).

<https://thebusinessmagazine.co.uk/professional-services/west-midlands-bucks-national-negative-trend-lloyds-bank/>

## **Warwickshire firms show resilience in Grant Thornton regional economic study**

A Grant Thornton regional economic performance report has underlined the resilience of privately-owned companies in Warwickshire. The inaugural Warwickshire Limited report is part of an annual series of business analysis of UK counties undertaken by Grant Thornton UK LLP. It celebrates the showcased firms and provides them with recognition for their contribution to the region and the wider UK economy. The full top five largest privately-owned companies in Warwickshire as identified by the report are IT business Rigby Group, National Farmers Union Mutual Insurance, car dealer groups Listers Group Limited and Rybrook Automotive Ltd and electrical wholesalers CEF Holdings Ltd.

<https://thebusinessmagazine.co.uk/companies/warwickshire-firms-show-resilience-in-grant-thornton-regional-economic-study/>