

Cabinet

6 March 2025

Coventry and Warwickshire Economic Strategy

Recommendations

That Cabinet

1. approves and supports the Coventry and Warwickshire Economic Strategy as attached at Appendix 1, recognising the shared areas of work which are already underway across the two Local Authority areas
2. reaffirms the Councils commitment to work in partnership with Coventry City Council to support growth and prosperity across the functional economic geography of Coventry and Warwickshire
3. authorises the Executive Director for Resources to arrange for the publication and promotion of the Strategy

1. Executive Summary

- 1.1 The Coventry and Warwickshire Economic Strategy represents a critical step towards a prosperous and inclusive future. By leveraging local strengths and addressing key challenges, the strategy aims to create a vibrant, resilient, and competitive economy that benefits Warwickshire and Coventry.
- 1.2 Following the closure of Coventry and Warwickshire Local Enterprise Partnership (CWLEP), it was agreed by both Councils that the economic function of the subregion was still a key priority that needed an economic strategy to ensure it aligned with broader national economic policies while focusing on local strengths and addressing specific regional issues.
- 1.3 Coventry & Warwickshire is a clear functional economic geography, with around 80% of people living and working in this area. Analysis of travel to work patterns, housing market areas, travel for leisure, and business sectors and supply chains highlight the strong connectivity between the two areas. It is therefore essentially to look at a strategic approach to economic growth across this sub-regional area. Further details on a recent analysis of economic geographies is presented in Appendix 2.
- 1.4 It is important that this strategy was jointly developed because the two authorities believe that Coventry and Warwickshire has a pivotal role to play at a sub-national scale that continues to be very important. The purpose of the

strategy is to chart a course for one of the UK's most significant sub-national economies over the next decade. Potentially, Coventry and Warwickshire can contribute much to the government's growth agenda.

- 1.5 During 2024, the Government introduced two major policy documents in to this arena, 'Power and Partnerships: Labours Plan to Power up Britain', the Modern Industrial Strategy, and the national commitment 'Get Britain working'. For both there a strong commitment to economic growth through productivity improvements; industrial strategy (and sector plans – including for life sciences, digital, creative, financial services, clean power, automotive (backed by investment in battery gigafactories and defence)); greater devolution; green prosperity; a need to align skills with those of the sector and reference to a 'wholesale reform' of England's system of planning for housing and infrastructure. In addition, Local Growth Plans are a key element of the Modern Industrial Strategy and will emphasise economic clusters, and how they might be developed.
- 1.6 This new Economic Strategy for Coventry and Warwickshire (Appendix 1) has been developed in response to key policy papers while ensuring it captures the unique and local context of the Coventry and Warwickshire economy. The strategy has been shaped through extensive engagements with partners, stakeholders, and representatives from both the private and public sectors.
- 1.7 It is structured around five key themes, which are sub-regionally relevant and appropriate and seek to capitalise on the strengths of Coventry and Warwickshire, whilst also addressing the challenges and risks that both face.
 - Theme 1 – Responding to economic change
 - Theme 2 – Creativity and innovation
 - Theme 3 – The scale-up journey
 - Theme 4 – International profile
 - Theme 5 – Strategic Infrastructure and major projects
- 1.8 These themes are strongly inter-related and synergistic. They have been identified in order to:
 - provide flexibility and agility in the context of risk and uncertainty (politically, economically, institutionally)
 - distil the core of what Coventry and Warwickshire needs to 'do' (given the area's assets, opportunities, and challenges)
 - be appropriate at a sub-national scale (given the raft of strategies and plans at both larger and smaller spatial scales)
 - allow real progress to be made in pursuit of an overall Vision.
- 1.9 It is proposed to establish a Round Table, hosted with key business representative bodies covering Coventry and Warwickshire and local businesses that will explore how the activities detailed in the Strategy will be delivered, and to obtain further detail on the types of support services local businesses will need to see to realise their growth ambitions

Approach

- 1.10 There has been significant evidence gathered including a good level of consultation with officers from both Coventry City Council and Warwickshire County Council, the Districts and Borough Councils within Warwickshire and the business community that underpins the strategy.
- 1.11 A series of one-to-one interviews and a roundtable took place with a cross sector of businesses and stakeholder representation, from the two geographies. Views were captured on the sub region, along with insight and market intelligence about current and future opportunities and challenges.
- 1.12 A consistent response from all the stakeholders was they agreed Coventry and Warwickshire has a strong and genuine partnership, something not felt in other locations. From the evidence gathered partners had emphasised the resilience of the Coventry and Warwickshire economy is as important as increasing the growth. This has helped to ensure a strong base of support and collaboration for the strategy.

Anticipated Benefits

- 1.13 The vision set out in this strategy is that 'Coventry and Warwickshire will be known around the world for its role in innovation-focused knowledge economy particularly for nurturing creativity, harnessing digital possibilities and solutions and enabling future mobility'.
- 1.14 The main outcomes for this strategy are to provide
- **Economic Resilience:** A diversified and robust local economy capable of withstanding external shocks.
 - **Job Creation:** Increased employment opportunities, particularly in high-growth sectors.
 - **Skills Development:** A highly skilled workforce equipped for future challenges.
 - **Improved Infrastructure:** Enhanced connectivity and modern infrastructure supporting economic activities.
 - **Inclusive Prosperity:** Equitable economic growth benefiting all communities within the region.
- 1.15 As noted in the strategy the delivery will rely on maintaining and developing strong working relationships with partners, including the West Midlands Combined Authority (WMCA), neighbouring authorities and national government. This is already demonstrated by work underway supporting employment, economy and investment. The strategy provides a route to link these and other cross area partnerships to a shared set of objectives building on joint areas of work already underway

- 1.16 Members are asked to note the strong achievements which Coventry and Warwickshire has already secured. This is a geography with over 500,000 jobs that represents almost £30bn GVA. The area has seen significant growth in the last 10 year around employment and GVA and whilst the level of growth is predicted to slow down, something we expect to see across the UK, this area will continue to see growth. Collectively Coventry and Warwickshire has achieved through the following collaborations:-
- 1.17 **Invest Coventry and Warwickshire** : In 2024 Department of Business and Trade released figures that showed Coventry and Warwickshire was placed fourth in the country for foreign direct investment (FDI), and was ranked highest in the UK based on per capita. Coventry and Warwickshire were also strong in employment, placed fifth in the UK, with over 2750 new or safeguarded jobs
- 1.18 **Coventry and Warwickshire Workwell**: In 2024 NHS Coventry and Warwickshire were selected as one of the Vanguard areas to deliver the 'Workwell' pilot, a new work and health support service, attracting over £3m of funding. The service went live in Autumn and the team of officers from Coventry and Warwickshire have to date received over 150 referrals to the programme
- 1.19 Coventry and Warwickshire is an area known and respected for having a labour markets that is viewed as being second to none. This includes highly skilled engineers, working across automotive and aerospace. Alongside outstanding skills in digital and creative skills and knowledge linked to the major games hub in Leamington Spa
- 1.20 The two Universities are highly commended for their programmes in advanced manufacturing, industrial design, science, maths and art and for being world leading in research and development
- 1.21 The strategy provides a solid foundation and direction of travel to secure and enhance the economic wellbeing of Coventry and Warwickshire and to ensure both are best placed to deliver a vibrant economy for our business and residents and Cabinet is asked to approve the strategy and support its aims and direction

2. Financial Implications

- 2.1 While there are no direct financial implications associated with this strategy at present, it is expected to support future funding and resource requests aligned with the objectives outlined in the document. The strategy aims to provide a framework that will attract investment and secure funding opportunities to advance economic growth and development within the Coventry and Warwickshire area

3. Environmental Implications

- 3.1 The strategy takes in to account the Council's Sustainable Futures Strategy and the need for sustainable growth. This alignment ensures that economic development initiatives are in harmony with environmental sustainability goals, promoting long-term prosperity and resilience

4. Supporting Information

- 4.1 The strategy has been prepared taking in to account national policies, including central government's commitment to productivity improvements, sector growth, employment and green prosperity.
- 4.2 It has engaged with a range of stakeholders and undertaken economic analysis on the current and forecast position of the subregion
- 4.3 It has captured local strengths such as industrial heritage, innovation and place based economic strengths whilst noting the challenges with infrastructure and skills gaps
- 4.4 It provides a blueprint for future collaborations and engagement both locally and with government whilst representing the interests of Warwickshire.
- 4.5 Maintains a high-level strategic approach that can adapt to changing circumstances and ensure Coventry and Warwickshire is prepared as new opportunities (and challenges) arise

5. Timescales associated with the decision and next steps

- 5.1 The strategy sets out an approach for the coming 10 years and will be published if approved by Cabinet.

Appendices

Appendix 1 - Coventry and Warwickshire Economic Strategy
Appendix 2 - Analysis of economic geographies

Background Papers

None

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The report was circulated to the following members prior to publication:

Local Member(s): Not applicable as county-wide report

Other members: Chair and Party Spokespersons of Communities Overview and Scrutiny Committee (Councillors Jeff Clarke, Jonathan Chilvers, Sarah Feeney, and Jenny Fradgley)