



Coventry & Warwickshire Business Intelligence

January 2022

Contents

1. Executive Summary	2
2. Latest Economic & Labour Market Trends	3
3. Latest CWLEP Growth Hub Insights.....	7
3.1 CWLEP Growth Hub – Support & Enquiries.....	7
3.2 CWLEP Growth Hub – Themes	8
4. Spotlight: The Future of Town and City Centres.....	11
4.1 Current issues affecting Town and City Centres	11
4.2 Long-term view of Town Centres/High Streets	12
4.3 Funds & Support Available.....	13
4.4 Q&A Trish Willetts, BID Director of Coventry BID Ltd, and Stephanie Kerr, Executive Director of Leamington BID Ltd.	15
5. Recommendations	19
a. Short Term	19
b. Medium Term	20
c. Long Term.....	20

1. Executive Summary

Welcome to the January 2022 edition of the Coventry & Warwickshire Smart Region report. **This month our spotlight theme is the 'Future of highstreets/towns centres'**, looking at the challenges that Covid-19 restrictions and the recovery has on highstreets/town centres, as well as understanding available support and changes needed to ensure sustainable and prosperous town and city centres of the future.

This month we welcome guest contributions from Trish Willetts, BID Director of Coventry BID Ltd, and Stephanie Kerr, Executive Director of Leamington BID Ltd, to outline the similarities and contrasts that town and city centre BIDs have had to deal with during the pandemic, as well as future plans, challenges, and opportunities.

Wider recommendations and findings in this month's report are based on intelligence gathered from CWLEP Growth Hub's contacts with local businesses, alongside survey data and information provided by Coventry City Council, CWLEP and Warwickshire County Council.

Other sources include the Office for National Statistics, Gov.UK, and organisations such as Statista and other research bodies specialising in labour market analysis.

Key Headlines

- **There have been continued improvements to the Coventry & Warwickshire labour market, with growing employment, record numbers of vacancies, and falling unemployment and redundancies.**
- **However, both business and consumer confidence have shown some signs of slowing over the past four months in both manufacturing and services.**
- **Several negative economic impacts, such as rapidly rising costs, recruitment difficulties, and delays in raw material supply, affecting a wide range of sectors, are starting to be felt by businesses locally. Together these have created a 'Perfect Storm' for our economy.**
- **"Plan B" Covid-19 restrictions – now being lifted – have added to the challenges faced especially in the retail and hospitality sectors throughout December and January.**
- **Local business support partners will continue to focus on minimising negative economic impacts, be they from the pandemic, EU exit, or any other driver, to help continue the reset, reopening, and recovery of our economy.**

2. Latest Economic & Labour Market Trends

2.1 Labour Market Trends

- In December 2021, **the claimant count in Coventry & Warwickshire totalled 24,375 people**. At the start of the pandemic, in March 2020, the claimant count stood at 15,830.
- **The falls in the claimant count over the past few months give signs for optimism** as the local economy continues to reset, re-open, and recover.

Area	March 2020	December 2020	October 2021	November 2021	December 2021
Coventry	8,000	16,425	13,380	12,975	12,710
North Warwickshire	845	1,975	1,335	1,260	1,230
Nuneaton & Bedworth	2,830	5,060	3,950	3,870	3,700
Rugby	1,535	2,965	2,350	2,210	2,185
Stratford-on-Avon	1,050	2,915	2,125	2,090	2,075
Warwick	1,570	3,565	2,575	2,460	2,475
Warwickshire	7,830	16,480	12,335	11,890	11,665
CWLEP	15,830	32,905	25,715	24,865	24,375

Source: Office for National Statistics

- **However, at the time of publication the Government's 'Plan B' measures that have been in place throughout December and January are in the process of being removed. We will monitor the impact that these have had on the local economy over the coming months as new data is released.**

The Office for National Statistics (ONS) also reported for December 2021 that nationally:

- **The number of payroll employees in December 2021 increased to 29.5 million, up 184,000 on the revised November 2021 level** and up 409,000 on the pre-pandemic February 2020 total.
- Latest Labour Force Survey estimates for September to November 2021 **show a continuing recovery in the labour market**, with a quarterly increase in the employment rate, while the unemployment rate decreased. **The UK employment rate increased by 0.2 percentage points on the quarter to 75.5%**. The number of part-time workers decreased strongly during the pandemic, but has been increasing since April to June 2021, driving the increase in employment during the latest three-month period.
- The unemployment rate **fell by 0.4 percentage points on the quarter to 4.1%**, while the **economic inactivity rate increased by 0.2 percentage points to 21.3%**.

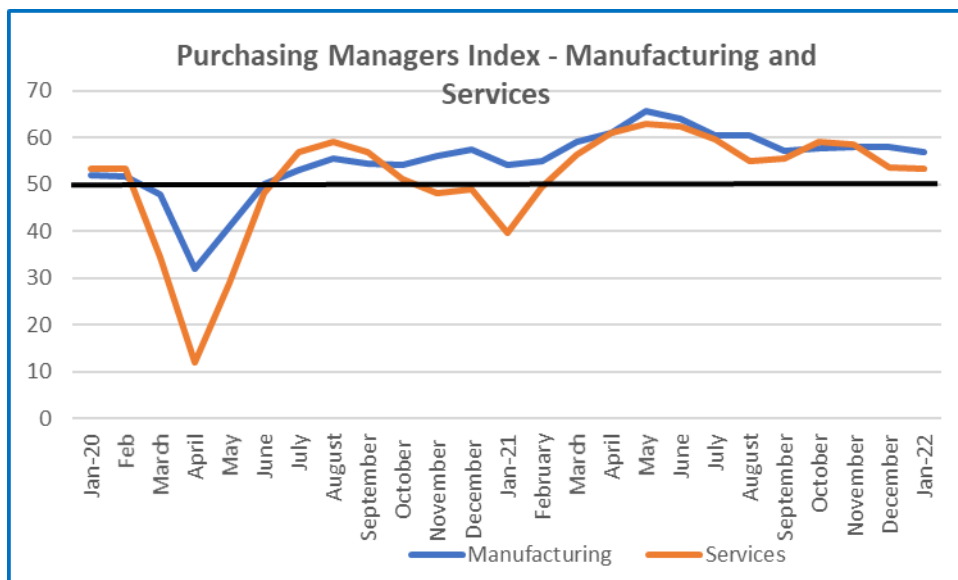
- The number of **job vacancies in October to December 2021 rose to a new record of 1,247,000, an increase of 462,000 from its pre-coronavirus January to March 2020 level**, with most industries displaying record numbers of vacancies. **However, the rate of growth in vacancies continued to slow down.** The ratio of vacancies to every 100 employee jobs reached a record high 4.1 in October to December 2021.

2.2 Economic Trends

Analysis from the Economic Development Team, at Coventry City Council highlights:

Business Confidence

Uncertainty continues to be reflected in business confidence, although this has levelled after falling for four months during the late summer 2021. **The Purchasing Managers Index (PMI) for manufacturing fell to 56.9 in January**, from 57.9 in December (a figure above 50 represents growth). **For services it showed a decrease, from 53.6 in December to 53.3 in January.**



Source: The Markit/CIPS UK Services PMI (Purchasing Managers' Index)

There have been some positive signs for the recovery of the manufacturing sector in the West Midlands, with the Q4 2021 manufacturing Outlook Survey from Make UK and BDO showing a stronger performance by manufacturers in the region. **Output recovered from the previous quarter to +35% which was among the best performance of any UK region. The figure was maintained by strong domestic and overseas orders (+41% and +43%).**

Economic Trends

Following 0.2% growth in October 2021, **UK economic output (measured in GDP) grew by 0.9% in November 2021. This higher-than-expected growth means that total UK economic output is now back to above pre-pandemic levels (February 2020) by 0.7%.** November's performance was driven heavily by 3.5% growth in construction output as problems in sourcing products/materials eased and 1% growth in production, again driven by slight improvements in the sourcing of parts (including semi-conductors). The 0.7% growth of services was driven strongly by strong retail performance (including "Black Friday"), strong restaurant bookings, and expansion of health services.

The British Chambers of Commerce is concerned that prevailing staff shortages and supply chain challenges, the emergence of the Omicron variant, and effects of Plan B restrictions will result in a fall in economic output in December 2021 and January 2022. Once "Plan B" measures are removed after 26th January 2022, it is vital that all sectors of the economy can accelerate their recovery to minimise threats of further job losses.

Impacts of "Plan B" Measures on Businesses

Coventry & Warwickshire has seen a drop in business confidence since the introduction of "Plan B" measures in early December, especially in the retail and hospitality sectors. **The latest footfall figures for Coventry city centre show that footfall during 13th – 19th December was 31% down on the figures from the same week in 2019** (similar to the UK overall). The University of Sheffield has predicted longer-term losses for city centres nationally of around £3bn in 2022, with large cities such as Birmingham and Coventry potentially seeing a 7% drop in revenue.

New data from UK Hospitality re-enforces that city centres have been particularly hard hit as Christmas parties were cancelled and people returned to homeworking. Estimates suggest pubs, bars, and restaurants nationally lost £10,335 on average in the week leading up to Christmas. On Christmas Day, takings were down 60% compared with 2019, and there are concerns that some will not survive January.

Feedback from the FSB (Federation of Small Businesses) suggests that "Plan B" has adversely impacted on other sectors that service or are dependent on hospitality, including events, catering/food & drink suppliers, hair & beauty businesses, and taxi firms, with theatres nationally also reporting significant losses over the Christmas period. The FSB's Chair has expressed concerns about the impending end to Business Rates Relief and the planned National Insurance increase in April. He has also called for an increase in the targeted "employment allowance" for small businesses, and to re-instate VAT at a reduced 5% for hospitality.

The latest Business Insights and Conditions Survey, conducted in December, shows that 25.1% of West Midlands businesses that responded reported turnover over

December had decreased compared to normal expectations for the time of year. The Survey also demonstrated that just under 1 in 4 West Midlands businesses had under 3 months cash reserves remaining (2.8% with no cash reserves). Although this is slightly better than the national position, with many businesses facing rising debts and needing to repay Covid loans, this will present further challenges to economic recovery.

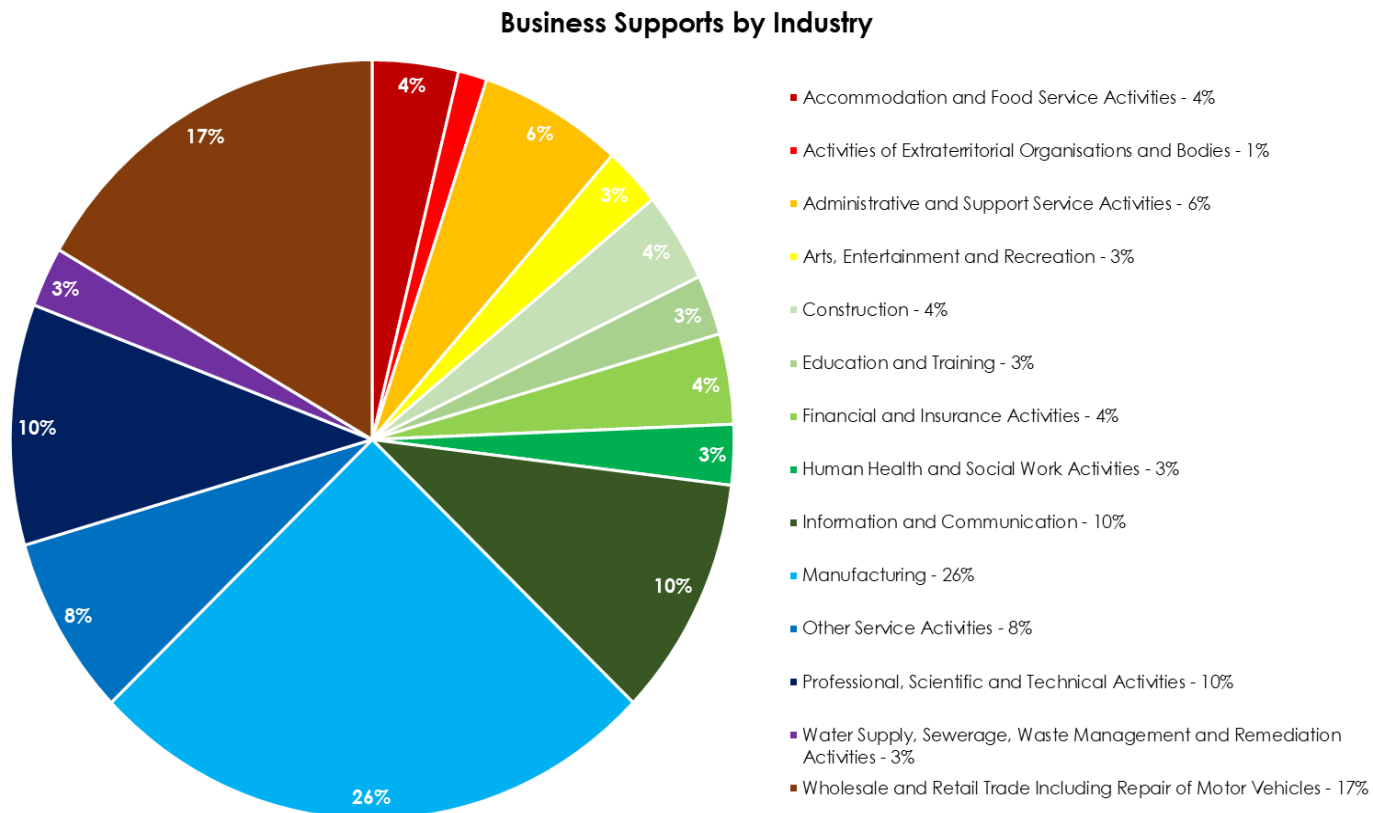
In response, the Chancellor announced a £1bn support package on 21st December 2021, for the businesses which continued to be adversely affected by the consequences of the "Plan B" measures. These include:

1. Businesses in the hospitality and leisure sectors in England eligible for one-off grants of up to £6,000 per premises.
2. Further Discretionary grant funding to support other businesses impacted by Omicron.
3. Reintroduction of the Statutory Sick Pay Rebate Scheme (SSPRS), which will help small and medium-sized employers (those with fewer than 250 employees) by reimbursing them the cost of Statutory Sick Pay for Covid-related absences, for up to two weeks per employee.
4. £30m top-up to the Culture Recovery Fund to support organisations such as theatres, orchestras, and museums through the winter to March 2022. It builds on the £240m previously allocated through the Fund. The Arts Council has released guidance on how organisations can apply for funding by 4th February 2022.

3. Latest CWLEP Growth Hub Insights

3.1 CWLEP Growth Hub – Support & Enquiries

Since the start of the pandemic in March 2020, the **CWLEP Growth Hub has supported 4,589 businesses and had substantive discussions with 1,718 businesses specifically related to Covid-19 impact and EU Exit.**



This month's business insights are taken from intelligence gathered in **January 2022**. **Access To Finance** was the most popular reason for support/enquiries over the past month. There was a spread across other enquiry types too. Businesses highlighted **Advice & Guidance** and the **Made Smarter Programme** as their main requirement for support, which could also have led to additional help around **Skills & Employment, Help to Grow Programme, Inward Investment rates, and Tax & legal issues.**

The size profile of businesses supported over the past month consisted of **26% Sole traders; 44% Micro businesses (2-9 employees); 18% Small businesses (10-49 employees); and 11% Medium businesses (50-249 employees).**

There was an **increase in Micro Enterprises** and a **decrease in Sole traders, Small and Medium Enterprises** approaching the CWLEP Growth Hub compared to last month. Around 24% of respondents came from businesses that started trading since 2020.

3.2 CWLEP Growth Hub – Themes

Hot Topics, Business & Economic intelligence headlines

- **Omicron affecting Care Home Admissions** – Due to the required 28-day isolation period, several the regions' 196 Care Homes are rejecting new admissions leaving patients in hospital beds unnecessarily. The impact of this felt within numerous hospital departments and critically limits available beds.
- **Net Zero** – Continued focus on Net Zero projects across the region with some attracting international investment interest from Singapore and the US, particularly with the development of EV Charging Infrastructure Technologies.
- **Grants** – Are much in demand again as businesses continue to look at capital purchases and the adoption of solar and premises upgrades. As the appetite to adopt low carbon strategies increases, problems are arising with power supply particularly for larger businesses looking to move to EV fleets and employee vehicle charging points.

New job losses, warnings, or potential economic shocks

- **Skills & Trades Shortages** – Businesses struggling to attract and retain the required skilled staff as employers increase remuneration packages. Other businesses experiencing the poaching of staff by offering unprecedented financial reward to lure those with highly desired skills and technical experience.

New Opportunities, investments, and job gains

- **Games Industry** – The Coventry & Warwickshire region's games industry, centred around "Silicon Spa", is taking great interest in Microsoft's \$70billion acquisition of the company responsible for the popular "Call of Duty" game series. The deal will cause concern amongst consumers although it is not yet clear how this will impact the design and creative businesses linked to this industry, locally. A number of these games' businesses will watch with interest.

<https://www.bbc.co.uk/news/newsbeat-60042409>

Business Support Ecosystem

- **5G in Coventry & Warwickshire** – 5G mobile network coverage has been rolled out by four Mobile Network Operators (MNO's) in the UK since 2019. These MNOs are EE (owned by BT), Vodafone, Three and O2 (owned by Telefonica). The main differences in capability with regards 4G networks are:
 - Higher Bandwidth – The ability to download/upload more data (megabytes/second)
 - Decreased Latency – Quicker time to react (in milliseconds)

- Increased Security – Where network slices are available only to authorised users
- Device Coverage – Having the ability to provide service to a greater number of devices/users (Up to one million users per Sq. KM)

EE has the greater coverage of all the MNO's (covering around 90% of the UK landmass). Currently in Coventry & Warwickshire EE's 5G coverage is only available in Coventry, Leamington Spa and Stratford-Upon-Avon. Plans are afoot to gradually upgrade 4G masts across the region but this roll-out will take time. The plan is to cover 50% of the UK population by 2023 and 90% of the UK landmass by 2028.

Despite the public roll-out, there are many private 5G network testbeds being run by West Midlands 5G (WM5G) in the Midlands area. One such site is due to be installed in the Coventry University Technopark by April 2022 which is part of a programme run by the Uxplore project. This site will be open to SMEs in Coventry & Warwickshire to test their 5G solutions and gain mentoring from both WM5G and Vodafone.

For more information about Uxplore, visit www.uxploreproject.co.uk

- **Made Smarter** – Coming to the end of Phase 1, the West Midlands pilot program that started in June 2021 has proven to be highly successful with over 180 registrations.

WMG and MTC, our Digital specialist cohorts, have engaged over 100 companies in developing a 'strategy roadmap' and implementing technologies to assist business improve their output. The program, developed initially from a pilot carried out in the North-West, was seen to assist SME's in using the latest R&D in the market. This intelligence was being used extensively in the OEM sector but was not filtering into the SME supply chain.

The programme time restrictions have proven to be the biggest barrier in opening the program out to more companies, however, all targets set by BEIS have been achieved and surpassed in almost all cases.

The programme has received fantastic marketing support from the Growth Hub cluster and has focused marketing within the regions. This proved incredibly positive in gaining new business registrations. The controls and reporting systems in place have enabled the Digital Technology Specialists, engaged by Coventry & Warwickshire Growth Hub, to focus on business engagement and ensure that only beneficial advice is offered.

Phase 2 of the program is expected to start in April 2022, and it is hoped to continually bring in new companies and develop existing members in their digital adoption strategy.

- **UHCW Collaboration** – Collaboration between UHCW (University Hospital Coventry & Warwickshire) and multiple Coventry & Warwickshire based businesses continues as the desire to procure goods and services locally, intensifies. Projects include the development of prototype products to improve technologies relating to the screening of patients as well as a trial that will see drones employed to transport medical samples between sites to streamline the process and reduce both costs and carbon emissions.

Other intelligence and data not captured above

- In the 12 working days following the Christmas period, CW Growth Hub has received more than 40 enquiries, 80% of which are smaller businesses (under £750k t/o). General support enquiries include:
 - Inward Investment opportunities continue to flow with national businesses, including looking for storage facilities and additional office space locally.
 - Mentoring Support features regularly as business across all sectors, including photography, medical, Project Management, Antiques and Graphic Design all look to diversify and grow their businesses.
 - Other referrals to the Chamber of Commerce, Digital Boost and the very local Business in the Community schemes also feature. The opportunity for Growth Hub Business Advisors to facilitate B2B referrals between multiple regional businesses highlighting the quality of our relationships with our clients.

4. Spotlight: The Future of Town and City Centres

4.1 Current issues affecting Town and City Centres

Restrictions affecting hospitality

“Plan B” was implemented on [8th December](#) as infection rates began to increase due to the newly discovered Omicron variant.

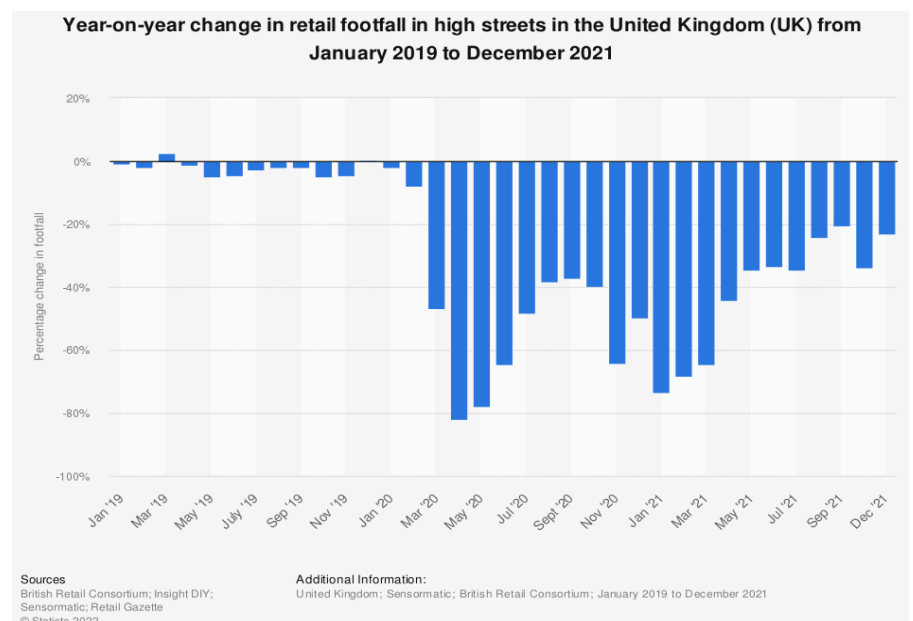
Although there appeared to be minimal changes in the ability to trade in the hospitality sector specifically, the uncertainty and concerns of customers led to less footfall and takings in hospitality settings, during the time coined the “[Golden Quarter](#)”, which traditionally sees retail, and town/city centres in particular, at their busiest. It has been reported that, since Omicron hit the headlines, hotels, bars, and restaurants have experienced multiple cancellations for corporate parties, and larger tables in restaurants in the run up to Christmas.

Additionally, and due to the spread of the virus and its ability to circulate, businesses suffered outbreaks and were forced to close. The prevalence and spread of the virus have led to a [lower levels of staff available for work](#). This comes at a critical period for the sector, as costs are rising with supply chain concerns, labour deficiencies show no sign of easing and the return of the 20% VAT rate.

Restrictions and the retail sector

With the increase of employees working from home, footfall for city centre retailers decreased dramatically, in turn decreasing the extent of spending in retail and town/city centre services.

Vacancy rates of shopping districts rose sharply especially during the second quarter of 2021, where shopping centres had vacancy levels just under 20% and high streets had just over 14%. With the collapse of anchor stores such as Debenhams & Topshop, town & city centres are having to find new ways to entice people in and spend.

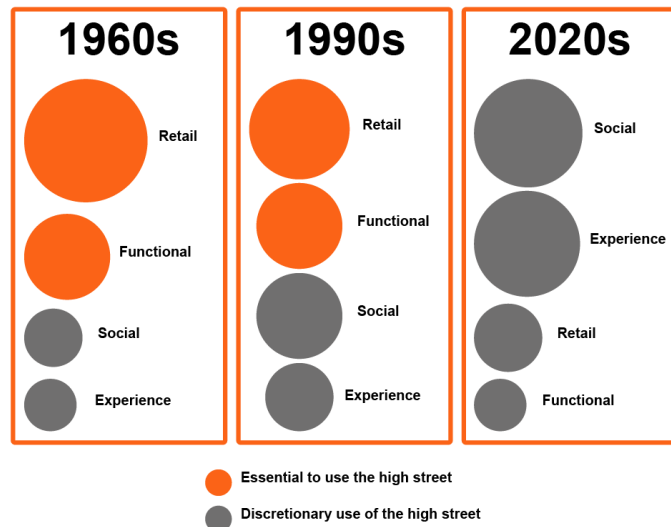


4.2 Long-term view of Town Centres/High Streets

Changing role of high Streets and town centres

Reviewing how Town/City Centres have evolved in the last 50 years or so is helpful to understand where they are headed. The Local Government Association (LGA) have highlighted the changing role of centres and emphasise the needs of people have changed.

With little or no other choice available, centres were the default use for people, whilst nowadays there is much more choice. Taking for example the growth of changing habits such as online shopping and /out of town centres, Town/City centres have had to diversify to survive and provide different services and requirements to attract consumers



LGA 2022: www.local.gov.uk/publications/creating-resilient-and-revitalised-high-streets-new-normal

Future of highstreets and shopping districts

Continuing a trend that began long before the pandemic, there has been rising demand for using retail property as leisure or hospitality businesses, as internet shopping has created new ways for customers to shop digitally. This has provided the administration of town/city centres with requirements to change the focus of the spaces and create a range of options for people to come in to socialise and shop, be that in the day or at night.

Future of town centres and cities

Although each town and city centre is different, there are a range of similarities reflected nationally. According to think tank, Centre for Cities, town and city centres could be improved by the following opportunities to recover from Covid-19:

- Both towns and cities may require improvements in skill levels which will enable people with the right skills to be available for businesses to improve the economy.
- Both cities and towns will benefit from making areas more attractive to high skilled businesses.
- To allow residents of towns to access jobs in cities, better transport connections are required between towns and cities.
- Building affordable housing close to jobs, cycle routes and public transports in expensive cities.

- More parks and public outside space to be available to allow people to socialise safely.
- Creating and provide workspaces for high-skilled workers that enables flexible working.

Relatedly, pivoting to remote working and the need during lockdowns to continue business, has given staff the ability to experience working from home and flexible working. The exodus of workers to working from home has been to the detriment of city centres which would normally be bustling with commuters. However, as restrictions begin to ease and the return to the office is viewed as the norm, there is a trade-off between the importance of in person, [collaboration and working together in a professional environment](#), and [the desire of staff to work from home](#). The ONS has also surveyed adults [on attitudes to future of Homeworking](#). The increase in vacancies and competition in the workplace has given companies more to think about being flexible with staff working from home or remotely, although this may mean less people travelling into town/city centres which rely on footfall.

4.3 Funds & Support Available

There are an increasing number of funds and support programmes available for businesses that were heavily affected by the pandemic. The funds aim to support businesses as well as towns and high streets to reopen and recover from the effects of the pandemic. Examples include:

- **£56 million Welcome Back Fund, launched by government**, supporting safe return to high streets and seaside towns to build back better from the pandemic through providing councils across England a share from ERDF.
 - This fund builds **on RHSSF (Reopening High Street Safely Fund – announced in May 2020)**, around £50 million that are [allocated to councils in 2020](#). According to the list, **Coventry and Warwickshire received around £850,000**.
 - **Welcome Back fund** boost tourism, improve green spaces and markets (allowing taking away services) – providing supports for shoppers, tourists, and employees to return to high streets, festivals and events Covid-19 secure.
 - Furthermore, it also supports businesses such as pubs and restaurants (including premises that are in listed buildings) to use their land more flexibility such as set up marquees and outdoor space for diners for whole summer rather than 28 days currently permitted.
- Businesses who were **unable to pay their rent had protections until the end of June 2021** from the threat of eviction. However, “Plan B” restrictions may have further restricted businesses to recover.

- The planning system has been updated to allow for **Permitted Development Rights on housing on the high street**. This has the potential to allow more flexibility to disused buildings in town centres, whilst reducing the amount of available retail space within city/town centres.
- The government are investing in long-term infrastructure to level up town centres and ensure vitality through **using Levelling Up Fund (£4.8bn), Community Renewal Fund (£220m) and Towns Fund (£3.6bn)**.
- Department for Levelling Up, Housing and Communities (DLUHC) announced **Towns Fund**, consisting of two funds:
 - **Future High Streets Fund** - Government launched **total £1bn Future High Streets Fund** in 2019.
 - where **£830m fund** was shared with 72 areas across England to make town centres more attractive place for working, living, and visiting – to reshape and renew the town centres.
 - **Around £107m** was allocated to Department for Digital, Culture, Media & Sport to support redevelopment of heritage high streets.
 - And the **remaining fund** was used for supporting Business Improvement Districts and **High Streets Task Forces** (supporting local leaders in town centres and high streets in England).
 - Two town centres from Coventry & Warwickshire successfully received funding: **Leamington Town Spa (£10m), and Nuneaton Town Centre (£13.3m)**. [See the list](#)
 - **Town Deals Fund** – This fund aims to boost the economic redevelopment of towns as well as deliver productivity growth. 101 towns in England were selected to develop Town Deals, in September 2019. [Town Deals - Lists of 101 towns](#)
- **Retail, Hospitality & Leisure Relief Scheme (2022/2023)** - The Budget revealed by the Chancellor in October announced the launch of a new business rates relief scheme specifically for retail, hospitality, and leisure properties worth around £1.7bn. The scheme will support businesses to increase footfall in high streets and town centres and help these to evolve to the shifting consumer landscape. This provided **eligible businesses with a 50% relief with a limit of £110k per company**.
- **High Streets Heritage Actions Zones** programme is announced by Historic England to support high streets across England to boost economic, social, and cultural recovery using **£95m funding, including the initiative**:
 - **High Streets Cultural Programme** - supporting local arts organisations to create and deliver community-led cultural activities on high streets over the next three years. **Coventry received £97.5k** to support UK City of Culture 2021 activities such as annual festival and First Friday events.

4.4 Q&A Trish Willetts, BID Director of Coventry BID Ltd, and Stephanie Kerr, Executive Director of Leamington BID Ltd.

We caught up with **Trish Willetts, BID Director of Coventry BID Ltd**, and **Stephanie Kerr, Executive Director of Leamington BID Ltd** to get their thoughts for this month's Q&A.

We first asked them both to give us thoughts on how their respective town & city centres are performing and progressing.

TW:

Coventry City Centre was gaining an amazing traction as we headed towards the Christmas period. There had been significant collaboration on the Christmas planning period with other stakeholders to produce the largest budgeted marketing campaign the city had seen, and customer confidence was increasing significantly. The 'Centre for Cities' produced their latest figures showing Coventry City Centre back to 96% footfall levels, compared to pre-pandemic figures for the night-time economy and weekends especially for our hospitality businesses. This is significant for us as the figure for London was at 75%.

SK:

Leamington Town Centre has remained resilient despite the roller coaster we have all been on. Over the last two years businesses and the community have pulled together and there are many stories of new and valuable partnerships to celebrate. We are grateful for the funding grants that have helped businesses to adapt as we saw several businesses make very innovative changes. By the time of the so-called 'Freedom Day' on the 19th of July 2021 our focus was on welcoming customers back, supporting staffing issues, and delivering events – including the incredible Food & Drink Festival. This 'lifted the lid' on the town and between September and November we reached or exceeded 2019 pre-pandemic footfall levels. Despite recent "Plan B" uncertainty and some changes to the local retail offer, we are optimistic about continued future recovery.

What would you say are the main concerns currently affecting town and city centres in Coventry & Warwickshire?

TW:

Current concerns are – how we build back customer confidence AGAIN after the pre-Christmas Government announcement which put an overnight reduction in bookings and then subsequent cancellations for Christmas and New Year bookings. This being the finale to the 'Golden Quarter', where businesses normally have large takings which cover them for the quieter months of January & February.

SK:

The “Plan B” announcement (8th of December 2021) and associated uncertainty significantly dampened footfall and trade. Once again, this particularly impacted hospitality, but also many other supply chains and service businesses. Navigating a typically quiet January and supporting recovery from this must be a priority for all. Recruitment and staffing remain a massive challenge – and particularly in retail and hospitality. We need greater appreciation of the value of this sector and the available job opportunities. In some areas we need to go back to basics. Ideas like ‘support local’, offering a great experience and making sure waste and cleanliness is better managed in our town and city centres cannot be overlooked. Finally, we are cautiously monitoring the impact of recent changes to the planning ‘use class order’, which enables change of use to residential without planning. In general, we feel nuanced, locally specific planning policy is what is really needed overboard-brush national changes.

What steps have been taken to recover and encourage visitors into our town and city centres since the COVID-19 pandemic?**TW:**

Coventry being the UK City of Culture 2021 really has been a driving force to the recovery of Coventry City Centre. With regular projects and interventions from May 2021 right through the year and towards May 2022, the BID businesses have seen a gradual and steady recovery. Coventry BID is a Delivery Partner for The Trust with the ‘In Paint We Trust’ (street art project) and ‘The Show Windows’ (art in shop windows for not only vacant but also working businesses) it has shone a light on the businesses and allowed people to come and walk around the city centre in a Covid-safe way from start to finish. We have installed a Government Art Collection into City Arcade, and during January 2022 are bringing a set of incredible pieces from the British Museum into the BID area too.

SK:

To bring customers back we aimed to be relentlessly creative and innovative and to integrate health and wellbeing, as it is in the DNA of our town. This was reflected in our marketing and website communications and public realm interventions such as lamp-post banners, street decorations, window stickers etc. We also tried to be swift and adaptable and deliver ideas that are ‘tactical’ to test ideas and build community confidence. For example, our floral social distancing pavement stickers were a creative twist on an existing idea and gained international attention. Once we were allowed to open, we delivered a spectacular Food & Drink Festival, and saw visitors exceed 2019 levels. Local events are a very important part of making the town centre a community centre again. Alongside public facing activities, we supported member businesses, so there was something to return to. Thousands of emails were sent, and we continue to support areas such as grants, HR, finance, legal and recruitment. We don't believe that towns and cities are dying – we simply

believe they are changing and so we will be there to guide and support positive change in any way we can.

What are Coventry & Warwickshire's town and city centres unique selling points, and why are they so important to the local economy?

TW:

Coventry City Centre is in a unique step-change moment because we are the UK City of Culture. This has meant that not only has the Local Authority been able to invest - over £44m on public realm improvements - but it has also crucially been a magnet for further investment. For example, Coventry BID was able to secure National ACE funding for 'The Show Windows' project of £150,000 - no other regional BID has achieved that.

SK

Like all our towns, Royal Leamington Spa has unique and fantastic DNA that it can capitalise on in the future. Its regency 'Spa' heritage has left a legacy for activities focused on our community's health and wellbeing. This is supported by the beautiful 'Spa gardens' which form a green lung running east to west, through the heart of the town centre. Tapping into this 'green' and inviting it north and south will not only enhance amenity but also support our climate change challenges. Our people are also our USP. The local community is filled with people who are willing to roll up their sleeves and get involved. So many local festivals, from the amazing Arts Council Funded 'Art in the Park' to the brand new 'Japan Festival' run on the energy of local people. Taken together, our town's existing assets alongside our future ambition, contribute to it being a great place to do business and to live in, as it is all connected.

Where do you see our town and city centres in the next 5-10 years?

TW:

Coventry BID goes into Ballot in November 2022, and we are asking our BID businesses to VOTE 'YES' for us to become the first fully Cultural BID in the UK. Consultation for this starts January 2022, as we ask their permission to evolve. So, if they accept our proposal and we do become the first Cultural BID, we will ensure that the Cultural investment of £3m will ensure a legacy for the city centre purely funded by business. That takes care of the next five years.

SK:

Like Coventry, BID Leamington also has a ballot on the horizon, in March 2023. This will be an opportunity to revisit our mandate and we will be exploring opportunities to formally involve businesses beyond our retail and leisure sector. This is exciting as there are enormous synergies. We have recently received Arts Council England to research a new event for the town and we are looking forward to embarking on a

'greener' journey in future. Our town centre is entering a period of transition – and we already have many new businesses opening, including some wonderful co-working spaces. Pre pandemic 70% of businesses were independent and we hope this will remain, but we will welcome additional office space and residential uses. We view the town centre as a community centre, so we need to ensure affordable space for businesses and services of all types and sizes. The 'Creative Quarter' investment will be a part of this alongside the renewal of some large town centre units in the Royal Priors and on Parade. Warwick District Council has recently formed a 'Transformation Board' which we hope will support greater collaboration between Councils and local stakeholders.

The CWLEP Strategic Reset Framework recognises the importance of reimagining our communities. If you could suggest up to three recommendations to help the Coventry & Warwickshire town and city centre business community, what would they be?

TW:

The possibility of the Gigafactory coming to Coventry will be a further step-change for the city and the region alike. With Warwick District Council recently signing off their support for the project is a fantastic move forward. So my three recommendations are: **i) to invest in Last Mile Delivery** businesses moving to the city; **ii) the Very Light Rail infrastructure** being key to remove traffic congestion from the city centre, and to create a greener and cleaner space for people to enjoy. As we all know the retail offering to any city centre is not the only reason people come out – it is the ambience and welcoming space to which they are drawn, and lastly; **iii) to embrace the work of their BIDs** more. We are the key drivers of the recovery as we have the close relationship with the BID businesses and are privately invested in. Collaboration is the way forward!

SK:

Reimagining requires us to both look back, to acknowledge our history and support existing businesses on the journey, whilst identifying key priorities for the future. For us these are clear. Collaborate, Create, Innovate, Celebrate' alongside 'making the town centre a community centre' has been our philosophy, for 10 years now and is more important than ever. **i) Collaboration** - there is a role for the LEP to foster and facilitate a culture of greater collaboration between public bodies, including open data. Also, in many places we need greater diversity of people on Boards and committees, so we benefit from all ideas and views. We should demonstrate best practice, support organisations to change and promote a culture of inclusion. This will in turn lead to deeper collaboration, more balanced outcomes, and greater community buy-in. **ii) The 'green' agenda is now** – and collaboration to achieve climate goals is critical to maximise efficiency. As well as 'literacy' and 'knowledge creation' we need support to invest in actions. We loved piloting the Hail 'pedi bikes' in Leamington last summer and would love some support to test solutions for mobility,

waste and deliveries in our town centre. This needs multi stakeholder support as it is not in our gift to deliver alone. There is always more room for planting and 'greening' buildings and places. **iii) We must consider 'health and wellbeing'** including supporting positive workplace culture and people with lower incomes to be a part of the regions ambitious plans. For example, electric vehicles are out of reach for many and public transport options have worsened. We need all residents to be able to get in and around our town and city centres sustainably.

5. Recommendations

January's Golden Recommendation:

There must be greater clarity and focus on the future approach to funding opportunities for our sub-region, especially in relation to the UKSPF (UK Shared Prosperity Fund). It is essential that local authorities, devolved agencies, Local Enterprise Partnerships and local Growth Hubs have the financial backing to continue supporting businesses to rebuild and to improve their resilience for the future.

The following recommendations have been derived from analysis of macro-economic and business-level data and intelligence collated from Coventry & Warwickshire stakeholders. We begin with three short term recommendations:

a. Short Term

5.1.a

Authorities and decision makers in Coventry & Warwickshire **agree a consistent monitoring approach for town and city centres-based measures.** This will aid decision making and allow for a more joined-up approach within our region. This could help organisations such as BID's aid future town and city centre prosperity and resilience.

5.1.b

Take **maximum advantage of the remainder of Coventry City of Culture 2021, the Birmingham Commonwealth Games 2022 and other forthcoming potential tourist and cultural events,** to further promote and enhance the position of Coventry & Warwickshire as a visitor destination.

5.1.c

With "Plan B" measures being removed, **support a quick bounce-back for those industries and sectors hardest hit throughout this latest phase of the pandemic** (mainly hospitality, and independent retail).

b. Medium Term

Further initiatives that would help the local economy and the labour market in the medium term include the following three recommendations:

5.2.a

Provide better **opportunities to those who are disenfranchised, NEET, or other groups that are underrepresented in the workforce**. This will increase diversity of the offer in our town and city centres and provide increased social value in high footfall areas.

5.2.b

To support town and city centres to adapt, develop, and grow over the coming decades, **we must ensure that skills provisions across the region are integrated into the wider support landscape**, especially around the innovation support system. There is also the need to continue **gathering intelligence around skills, to inform our actions and identify any further support that is required**.

c. Long Term

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

5.3.a

With an increasing focus towards a Net Zero future, there is a **need to invest in strong, sustainable transport links that enable residents, visitors, and workers to efficiently get into, around, and out of town and city centres**. Not only would this **contribute to achieving Net Zero targets**, but it would also open town and city centres to a new market of investment opportunities.

5.3.b

Look to providing innovative solutions to town and city centre challenges, including **delivering attractive built environments, and green, safe, inclusive, open places**.

5.3.c

The LGA recommend that **town and city centres should be better prepared for the long-term impact of new technology**. Technological advancement, including the growth of online shopping, automation, and on demand expectations, was largely responsible for decreasing high street footfall prior to the pandemic. They should now consider how **technology can also help drive long term success and prosperity**. (*Creating resilient and revitalised high streets in the 'new normal'*, LGA, January 2022)