



**SmartRegion**  
Powered by Business Intelligence

# Coventry & Warwickshire Business Intelligence

September 2024

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All previous editions of the Coventry & Warwickshire Smart Region report can be accessed from our Publications page:

<https://www.cwgrowthhub.co.uk/publications>

For more details about CW Growth Hub, see our latest YouTube update:

<https://www.youtube.com/watch?v=YtKd6Xib5SQ>

# 1. Executive Summary

**Welcome to the September 2024 edition of the Coventry & Warwickshire Smart Region report.** Analysis in this month's report is based on intelligence from CW Growth Hub's contacts with local businesses, alongside survey data, information, and other intelligence provided by Coventry City Council and Warwickshire County Council.

Other sources of data in this month's report include the Official National Statistics (ONS), Department for Education, CW Chamber of Commerce, FSB (Federation of Small Businesses), Gov.uk, WM-REDI, and other labour market research and analysis bodies.

## CW Growth Hub Update

**“September signals a return to normality, with schools returning after their summer breaks and parliament returning for a short period of time before the party conference season kicks off later this month. The workload will be relentless for the new ministers in advance of the forthcoming budget in October, particularly given the need to reassure businesses following news that the Economic Confidence Index from the Institute of Directors has plummeted from a three-year high only a couple of months ago, following the unveiling of proposed tax plans and employment changes denting confidence.**

**Given that growth is the government's central mission, they will want to restore confidence quickly and provide the right policies for long-term investment and deliver a stable tax and policy framework to boost the dip in confidence we are seeing. Further clarity around an Industrial Strategy and a business tax roadmap will be helpful, alongside engagement with businesses on the pending changes muted to employment rights.**

**We know that the government's first budget in October will be taking some difficult decisions to plug a fiscal black hole in the public finances, but I want to take the opportunity of reminding businesses across Coventry and Warwickshire, that support is on hand whenever needed through the Coventry and Warwickshire Growth Hub.**

**Whatever the challenge to your business, there is a whole host of support available, from start-up to high-growth and net zero to future skills. We value the contribution that businesses make to the local economy and society and the investment that local government makes in supporting you, so whatever business challenge you face, take comfort that there is an ecosystem in place to support you, so please get in touch with my team here at the CW Growth Hub.”**

**Craig Humphrey, Chief Executive, CW Growth Hub Group**

## 2. Latest Economic & Labour Market Trends

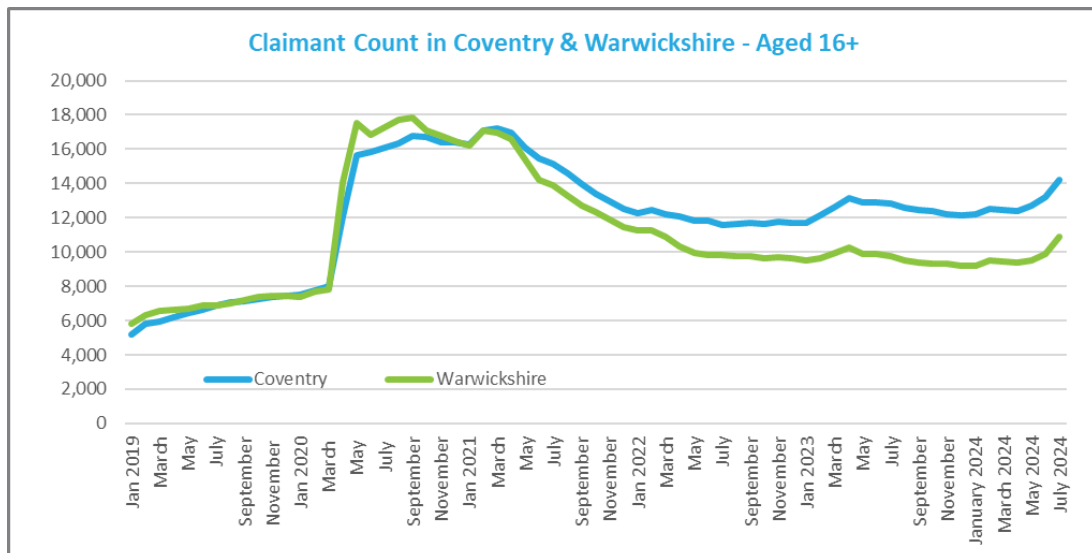
### 2.1 Labour Market Trends

- **In July 2024, the claimant count in Coventry & Warwickshire rose to 25,110 people.** At the start of the pandemic, over four years ago in March 2020, the claimant count stood at 15,830.

Area	March 2020	July 2023	May 2024	June 2024	July 2024
Coventry	8,000	12,830	12,685	13,230	14,240
North Warwickshire	845	980	1,015	1,030	1,090
Nuneaton & Bedworth	2,830	3,235	3,100	3,225	3,570
Rugby	1,535	2,020	1,940	2,000	2,225
Stratford-on-Avon	1,050	1,510	1,535	1,635	1,715
Warwick	1,570	2,020	1,935	2,020	2,270
Warwickshire	7,830	9,760	9,520	9,915	10,870
<b>Coventry &amp; Warwickshire</b>	<b>15,830</b>	<b>22,590</b>	<b>22,205</b>	<b>23,145</b>	<b>25,110</b>

Source: Office for National Statistics

- **Over the past twelve months there has been an increase in the claimant count across Coventry & Warwickshire,** rising from a total of 22,590 this time last year.



Source: Office for National Statistics

- The current upticks are concerning, and we will monitor them over coming months. Coventry's claimant count is currently the highest since August 2021, whilst in Warwickshire it is the highest since April 2022.
- **There continues to be a slowly widening gap between the claimant counts in Coventry and in Warwickshire.**
- The UK claimant count for July 2024 increased on the month and on the year, to 1.801 million.

The Office for National Statistics (ONS) also reported in July 2024 that nationally:

- **The estimate of payrolled employees in the UK for July 2024 increased by 24,000 (0.1%) on the month** and increased by 252,000 (0.8%) on the year, to 30.4 million.
- **The UK employment rate for April to June 2024 was estimated at 74.5%**, below the estimate of a year ago, and an increase over the latest quarter.
- **The UK unemployment rate for April to June 2024 was estimated at 4.2%**. The unemployment rate is below estimates of a year ago and decreased in the latest quarter.
- **Economic inactivity amongst working-aged people was unchanged in the latest quarter, at 22.2%**, but remains above the estimate of a year ago.
- **In May to July 2024, the estimated number of vacancies in the UK economy fell by 26,000 on the quarter to 884,000**. Vacancies fell on the quarter for the 25th consecutive period.

### Job vacancies

Number of job vacancies

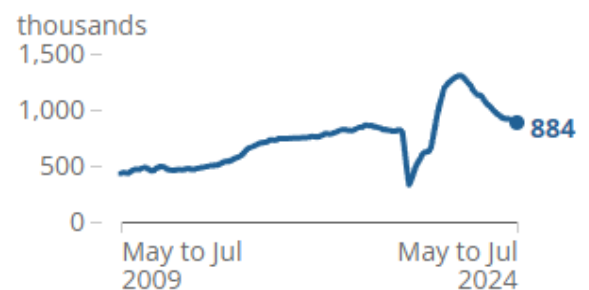
Quarterly change: ▼ -26,000

Since Jan-Mar 2020: ▲ 88,000

Vacancies decreased on the quarter but are above pre-pandemic levels.

**Source: Vacancy Survey from ONS**

[Read more](#)



*Source: Office for National Statistics*

- **Annual total earnings growth (including bonuses) in Great Britain was 4.5%** in April to June 2024.
- **Annual employee's average regular earnings growth (excluding bonuses) was 5.4%** in April to June 2024.
- **The annual growth in real terms** (adjusted for inflation using Consumer Prices Index, including owner occupier's housing costs (CPIH)), **for total pay was 1.6% in April to June 2024, and for regular pay was 2.4%**.
- **There were 100,000 working days lost due to labour disputes in the UK in June 2024**. Most of these strikes were in the health and social work sector. This total is much lower than the peak in modern times, of 830,000 days, which were lost in December 2022.

## 2.2 Economic Trends

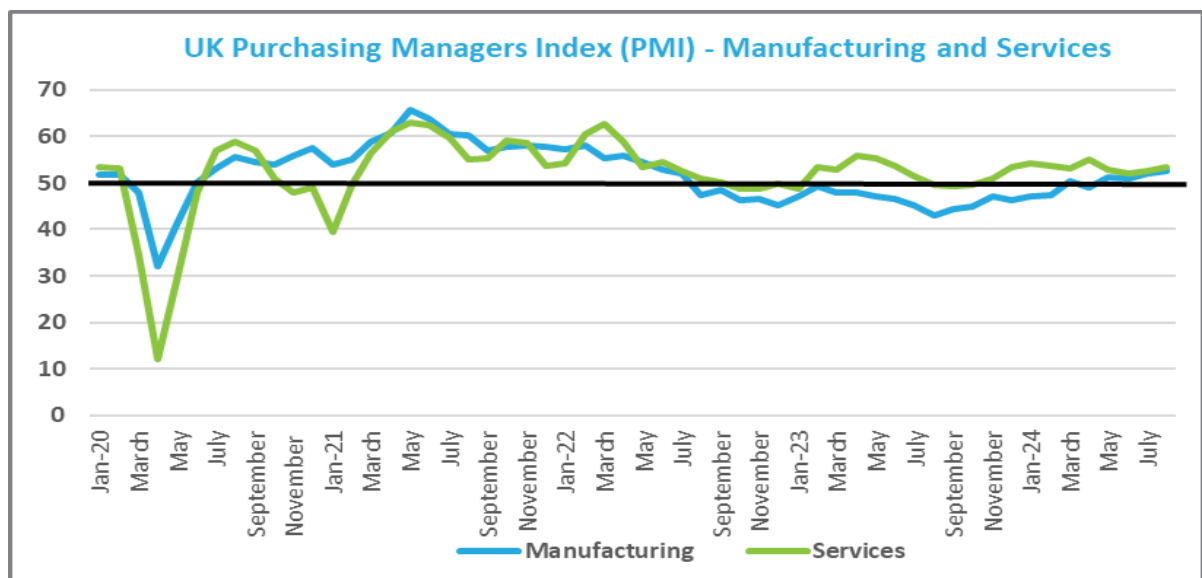
The Economic Development Service at Coventry City Council have compiled the 'Business and Economy Briefing' highlights this month:

### Economic Growth

- **The UK economy grew by 0.6% in Q2 this year**, building on the recovery from the recession at the end of last year.
- However, there was no month-on-month GDP growth in June, in part due to poor weather which deterred shoppers from spending in retail and hospitality.
- The Bank of England **lowered the base rate of interest by 0.25 percentage points to 5%** - the first reduction since March 2020, which should start to ease pressures for both businesses and households.

### Business Confidence

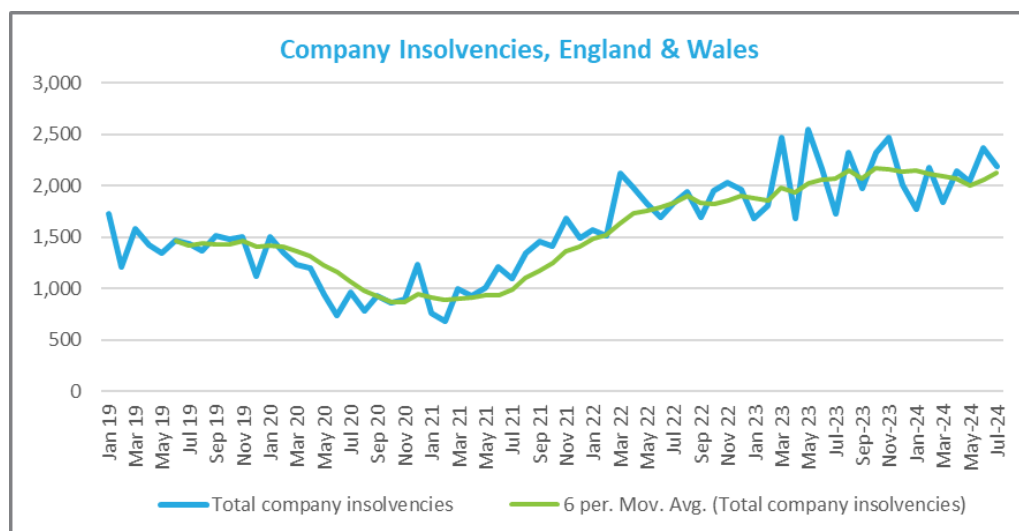
- **The UK Purchasing Managers Index (PMI) for manufacturing increased further to 52.5 in August, from a revised 52.1 in July** (a figure above 50 represents growth, and contraction below 50).



Source: Trading Economics

- **New orders rose at the highest pace this year**, with firms citing an **improved sales pipeline** and **higher risk-taking among clients**, lifting output to a near two-and-a-half-year high.
- **Meanwhile, the services PMI rose impressively to 53.7 in August, from 52.5 in July**. It was the tenth consecutive month of growth in services, driven by greater business and consumer confidence and spending.

- The [latest NatWest UK Regional Growth Tracker](#) shows that **business activity in the West Midlands remains positive**, but growth slowed again slightly with an activity score of 51.2.
- In the Higher Education sector numerous Vice-Chancellors are warning that **UK universities are facing a funding crisis due to falling numbers of international students and rising costs**.
- One in every five pounds received by UK universities last year came from international students, but some institutions are expecting up to a 50% fall in applications from overseas, due in part to recent changes in visa rules which the new government has vowed to retain.
- [Research from the British Chambers of Commerce](#) highlights that **only 20% of direct public sector procurement spend was on SMEs in 2023**.
- **Make UK and the Trade Unions Congress (TUC) have joined forces to call on the government to expedite the publication of its forthcoming industrial strategy** in order to help accelerate investment, especially in future growth sectors.
- **Across the economy, there were 2,191 company insolvencies in July 2024 in England & Wales**, a 16% increase on the July 2023 number. The overall trend in company insolvencies has been level over the past year.



Source: UK Insolvency Service

### International Trade

- According to the [latest survey from the British Chambers of Commerce \(BCC\)](#), **UK SME exports are stagnant**. Their Trade Confidence Outlook for Q2 2024 highlights 52% of SMEs reporting no change in overseas sales, with 27% reporting an increase.
- According to the [latest figures from the ONS](#) Business Insights and Conditions Survey (BICS), **one in five (22.8%) West Midlands businesses engaged in**

**international trade exported less in June than they did in the same month last year.**

- **Just 15.1% of WM exporters suggested they had exported more**, with 46.2% saying that exports stayed the same.
- The picture was slightly better for imports, with **13.6% of international trading businesses saying they imported more in June** than they did in the same month last year, and just 12.6% saying they imported less.
- Last year, **the Labour Party [invited the FSB to convene an expert taskforce](#), bringing together key businesses and organisations to pull together a fresh set of policy recommendations for the next UK government to help increase the number of SMEs exporting**. These are in addition to the forthcoming review of the Trade and Cooperation Agreement, due in early 2026.
- The recommendations made by the FSB SME Export Taskforce have been published, and include:
  - **A cross-Whitehall approach to policy**
  - **An open relationship with business**
  - **Global leadership on digital trade**
  - **Open to export from day one**
  - **Addressing the finance gap**

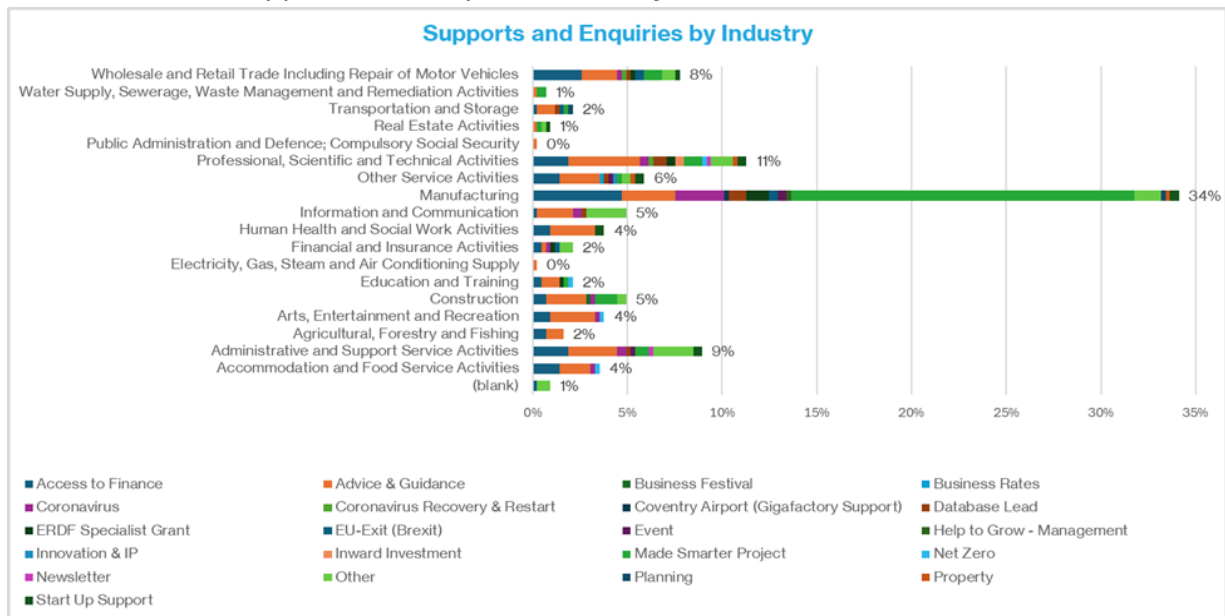


### 3. Latest CW Growth Hub Insights

#### 3.1 CW Growth Hub – Support & Enquiries

Since the start of the Covid-19 pandemic in March 2020, CW Growth Hub has held 8,694 engagements with local businesses, including substantive discussions covering a wide range of issues impacting on potential current and future growth.

This month’s business insights are taken from intelligence gathered in **July 2024**. The chart shows the supports and enquiries made by sector.



NB: Figures have been rounded.

**Access to Finance, Advice & Guidance and Made Smarter programme support** were the most popular reasons for support/enquiries over the past month, although there was also a spread across other enquiry types. These include guidance provided around **Start-Up, Database Lead and Other Support**.

The main sectors supported by CW Growth Hub were **Manufacturing (34%)**, followed by **Professional, Scientific & Technical Activities (11%)**, **Administrative & Support Service Activities (9%)**, **Wholesale & Retail Trade including Repair of Motor Vehicles (8%)**, and **Other Service Activities (6%)**.

The size profile of businesses supported over the past month consisted of **36.6% Small businesses (10-49 employees)**, **29% Micro businesses (2-9 employees)**, **16.8% Medium sized businesses (50-249 employees)**, **16.3% Sole Traders**, and **1.3% Large businesses (250+ employees)**, with 393 out of 428 businesses stating their size.

There was an **increase in Small, Medium, and Large businesses** and a **decrease in Sole Traders and Micro businesses** approaching CW Growth Hub compared to the previous month. Around 20% of respondents came from businesses that have started trading since 2020, with 377 of 428 businesses stating their incorporation date.

## 3.2 CW Growth Hub – Current Themes

### CW Growth Hub Account Managers reported this month:

#### Local Business Intelligence

- **Uncertainty following change of Government** – Businesses are concerned about the possibility of increased taxation to fund manifesto promises and the impacts this could have. Some feel it could influence future investment decision making.
- **Customer Loyalty Waning** – The ongoing impact of cost-of-living crisis continues to be felt as prices rise, and budgets continue to get tighter.
- **EU Exit** – It has become more difficult to trade goods with the EU and issues raised by businesses continue to linger on. EU Exit still having an influence on increased import and export costs.
- **Net Zero & Sustainability** – Whilst many businesses have active Net Zero and Sustainability strategies, the cost of living has had a significant impact in their execution, often delaying plans for investment. Support programmes, offering free energy audits and assessments, are in place giving Coventry & Warwickshire businesses the opportunity to act on recommendations, particularly with free or easy to implement adjustments to workplaces and to processes.

#### Business Needs and Concerns

- **Upskilling & Training** – The demand for continual upskilling and the training of staff to remain competitive continues. Rapid adoption of new technology and increasing demand for emerging skills make upskilling an essential component of staff development.
- **Career and Sector Reputations** – Issues with a reduction in the numbers of students entering the hair and beauty profession, as well as high attrition rates in the hospitality sector being reported, as they are often viewed as low paid and low skilled jobs.
- **Innovate UK** – Some businesses put off applying for funding due to the suggested low odds of success, and the perception by some that the assessment process could be more robust and consistent.
- **Demand for General support** – C&W Growth Hub Account Managers are frequently asked for general help with **Support with Exit Strategies; Sales and Marketing; and General Business Mentoring.**

#### Economic Shocks or Opportunities

- **Impact of AI** – Businesses continue to implement the use of AI, some tentatively and others more widespread. Some concern around the longer-term implications, especially around the risks of replacing human activity in trades and occupations. Not every adaption has been successful so far, with international language translation an example where AI translations can often miss context and variations in dialect. Businesses in this field may have to adapt to hybrid solutions for the foreseeable future until the technology advances further.

## 4. Spotlight: The future for High Streets

This month's Spotlight focuses on the future for high streets, following the publication of a research and policy report from the Federation of Small Businesses outlining the risks, challenges, and opportunities facing them. The section highlights some of the initiatives from Government to support Britain's high streets for the future, along with an outline of a range of local priorities in Coventry & Warwickshire.

### Introduction

High streets have traditionally been the heart of our towns and cities, blending creativity, collaboration, innovation, and partnerships, and fostering a sense of belonging and participation within communities. They act as focal points for retailing, hospitality, hubs for independent businesses, and provide civic and social spaces for meeting people and for hosting events.

### 'The Future of the High Street' report from FSB

The Federation of Small Businesses (FSB) have just released their report on the 'Future of the High Street', which compiles insights and experiences from small businesses currently trading and operating in and around high streets. It sets out a vision and plan, with a series of recommendations, to help transform them into places that will meet future needs and will support the next generation of entrepreneurs operating in our high streets.

To view the report, visit - [FSB - The Future of the High Street](#)

### Ongoing Risks for the UK High Streets.....

The FSB research highlights the following factors, which they suggest pose the biggest risks to high street small businesses:

- Decrease in **consumer spending**.
- Sustained decrease in local population or **footfall**.
- Increases in **crime or anti-social behaviour** in the area, impacting on people's willingness to visit and use their local high street.
- Increase in **online shopping and delivery** services.
- Changes in **transportation routes or infrastructure changes which reduce visits and footfall**.
- Reduced ability to accept **cash payments** in the future.
- New or expanded **clean air zones**.
- Increased **competition** from new businesses opening nearby or in out-of-town locations.
- **Closure or relocation** of a major employer in the area.

### .....alongside future opportunities

The most significant opportunities for the UK's high streets as they look to the future are:

- Increased investment in **marketing and promotion of local areas** to boost footfall, attendances, and vibrancy.
- Increased investment in **public transport and infrastructure**.
- The introduction of **new local businesses and services to diversify the offer of high streets**.
- Establishment of **new tourist attractions and cultural events** in local areas to add to the vibrancy of high streets and promote them as 'go-to' destinations.
- Investment in **new housing and/or apartments** nearby to increase the volume of people living in and around high streets and town centres.
- Creation of **new exciting and high-quality public spaces and civic amenities**.
- Improvement of **pedestrian access and walkability between high street facilities**.
- New or expanded **clean air zones to cut pollution and promote more environmentally-friendly and sustainable places and spaces**.

The report goes on to highlight how the **rise in the popularity of out-of-town and online shopping, the pandemic, and the cost-of-living crisis**, have all piled pressure onto the UK's high streets, leaving them with multiple challenges just to survive. The FSB suggest that high streets must evolve to stay relevant in an ever-changing world, and **make a series of recommendations across multiple policy areas to enable this, some of which are targeted at local and national government**, including:

#### 1. Destination

- Local Authorities should **establish a permanent High Street Manager role** to be the main contact responsible for the growth and wellbeing of these areas.
- Local Authorities should **create and maintain yearly high street and town centre Promotion Plans**, with the input of local business and community groups.
- Local Authorities should **support ethnically diverse high streets** and seek to actively engage with all business owners, including ethnic minority led businesses.
- Government should **introduce a funding framework to support the development and implementation of mobile phone-based loyalty programmes** for high street businesses.

#### 2. Transformation

- Local Authorities should create specialised funds to **support pop-ups, markets, and temporary use initiatives for first-time businesses**.

- **A Women’s Enterprise Support Fund should be set up to boost female-led startups and foster inclusive economic growth** in local high streets and town centres.
- **Business support for retail, leisure, and hospitality high street small businesses should be expanded.**
- Government should streamline the **allocation and delivery of future funding streams, such as Town Funds and UKSPF funds, for high street regeneration projects** to ensure swifter access to funds and interim support.

### 3. Digitalisation

- Government should introduce a **fund to support high street businesses in developing and enhancing websites, marketing strategies, and e-commerce operations.**
- Local Authorities should **invest in the development of high street infrastructure, leveraging the Internet of Things, AI, and other advanced technologies** to enhance the overall experience for businesses and consumers.
- **Area-specific online marketplaces that showcase local high street businesses should be developed and launched, enabling shoppers to virtually explore, discover, and support** local shops and services.

### 4. Experience

- **Comprehensive resilience and continuity plans for high streets should be developed,** considering potential future disruptions, such as climate change, economic shocks, and public health crises.
- Local Authorities should **establish family-friendly high street service locations that offer public or private creche facilities, family support, and other community services.**
- Government should **establish a dedicated fund for Local Authorities to support the reintroduction, regeneration, and operation of modern public toilets with baby-changing facilities for families, and ease-of-access for disabled visitors in priority high street areas.**

### 5. Infrastructure

- A policy should be introduced **providing free parking on at least two Saturdays per month, and at least two additional days each month,** capitalising on high footfall and considering local commuter patterns, major events, festivals, and holidays in high street areas.

- Government should grant Local Authorities access to a dedicated fund, designed to **balance parking charges between retail parks and nearby high streets or town centres.**
- Local Authorities should introduce a **‘High Street Hop’ scheme, providing free bus fares on key routes** through high streets during peak shopping days to boost footfall.

#### 6. **Business Rates**

- Government should **increase the threshold for Small Business Rate Relief (SBRR) to £25,000.**
- Government should **increase the frequency of business rates revaluations** to take place annually, instead of the current three-year cycle.
- Government should provide Combined Authorities and Local Authorities with discretionary powers to **raise or lower business rates levies on businesses** of certain sizes or sectors, or in certain locations, as part of Devolution Deals.

### **The new Government Proposals – The High Street Five-Point Plan**

As part of Labour’s mission to get Britain building again, a five-point plan was put forward by party whilst in opposition, to demonstrate how it would breathe new life into the nation’s high streets. With the party now the new Government, there is anticipation that the proposals can be delivered in full. The plan includes:

- **Tackling anti-social behaviour and shoplifting** – This will help people feel safe to shop, eat, socialise in, and enjoy their local high streets, and for business owners to feel they can operate safely and without fear.
- **Rolling-out banking hubs** – The setting up and roll-out of banking hubs would go some way to guarantee face-to-face banking in every community, boosting local high streets and shops after many years of banks reducing their number of outlets.
- **Replacing business rates** – Business rates are proposed to be replaced with a new system of business property taxation, which rebalances the burdens of the current system and levels the playing field between high streets and competitor online retailers.
- **Stamping out late payments** – The Government plan to introduce tougher new laws to stamp out late payments and make sure more money gets to high street businesses in a timelier fashion.
- **Revamping empty shops, pubs, and community spaces** – Communities will be given new ‘rights to buy’ community assets that may be underused, unused, or derelict, to revamp high streets and end the blight of empty premises.

More about the five-point plan can be found here: [Labour Party High Streets five-point plan](#)

## Responses to the Future of the High Street report from FSB

### *Tina McKenzie MBE, FSB Policy & Advocacy Chair, said:*

“Small businesses are an integral part of the high street and will be central in leading the transformation of their local economies. By providing the infrastructure, flexibility, and digital connectivity that modern businesses demand, high streets will have the resources available to become resilient, dynamic hubs ready for the future.

As well as core recommendations targeting fundamental issues for small firms on the high street, including business rates, transport and parking, this report also lays out innovative asks to ensure these businesses can survive into the future and ultimately help revive our town centres.

High streets must be helped to evolve to keep pace with changes in consumer behaviour as well as how small firms want to work. One example of this is introducing loyalty schemes for high streets to encourage local businesses to collaborate and incentivise consumers to shop, eat, and drink locally.

It’s been exciting to hear from many online small firms that want to take steps to open-up in a bricks and mortar premises on the high street. These businesses need support to make that change – and should be given the flexibility to access pop-up and temporary units.”

### *Sue Tonks, FSB West Midlands Regional Chair, said:*

“It’s important that small firms across West Midlands are provided with the right environment, infrastructure and flexibility to be successful – and in turn help grow their local economy.

From the core high street issues of business rates, parking and transport to more innovative asks, this report sets out a raft of recommendations to try to revive our town and city centres and ensure our small businesses are well supported.

Local authorities can play a pivotal role in improving the experience of a high street, encouraging more people to visit, shop and invest there, and we look forward to working closely with them.

Our high streets have been through many changes and will continue to evolve - and that’s why it’s so important that the small businesses at their heart are well-equipped for the future.”

## The future for Coventry & Warwickshire high streets

Coventry city centre has several regeneration proposals which have the potential to transform the area over the coming years, including:

- **City Centre South** - The first phase of this £400+ million project includes new homes, retail, hospitality, and commercial spaces, along with the creation of new

public open spaces focused on areas around the Bull Yard, Shelton Square, and City Arcade.

- **City Centre North** - This early-stage project proposal includes new homes, the creation of public spaces, and much improved transport links, in an area covered around the Transport Museum, Trinity Street, and Pool Meadow.

Warwickshire's towns and high streets also have a wide-ranging and ambitious range of projects, both planned and underway, including:

- **Transforming Nuneaton** – A suite of projects to provide Nuneaton with the economic boost it needs and help it become a stronger hub for its community. Town centre investment will improve leisure and business opportunities, education and skills, unlock housing development, and deliver improvements to rail, highway and cycle infrastructure.
- **Transforming Leamington** – Transforming Leamington was set up in late 2021 to refresh the 'Vision for Leamington Town Centre' that was drawn up by then Leamington Town Centre Forum in 2018. The pandemic accelerated the evolution of retail and consumer habits, and the new vision will update this to provide new ambition for the town centre.
- **Warwickshire Towns Network (WTN)** - WTN brings together place practitioners to enable Warwickshire's high streets across the county to take positive action to deliver sustainable improvements, now and for future generations. The network will ensure Warwickshire's economy remains vibrant and is supported by the right jobs, training, skills, and infrastructure.
- **Business Improvement Districts (BIDs)** - BIDs are partnerships operated by local businesses to provide additional services or improvements to a specified area and agreed by a ballot of the businesses covered by the BID area. Town centres across Warwickshire - and in Coventry - have active BIDs delivering on-going improvements, hosting events, and profile-raising.
- **Town Councils and Town Centre Partnerships** – Warwickshire's towns are also served by a network of Town Councils and other Town Centre Partnerships, which provide visioning and action planning for high streets around the county, helping them to adopt to changing consumer demands and expectations.

### A further solution - Local Visitor Economy Partnerships

**The creation of Local Visitor Economy Partnerships (LVEPs) also offers the opportunity to help with the revitalisation of local areas**, with their focus combining cultural, economic, and place-making strategies to support businesses and revive high streets.

VisitEngland is creating the portfolio of Local Visitor Economy Partnerships to provide strong leadership and governance in tourism destinations across the country. The new



LVEPs work in collaboration locally, regionally, and nationally on shared priorities and targets. Their mission is to support and grow the visitor economy through robust destination management, strong stakeholder relationships, and clear planning.

**In Coventry & Warwickshire ‘Destination Coventry’, the destination management organisation (DMO) for Coventry, and ‘Shakespeare’s England’, the DMO for south Warwickshire, have formed the Coventry & Warwickshire Destination Partnership.** The partnership will collaborate with local authority stakeholders Coventry City Council, Warwickshire County Council, and Warwickshire’s five District and Borough councils.

The Coventry & Warwickshire Destination Partnership will ensure that the local tourism community has a powerful voice at national level. **It will also see both DMOs laying the foundations for potential future investment to develop Coventry & Warwickshire’s visitor offering, which will have positive benefits to help local high streets thrive.**

For more information about the Coventry & Warwickshire LVEP, visit:

<https://destinationcoventry.co.uk/coventry-warwickshire-destination-partnership-formed>

### Conclusions

**High streets remain a vital part of neighbourhoods, communities, towns, and cities, and their revival and sustainability will be possible through a wide-ranging approach which celebrates distinctiveness, diversity, and vibrancy.**

**Coventry & Warwickshire’s high streets have big and varied challenges, but by creating environments for more profile-raising and celebration of place and community, alongside leveraging new investment and adopting emerging digital tools, our local high streets will adapt to a rapidly changing future landscape.**

## 5. Recommendations

### September's Golden Recommendation:

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**There is a need for sustained and improved investment in the local and regional business support ecosystem beyond March 2025. A simplified and innovative business support framework, with a commitment to building and evolving it over at least the next decade, will help underpin the new Government's growth agenda.**

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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 short-term recommendations:

#### a. Short Term

**5.1.a – The long-term uncertainty facing business support funding needs addressing.**

UKSPF is due to end in March 2025, and plans for the successor fund need to start swiftly. Moreover, these need to include clarity on future funding for Growth Hubs, currently being sought from Government through the Growth Hub Network.

**5.1.b - Successor funding needs to improve on the experience of UKSPF, and have flexibility to cover wider geographical areas, such as being Coventry & Warwickshire-wide.**

The funds need to better finance both account management type business support, as well as a sufficient range of targeted support programmes that will enable business growth, innovation, and deliver the sustainable growth of priority economic sectors/clusters in our local economy from next March.

**5.1.c – To further facilitate investment in training, Government should make longer-term funding available for Local Skills Improvement Plans (LSIPs) and the skills improvement agenda.**

Measures should include strengthening the role of FE colleges in the local innovation ecosystem and reviewing the regulation of training providers. **The new Skills & Growth Levy should be flexible enough to ensure businesses across all sectors can get access to the skilled workforces they need as the economy evolves.**

#### b. Medium Term

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

**5.2.a – It is important that local, regional, and national government act on deliverable recommendations made in the FSB's 'Future of the High Street' report, to**

successfully revitalise high streets, town and city centres. Those that are particularly pertinent include:

- **Expanding business support functions to provide the right range of support to boost the competitiveness of retail, leisure, and hospitality high street small businesses.** This includes greater support to these businesses with digitisation and e-commerce.
- **Streamlining the delivery of future Government funds, Town Funds and UKSPF, and providing enough capital funding to finance the physical regeneration work** that the city centre, district and local centres, and other high street settings need.

**5.2.b – The new Government is urged to continue at pace with the fullest devolution of powers to local areas across the country, including its deals to transfer greater powers to the West Midlands and to Warwickshire,** which will encourage longer-term local and regional sustainable and inclusive growth.

**5.3.c – The Made Smarter programme in the West Midlands has proved a success in driving digital transformation amongst SMEs across the region in recent years. The new Government is urged to deliver on the commitment to continue with the roll-out of Made Smarter nationally, to ensure it builds on manufacturing competitiveness, innovation, and longer-term growth.**

## c. Long Term

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

**5.3.a - Providing high quality support to businesses should be seen as a strategic intervention in both short and long-term economic recovery and success.** It is essential we keep pace with our competitors but in a landscape that is crowded, confusing, and often supplier led, we need to reduce the fragmentation in the business support system. **Taking a longer-term view on support will help give businesses the stability they need and underpin the new Government’s focus on growth.**

**5.3.b – Clarity is needed on the scale of gigafactories the National Wealth Fund will invest in,** including investment in the West Midlands Gigafactory. Also, clarity is called for on **how the Government will provide sufficient investment to deliver the necessary supply chain, innovation, and skills programmes** to service the sector.

**5.3.c – More sub-national investment is needed to build long-term sustainable growth opportunities for Coventry & Warwickshire through the new Government’s strategic economic priorities and plans.** This needs to include resource and capacity linked to:

- Building sustainable local supply chains
- Developing green skills and green innovation opportunities
- Internationalisation and intensive support for exporters.