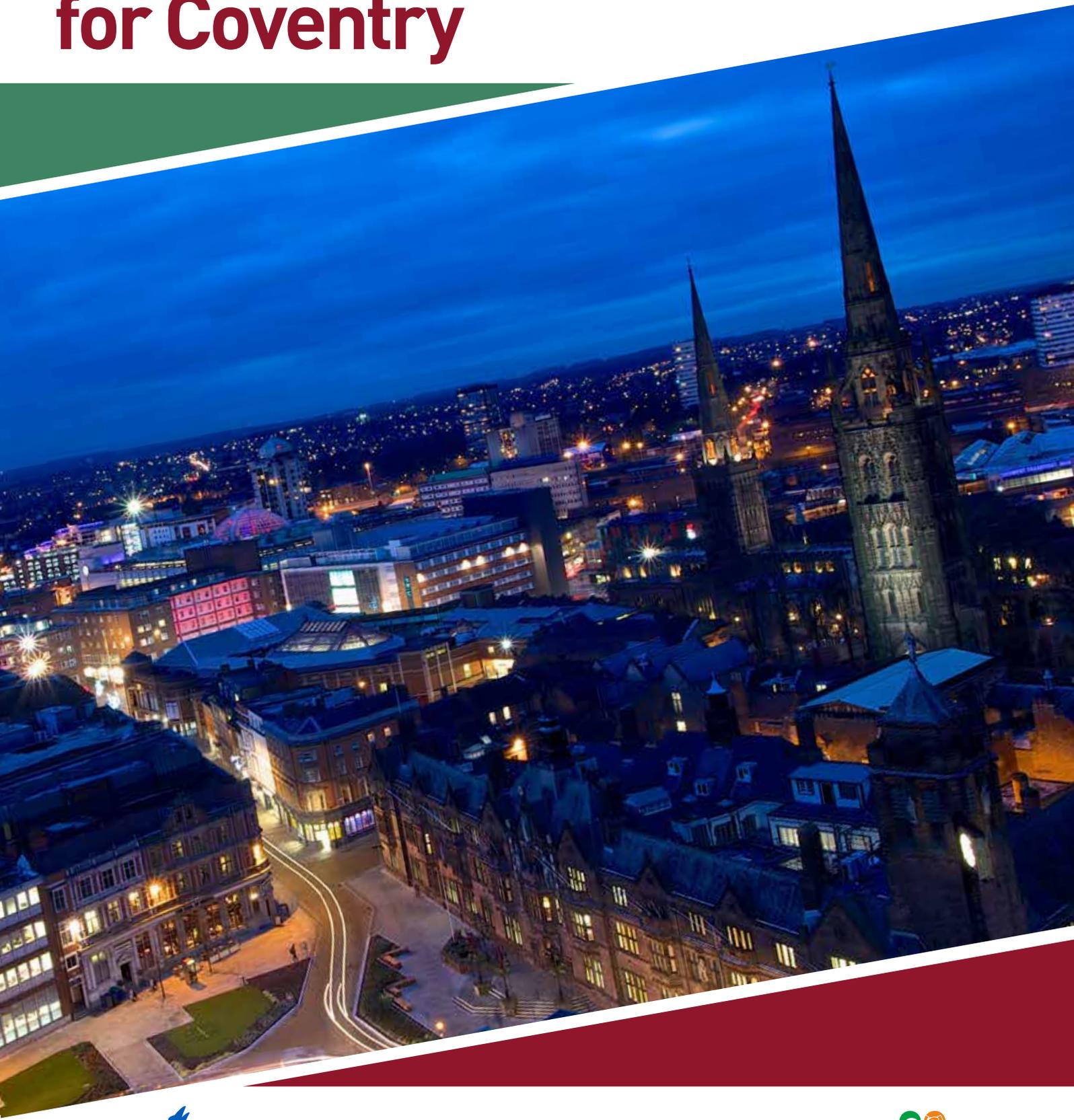


Economic Growth and Prosperity Strategy for Coventry



ECONOMIC GROWTH AND PROSPERITY STRATEGY FOR COVENTRY 2018 - 2022



OUR VISION

Coventry will be a City that delivers sustainable and inclusive economic growth enabling all of our residents and businesses to prosper.

OUR ASPIRATIONS

Reduce the gap between Coventry's productivity and the UK average

Empower local people to connect with jobs and develop their skills

Reduce employment gap for disadvantaged groups and the overall population average

Support the growth of an innovative economy with a focus on key sectors

Ensure social value is incorporated into economic growth

Influence local, regional and national policy to maximise opportunity and investment for Coventry

To achieve this vision, we will work under three themes:
People, Business and Place

People

- ▶ Connect local people to job and training opportunities
- ▶ Improve the future of our young people
- ▶ Empower and work with local people to develop their skills and maximise their opportunities
- ▶ Enable our most vulnerable residents to benefit from economic growth by removing barriers and creating pathways to work

Business

- ▶ Enable and support businesses to start, succeed, grow, and innovate
- ▶ Promote Coventry to a national and global audience to attract UK and foreign investment
- ▶ Upskill the local workforce to meet the demands of industry and increase productivity
- ▶ Create quality jobs and quality workplaces in which local people can flourish

Place

- ▶ Secure funding for major developments and infrastructure projects that positively impact local people and businesses
- ▶ Deliver a plentiful supply of quality space for housing, business and skills development
- ▶ Lead the way in creating exemplar developments and facilities
- ▶ Provide a first class investment offer and support to attract new investment and development

We will measure success through the following indicators:

PEOPLE

5,000

jobs will be created

15,000

registrations at the Job Shop

150,000

workshops/action plans/interventions to registered clients

5,000

local people will get a job

1,000

young people who are NEET (not in employment, education or training) will go into work, training or education

BUSINESS

2,000

businesses will be advised and supported

25

new businesses investing in Coventry

£25m

of public financial support invested in local businesses

£500m

of businesses investment secured

1,700

employed people upskilled

PLACE

130,000m²

of new commercial and skills space provided and occupied

£131m

of infrastructure investment delivered through Growth Deal

£20m

of investment for the development of digital infrastructure technologies

£350m

of new economic development investment secured and delivered

People

At the heart of this Strategy are the people of Coventry. Coventry ranks as the 8th best city to live, work and do business in the UK and has a flourishing national and international reputation. Preparing for City of Culture 2021 will empower us to develop our cultural and leisure offer and improve our city as a whole, bringing benefits to all.

We will work with local residents and businesses to create the social prosperity that allows everyone to live and contribute well. We will continue to work to tackle poverty and reduce economic disadvantage, by transforming prospects for low income families and creating better futures for our young people.

We will work with local businesses to create good quality jobs and pathways for people to access opportunities. Through the Job Shop's Employer Hub, we will work with existing Coventry businesses and potential inward investors to tackle recruitment and skills challenges and provide tailored support to enable local people to access quality job opportunities.

We will ensure that local people can develop the skills required to meet current and future business needs by tackling deficiencies in basic skills, supporting education providers and enabling Coventry to retain highly skilled people, including graduates.

Having reduced Coventry's youth unemployment rate to below the UK and West Midlands averages, we will continue to build on this success by strengthening existing partnerships and delivering innovative programmes.

We will help the most vulnerable by removing or managing barriers to work and connecting our poorest communities to economic growth. We will focus on activity which helps raise the employment rate of the most disadvantaged residents.

We will also encourage the maximum social benefit from the Council's commissioning and procurement activity.

Leading the Way in Boosting Employment

Coventry's Job Shop is at the forefront of the Council's innovative approach to reducing unemployment. A nationally recognised exemplar, it provides support to employers to address recruitment challenges and to local residents looking for work. The Job Shop has 36,355 registered users and plays an important role in tailoring activity and securing funds to overcome the challenges faced by some of our most vulnerable residents.

Another example is the **Binley & Willenhall Employment & Skills Pilot**, funded through the West Midlands Devolution Deal. This is a new model of employment delivery for residents in this high-deprivation ward which joins up funding and activity to focus on those who are out of work or in low income jobs. The devolved Adult Education budget will be aligned to this pilot and there will be strong links with apprenticeships. Nationally, this aspect of activity has been identified as a key innovation and the results will be used to inform future Government policy.

Business

To maximise benefits for local people, we need to provide first class support that will enable Coventry businesses to start, grow and prosper. This will be achieved by building on and enhancing our existing support programmes that are already enabling individuals and businesses to address barriers to growth, raise productivity and compete on an international scale. Through providing expert advice and grant investment, we will continue to help businesses to expand and innovate, creating new jobs and products and boosting the local economy. New businesses are particularly important and we will continue to target start-ups and entrepreneurs. As part of this, we will contribute to quality workplaces with a healthy, skilled and motivated workforce.

Innovation is a key driver of growth and we will continue to support the development of an inventive and pioneering economy, focussing on the key sectors in which Coventry has a competitive advantage. This includes the Advanced Manufacturing and Engineering and Digital and Creative sectors, where we will build on the

strengths of our local knowledge base including both universities and the Manufacturing Technology Centre, to support our businesses to grow and create world class clusters and supply chains.

Activity will also involve prioritising the continued development of our culture and tourism sector, particularly strengthening Coventry's cultural offer to help stimulate further business investment. Coventry will be UK City of Culture 2021 and this demonstrates the breadth and depth of culture in our city – we will work to maximise the opportunities this will bring for everyone. In addition to raising the profile of the city and supporting cultural and educational development, this success will attract further investment in business and capital and infrastructure programmes – Hull (City of Culture 2017) secured an additional £200 million.

Enabling Business to Thrive

Coventry is already considered an attractive place to live, work and do business. To bring new business to the city and support existing companies we provide a variety of business support services focusing on growth, innovation and sustainability and offering grants and expert advice. We want to build on recent successes with an expanded inward investment service. Leads and enquiries will continue to benefit from a professional and bespoke service and ongoing dialogue with new and existing investors.

Place

To empower local people and businesses, we must provide a dynamic and modern city with first class facilities and space for development. Improving infrastructure is a key challenge and opportunity in supporting the future growth of Coventry – we will work to connect people with jobs and enable businesses to expand. We will continue to secure investment from both the public and private sectors to enhance Coventry’s infrastructure, improving connectivity and accessibility for residents and businesses. This includes investment in digital infrastructure

improving connectivity through the deployment of full fibre and 5G technologies to further strengthen our economy. We will also continue to work in innovative partnerships to create state-of-the-art innovation and skills facilities.

When identifying and managing funding we will adopt an inclusive and sustainable approach. Developing the city provides an opportunity to maximise economic social value and ensure local people benefit by including clauses in contracts and planning conditions.

Shaping the Future of Automotive

Coventry is the home of the British motor industry and is ideally placed to exploit the advantages and opportunities of creating a cleaner, greener automotive future. A partnership of Warwick Manufacturing Group, Coventry and Warwickshire Local Enterprise Partnership and

Coventry City Council have secured £80m of public funding to create the **UK Battery Industrialisation Centre**. This state-of-the-art facility will provide equipment and skills support to assist UK companies in developing the next generation of battery technology, creating up to 10,000 new jobs and transforming the local R&D and automotive industry.

We already have exemplar flagship initiatives that have significant potential to benefit our businesses and residents and we will continue to strengthen and support these. This includes securing resource to deliver the Friargate and

City Centre South schemes and continue the success of the Job Shop. We will build on our successes to identify and secure future funding to develop new sites and projects which promote economic development and growth.

Transforming Coventry

We will continue to secure resources to enhance the competitiveness of the city centre and bring development to the wider city. Connectivity is central to making this a reality and we will work to ensure infrastructure is not a barrier to growth.

- ▶ **Friargate** is a nationally significant 37 acre mixed use office, retail and leisure development which will bring growth and development to the City Centre. Throughout the delivery of the first building, One Friargate, the Council has worked closely with managing contractor, Bowmer & Kirkland to develop and implement a Skills and Employment Plan providing benefits for local people and local businesses and this can be replicated in future developments.
- ▶ Coventry Rail Station is one of the fastest growing stations outside of London and is at capacity, serving as a barrier to growth. The Council is working with the rail industry to deliver **Coventry Station Masterplan**, an £82m transformational programme which will result in greatly improved facilities. This scheme will enhance connectivity to HS2 and help support additional direct cross city services to increase economic growth and improve access to employment.
- ▶ To regenerate the centre of Coventry a major 52,000 m2 retail and leisure development is underway: **City Centre South** will provide the city centre local people deserve. This will increase footfall in the City Centre and significantly improve Coventry’s competitiveness as a retail centre.
- ▶ The Council is working with Jaguar Land Rover to create a 60 acre ‘engineering technology hub’ at **Whitley South**, bringing new job and business opportunities. This has involved major infrastructure works to remove constraints to growth and improve the area.

Getting the best deal for Coventry

To deliver sustainable and inclusive economic growth we will work in partnership to maximise efficiency and impact. We will position ourselves so that Coventry is a prominent player in the region and primed to exploit every opportunity. We will work closely with Coventry and Warwickshire Local Enterprise Partnership, operating

effectively with the West Midlands Combined Authority and building our own relationships with Government, universities and industry to secure funding. With large scale developments such as HS2, there are numerous opportunities for Coventry to build on previous successes and deliver benefits.

The current economic context

This Strategy must be understood in the broader context of economic growth and development. There are signs that the number of jobs in the city is growing and Coventry demonstrated strong growth in resident employment levels in the last year. The gap between the local unemployment rate and the national rate has closed over the last two years, and business stock is growing well, qualification levels are going up and labour market measures are positive.

However, whilst there are many reasons to be positive about the future, there are ongoing challenges, particularly the uncertainty around the impact of the UK leaving the European Union. Despite the growth of national and local economies, and the forecast for this to continue, this is at a slowing rate.

Productivity growth in Coventry has been low and overall productivity has remained notably lower than the UK average. There are also ongoing challenges – a relatively low business stock, lower levels of qualifications when compared to the England average and lower than average wage levels amongst residents in work.

This Economic Growth and Prosperity Strategy will contribute to addressing these challenges to ensure Coventry's economic growth and development is sustainable and to the benefit of all local people.

Appendix 1: Coventry's Economy - Headline Indicators

The Strategy will contribute towards the following broader indicators which measure economic growth in Coventry.

	Coventry		Compared	Trend		Period
	Value	Rate		Difference to England average	Medium term change (last 3years)	
Headlines						
Gross Value Added (£ per head)	£7.655bn	£22,165	↓	↑	↓	2015
Labour productivity — relative to UK (index, % of UK average)		86%	↓	↓	↓	2015
Gross Disposable Household Income (£ per head)	£5.017bn	£14,527	↓	↑	↑	2015
Employment						
Employment rate — residents	165,800	70%	↓	↑	↑	Jul 2016-Jun 2017
Employment at Coventry workplaces (Job density)	198,000	0.76%	↓	↑	↑	Jul 2016-Jun 2017
Average weekly pay (full time) - residents	£536	-	↓	↑	↔	2017
Average weekly pay (full time) - workplace	£562	-	↔	↑	↔	2017
Businesses						
Number of active businesses	10,065	354.6	↓	↑	↑	2017
Annual business start-ups	1,820	64.1	↓	↑	↓	2016
Annual business closures	1,300	45.8	↓	↑	↑	2016
Skills						
Working age residents with no qualifications	22,600	10%	↑	↓	↓	Jan 2016-Dec 2016
Working age residents qualified to higher education level	76,800	34%	↑	↑	↑	Jan 2016-Dec 2016
Number of employees not fully proficient (skills gaps) (% of employment)	13,142	9%	↑	-	↑	2015
Number of hard-to-fill vacancies (% of vacancies)	1,726	42%	↑	-	↑	2015
Number of skill-shortage vacancies (% of vacancies)	1,399	34%	↑	-	↔	2015
Benefits						
Claimant count	3,930	1.7%	↔	↓	↓	Oct 2017
Total out-of-work benefit claimants	21,470	9.4%	↑	↓	↓	Aug 2016

Unemployment						
Unemployment rate	8,700	5.0%	↑	↓	↓	Jul 2016-Jun 2017
Economic Inactivity rate	62,200	27%	↑	↓	↓	Jul 2016-Jun 2017
Workless households - none in employment (% of households with any working age residents)	21,300	19%	↑	↓	↓	Jan 2016-Dec 2016

Coventry's Economy Headline Statistics November 2017	Coventry		Compared	Trend		Period
	Value	Rate	Difference to England average	Medium term change (last 3years)	Change in last year	
Employment by industry						
Manufacturing	19,000	12.0%	↑	↑	↔	2016
Electricity, gas, steam and air conditioning supply	800	0.5%	↔	↑	↑	2016
Construction	3,000	1.9%	↓	↓	↓	2016
Wholesale and retail trade; repair of motor vehicles and motorcycles	25,000	15.8%	↔	↔	↔	2016
Transportation and storage	6,000	3.8%	↓	↑	↔	2016
Accommodation and food service activities	8,000	5.1%	↓	↑	↔	2016
Information and communication	5,000	3.2%	↓	↔	↔	2016
Financial and insurance activities	4,500	2.8%	↓	↓	↓	2016
Real estate activities	2,000	1.3%	↓	↔	↔	2016
Professional, scientific and technical activities	13,000	8.2%	↓	↑	↑	2016
Administrative and support service activities	16,000	10.1%	↑	↑	↓	2016
Public administration and defence; compulsory social security	6,000	3.8%	↔	↓	↔	2016
Education	20,000	12.7%	↑	↔	↔	2016
Human health and social work activities	21,000	13.3%	↑	↑	↑	2016
Arts, entertainment and recreation	2,500	1.6%	↓	↑	↑	2016
Other	6,000	3.8%	↔	↑	↑	2016