Foreword
by the Chairman of the Coventry & Warwickshire Local Enterprise Partnership

The Coventry and Warwickshire Local Enterprise Partnership has made great progress in the last two years since publishing our SEP in helping to bring added growth to our area’s economy and building on our track record of success.

We have established five strategic pillars to allow us to focus areas of investment which will bring the maximum return in terms of allowing Coventry and Warwickshire to achieve its potential.

We have identified and developed a pipeline of projects which build on those strengths, deliver our aspirations and ambitions moving forward and help the companies and organisations realise their growth plans.

Growth Deal 3 is fundamental to making that happen and it will allow us to deliver a £475 million investment package, leading to over £1.6bn additional capital investment – all designed to bring lasting and sustainable economic growth.

Jonathan Browning
Chairman of the Coventry and Warwickshire LEP
# Coventry & Warwickshire LEP's Growth Deal Round 3 Application

<table>
<thead>
<tr>
<th>1</th>
<th>Knowledge Capital of the UK – Coventry &amp; Warwickshire’s Ambition</th>
<th>06</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Formulating Coventry &amp; Warwickshire’s Ambitions</td>
<td>08</td>
</tr>
<tr>
<td>2.1</td>
<td>Refreshing Coventry &amp; Warwickshire’s Strategic Economic Plan</td>
<td>08</td>
</tr>
<tr>
<td>2.2</td>
<td>Building on Strong Foundations</td>
<td>08</td>
</tr>
<tr>
<td>2.3</td>
<td>The Need for Further Intervention</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>A Local Strategy for Global Growth</td>
<td>18</td>
</tr>
<tr>
<td>3.1</td>
<td>Coventry &amp; Warwickshire’s Strategic Vision</td>
<td>18</td>
</tr>
<tr>
<td>3.2</td>
<td>Strategic Objectives for Delivering the Vision</td>
<td>18</td>
</tr>
<tr>
<td>3.3</td>
<td>Five Strategic Pillars of Activity</td>
<td>19</td>
</tr>
<tr>
<td>4</td>
<td>Delivering Coventry &amp; Warwickshire’s Ambition</td>
<td>20</td>
</tr>
<tr>
<td>4.1</td>
<td>Unlocking our Growth Potential</td>
<td>20</td>
</tr>
<tr>
<td>4.2</td>
<td>Advanced Manufacturing and Engineering</td>
<td>27</td>
</tr>
<tr>
<td>4.3</td>
<td>Growing our SMEs</td>
<td>30</td>
</tr>
<tr>
<td>4.4</td>
<td>Growing our Talent</td>
<td>33</td>
</tr>
<tr>
<td>4.5</td>
<td>Culture and Tourism</td>
<td>35</td>
</tr>
<tr>
<td>5</td>
<td>Delivering Against the Devolution Agenda</td>
<td>38</td>
</tr>
<tr>
<td>5.1</td>
<td>Strategic Level Collaboration</td>
<td>38</td>
</tr>
<tr>
<td>5.2</td>
<td>Movement for Growth – Collaboration on Strategic Transport Projects</td>
<td>38</td>
</tr>
<tr>
<td>5.3</td>
<td>CWLEP’s Strategic Economic Growth Activities</td>
<td>39</td>
</tr>
<tr>
<td>6</td>
<td>Governance and Assurance</td>
<td>42</td>
</tr>
<tr>
<td>6.1</td>
<td>Strategic Governance</td>
<td>43</td>
</tr>
<tr>
<td>6.2</td>
<td>Assurance Framework</td>
<td>44</td>
</tr>
<tr>
<td>6.3</td>
<td>Selection of Interventions for Growth Deal 3</td>
<td>45</td>
</tr>
<tr>
<td>6.4</td>
<td>Concluding Thoughts</td>
<td>46</td>
</tr>
</tbody>
</table>

Annex 1: Complete list of CWLEP Pipeline of projects and programmes as at July 2016 47
Coventry & Warwickshire's aspiration is to become a high growth economy and global hub for knowledge based industries, leading the way in Advanced Engineering & Digital sectors.

We believe this is an ambitious but realistic aspiration, as it will entail building on key sectors within the economy where Coventry & Warwickshire has a strong competitive advantage, as well as capitalising on the area’s strong transport links, the presence of world class university expertise and innovation assets, and major innovative businesses and supply chains.

Growth Deal (GD) Round 3 provides a unique opportunity for Coventry & Warwickshire to capitalise on the opportunities and devolution of powers to the West Midlands Combined Authority (WMCA), which has complementary sector priorities, as well as the Midlands Engine initiative. It also provides opportunities to build on the successes of the first two rounds of Growth Deal, which have delivered:

• Major investment in the rail infrastructure through improving Coventry station and developing a new station at Kenilworth.

• A new high-tech facility at Warwickshire College offering advanced and higher apprenticeships in Advanced Manufacturing & Engineering.

• The launch of Coventry & Warwickshire’s Growth Hub, which, through a physical presence, has successfully acted as a central co-ordination function for business support locally.

• A new dedicated business hub in Stratford-upon-Avon to address low start up rates.

• A flagship Advice Centre in Coventry to help reduce local unemployment rates.

• Major improvements to the road infrastructure, particularly the A45, A46 and A5 Corridors.

Through our GD1 and GD2 interventions, we are projected to exceed our outcome targets by providing 1,600 new homes and creating 4,500 new jobs through the investments by 2021.

We are also keen to build on the positive performance of the local economy, which has witnessed GVA per capita growth 25% higher than the national average since 2010.

The main driver for CWLEP’s Growth Deal 3 bid is to now eliminate the £460.2m per annum output gap (in GVA) between the area and national average, reduce deficiencies in skills, and ensure our local economy is performing above the national average by 2030.
Having refreshed our Strategic Economic Plan, primarily through an Open Call to develop the project pipeline, we are requesting from Government to deliver a suite of transformational projects under five strategic pillars. This will be matched by £325m of additional public and private sector investment, and will lever an additional £1.6bn of capital investment to achieve our ambition, through:

**Unlocking our Growth Potential**
Enhancements to the transport infrastructure to provide full connectivity with UK Central, HS2 Interchange and the East Midlands, and physical enhancements to Nuneaton town centre and Coventry City Centre. This will unlock key commercial and housing development sites and stimulate investment from knowledge-based sectors, which will result in the growth of key knowledge-based sectors and job creation.

**Advanced Manufacturing & Engineering**
Creation of a National Centre for Innovation in Low Carbon Products, which will strengthen Coventry & Warwickshire’s competitive advantage in developing these types of products and technologies, particularly for transport sectors.

**Growing our SMEs**
Development of a new creative and digital quarter in Leamington Spa and a new investment fund to address SMEs’ barriers to growth. These will increase the number of growth SMEs within Coventry & Warwickshire, particularly in priority business sectors.

**Growing our Talent**
Creation of a High-level state of the art Apprenticeship Academy in Advanced Manufacturing, providing 1,000 new apprenticeships, meeting key WMCA priorities.

**Culture & Tourism**
Enhancements to Coventry & Warwickshire’s tourism infrastructure, including building on our strengths in the Shakespeare’s England area, and creation of a Capital of Culture in Coventry.

In return, these projects will create 45,000 new jobs and 1,395 new apprenticeships, support 4,000 businesses to grow, build 6,700 new homes, and create 1.3 million m² of new commercial floorspace.
Round Three of Growth Deal provides Coventry & Warwickshire with an exciting opportunity to capitalise on the successes of the first two rounds of Growth Deal, as well as the freedoms and flexibilities presented by the Devolution Deal and formation of the West Midlands Combined Authority (WMCA).

This provides Coventry & Warwickshire Local Enterprise Partnership (CWLEP) with the opportunity to lever additional resources to address the most prominent local strategic economic challenges, unlock barriers to growth and investment, and deliver major strategic projects, particularly in skills and innovation.

2.1 Refreshing Coventry & Warwickshire’s Strategic Economic Plan

In recognising the scale of opportunity, CWLEP has undertaken a detailed planning process to define the content of this Growth Deal 3 application. To ensure alignment with the emerging priorities of the WMCA and Midlands Engine initiatives and evolving national policies, as well as reflect the changes in performance of the local economy since the first Plan was produced in 2014 and current economic challenges and opportunities facing the area, CWLEP decided to start a refresh of its Strategic Economic Plan (CWSEP) in July 2015. The refreshed CWSEP has provided the primary strategic framework within which the Growth Deal Round 3 bid fits.

The CWSEP Refresh has entailed two key stages of work:

- The updating of the economic evidence base to identify key areas of economic need and opportunity within the CWLEP area, to ensure that activities are appropriately focused.
- An Open Call for proposals to provide a pipeline of major capital projects that could be proposed for Growth Deal Round Three.

- 67 Expressions of Interest were received through the Open Call. In January 2016, CWLEP decided to invite 47 projects to submit Full Business Cases.

- 47 Business Cases for projects were submitted and are subsequently being assessed using a Green Book compliant five case method. This process has helped to inform the content of the strategic programmes within the CWSEP Refresh, and has been instrumental in identifying the activities being proposed for Growth Deal 3 funding.

The CWSEP’s vision, strategic objectives and performance targets were then all updated to deliver the aim of removing the area’s productivity gap by 2030. An extensive public consultation process was held to help finalise the focus of the CWSEP Refresh.

This entailed input from the unitary and strategic local authorities, district and borough councils, universities, business representative bodies, businesses directly, and local residents.

2.2 Building on Strong Foundations

Through our Growth Deal Round 3 bid, we are keen to build on the successes of the first two Rounds of Growth Deal. Indeed, Coventry & Warwickshire is on track to successfully deliver its first two Rounds of Growth Deal projects by 2020, having exceeded its first full year expenditure target of £17.18m. These investments have enabled:

- Development of major road infrastructure schemes, particularly the A444, and A46 – A425 corridors which will start on site in the second half of 2016/17, which will bring key strategic sites forward for development, and will create high value job opportunities longer-term.

- Construction and opening of the new 1,672m² Trident Centre at Warwickshire College, which has already delivered over 350 apprenticeship starts in Advanced Manufacturing & Engineering to help to meet employers’ demand for skills in this sector.

- Start on site of the new Kenilworth Railway Station which will significantly enhance rail access of its 25,500 residents to the economies...
of London, Birmingham, Coventry and Leamington Spa.

- Coventry & Warwickshire’s Growth Hub was launched with physical premises in 2014, and has engaged with over 1,000 local SMEs to support their growth and modernisation, and facilitate access to other specialised business support providers. The Hub’s services have facilitated the creation of some 808 new jobs and £89m in GVA for the local economy.

- To address the low start-up rates prevalent in Stratford-upon-Avon, Venture House which provides 2,500 sq ft of flexible space and business advice was opened in February 2016.

- The opening of a new Advice Centre at City College Coventry to provide tailored job search advice to help reduce worklessness and unemployment, especially amongst young people.

Current projections suggest activities funded through Rounds 1 and 2 are expected to exceed their contracted targets for performance indicators, including jobs created, new homes built and private sector leverage.

CWLEP is also keen to build on the strong foundations for growth that have been created through the successful delivery of other publicly funded economic growth programmes, including European Regional Development Fund, Regional Growth Fund, Growing Places Fund and Rural Growth Network. Across these funding streams, CWLEP and partners have successfully allocated £114.3m towards supporting SMEs to grow and innovate, and improving the local strategic road and rail infrastructure and Coventry city centre. These have led to the creation of a further 3,035 jobs in the local economy and supported over 800 local businesses to grow.

The success of these initiatives has contributed to improvements in the performance of the Coventry & Warwickshire economy. Indeed, the area’s economy experienced an annual GVA growth rate of 3.753% between 2010 and 2014, significantly higher than the national economy’s growth rate of 2.985%.

In addition, the area has seen improvements in its higher skills attainment levels, relative to its 13 comparator LEP areas¹, and has the second highest density of employment opportunities (job density) of these areas. As a measure of innovation, the area has been also been ranked 136th out of 1,310 sub-regions internationally in terms of rates of patenting².

We have also witnessed major investments in new Research & Development (R&D) activities by flagship Original Equipment Manufacturers (OEMs), including:

- Geely’s £300m investment in a new R&D facility at London Taxi Company;
- Jaguar Land Rover’s £500m expansion of its engineering and design activities at Whitley and Gaydon;
- Red Sun Group’s £300m investment into CADCAM Automotive for a new energy and power complete vehicle R&D Centre.

¹ Note*: The typology of Local Enterprise Partnerships is based on comparative performance across a range of indicators. LEPs in the producing places group including Coventry and Warwickshire have a concentration of businesses in the production industries.

² Centre for Cities (2013), "Driving Growth: Supporting Business Innovation in Coventry & Warwickshire*
2.3 The Need for Further Intervention

Alongside these positive trends in economic performance, Coventry & Warwickshire already has many characteristics of a high performing economy, including strong transport links (road, rail and air), and the presence of world class universities, R&D institutions and highly innovative businesses.

However, the performance of the local economy could still be described as average at best, and Growth Deal 3 provides CWLEP with a major opportunity to help transform Coventry & Warwickshire’s economic performance.

2.3.1 Addressing the Prevailing Productivity Gap

Despite its recent growth, the Coventry & Warwickshire economy continues to have a significant productivity gap of £460.2m in GVA compared to the national average, with GVA per worker in the local economy just 90% of the national average. This is a major cause for concern as productivity growth is key to a strong, prosperous and competitive local economy. Based on GVA growth projections for the UK overall (3% per annum), Coventry & Warwickshire’s GVA needs to be 0.29 percentage points higher than the national average (3.29%) if this output gap is to be removed by 2030. This would entail the area’s GVA per head increasing from its current level of £21,558 to £36,161 by 2030.

The need to improve productivity is also recognised as a priority action within the WMCA Strategic Economic Plan (WMCA SEP). As a result, the delivery of further interventions to facilitate increases in productivity will play an important role in enhancing Coventry & Warwickshire’s economic competitiveness. These include supporting the expansion of knowledge-intensive economic activities, fostering innovation and skills improvements in those sectors of the economy with the potential to grow, and increasing agglomeration effects within the local economy.

The UK Productivity Plan\(^3\) sets out 15 key areas which the Government aspires to address the UK’s productivity gap relative to the G7 overall. These include key measures, reflected in the key interventions proposed within this bid and the CWSEP Refresh, which will help to eliminate Coventry & Warwickshire’s productivity gap, and will thereby improve the performance of the UK economy:

- Developing a highly skilled workforce, driven by the needs of local employers, particularly through increasing apprenticeship provision;
- Developing a modern transport system;
- Developing a world class digital infrastructure;
- Delivering high quality science and innovation;
- Increasing planning freedoms to enable more homes to be built.

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2.3.2 Generating Growth Within our SME Base

Coventry & Warwickshire has a large and diverse business base, with over 40,000 registered businesses in 2015, an expansion from 36,000 in 2013. The geographical spread of businesses is diverse, with some 11,000 based in Coventry and the remainder in Warwickshire, many of which are located within rural parts of the County. It is also notable that 99.5% of the area’s businesses are SMEs (96% are either small or micro enterprises)\(^4\).

The Coventry & Warwickshire Growth Hub was established in 2014 to act as a central business support co-ordination function for local SMEs. It has already engaged with over 1,800 local SMEs, and supported the creation of around 1,000 new jobs for the local economy, as a result of Regional Growth Fund and Growth Deal investment. However, one of the key factors causing the area’s productivity gap is that we are not seeing enough of our new businesses realising their growth potential, and we have an under-representation of “high growth” businesses.

The Business Growth Dashboard 2015 shows that Coventry & Warwickshire have both below average “fast-growing” business achieving over 20% growth for at least three years (14.7% of businesses categorised as fast-growing over the period 2011-2014 compared to the national average of 16%); and also below average “break-out” growth of new start-ups achieving £1m turnover within three years\(^5\). In addition, despite a higher than average business start-up rate of 49 per 10,000 population, just 58% survive three years\(^5\).

To mitigate against potential economic shocks which could adversely affect Coventry & Warwickshire’s SME base, particularly in light of the outcome of the June 2016 EU Referendum, it is important to maintain business confidence in the local economy. Delivery of a strong business and financial support infrastructure that can respond to the growth dynamics of local SMEs, particularly those operating in growth sectors of the local economy (e.g. Advanced Manufacturing & Engineering, Creative and Digital industries, Tourism, and Professional Services), will not only help to mitigate against economic shocks but more fundamentally will enable more of our SMEs to realise their growth potential.

On a national scale, the development of a new Industrial Strategy presents an opportunity to improve business confidence and help mitigate against the risk of economic shocks. In addressing the key barriers to business growth and modernisation in Coventry & Warwickshire, it is crucial that any new Strategy is supported by the further development of a business support infrastructure that will:

- Enable SMEs to achieve their growth plans through access to expert support/advice;
- Support more businesses to trade internationally;

\(^4\) NOMIS (2016) data
\(^5\) Business Growth Dashboard (2015)
• Support more SMEs to develop and commercialise innovative new products and technologies and engage with the knowledge base in developing innovations;

• Promote the development of stronger local supply chains (particularly in Advanced Manufacturing & Engineering);

• Ensure the workforce is equipped with the necessary higher and job-specific skills to meet the growth dynamics of key economic sectors.

2.3.3 Supporting the Diffusion of Innovation and Development of New Technologies

One of the key factors limiting productivity and thereby economic growth within our local economy is that expenditure on R&D is dominated by just a few large companies (mainly OEMs). Indeed, 89% of R&D employment and 94% of in-house R&D expenditure in the area accounted for by the top 5% largest R&D spending firms, which comprise just 0.05% of the business base. There is also significantly less R&D activity within rural areas, where enterprises tend to be a smaller size, and show tendencies to remain small and not achieve significant growth. As a result, a significant economic challenge is to support and diffuse innovation across Coventry & Warwickshire, and address the ‘long tail’ of less innovative and less productive firms, which currently restricts local economic growth. The WMCA SEP recognises the need to increase the number of businesses adopting innovation, investing in R&D and subsequently commercialising new products and services as a Priority Action to help enable economic growth. Again, given the composition of the business base, it is crucial that interventions targeted at stimulating innovation successfully target small and micro businesses, particularly those in growth sectors of the economy, including Advanced Manufacturing supply chains and digital sectors. As recognised in the Midlands Engine Science and Innovation Audit, this should include enabling more businesses to build stronger relationships with universities and the wider knowledge base.

2.3.4 The Growing Importance of the Digital Sector

Coventry & Warwickshire’s strength in manufacturing is well documented; however, the CWLEP area has some 2,500 digital businesses (mainly hardware, software, digital content and gaming), including a globally significant gaming cluster in Leamington Spa, which employs around 1,200 people (10% of employment in gaming in the UK), operating out of 30 studios.

However, the scale is frequently not recognised, and with other progressive digital clusters in the UK delivering significant investment in infrastructure, it is important that continued investment takes place to enable new studios to set up, and retain the area’s competitive advantage in this sector by growing this cluster. It is also important to note that digital applications influence other strategically important economic sectors of the Coventry & Warwickshire economy.

It is therefore unsurprising that there is a high demand for digital skills in the local labour market. The Warwick and Stratford-upon-Avon areas tripled the number of digital job vacancies in 2015/2016; however, many roles are proving difficult to fill, which is reflective of national digital skills shortages.

Indeed, nationally, the UK needs an additional 745,000 workers with digital skills by 2017; with the skills gap costing the economy around £63 billion a year in lost income. Within Warwickshire, jobs requiring the study of Mathematical & Computer Sciences and Technologies are projected to grow by 5% during 2015-22; equating to an increase of nearly 1,000 jobs across Warwickshire.

Programmers and software developers are most in demand. It is therefore imperative that the Coventry & Warwickshire workforce is well-equipped with the digital skills that businesses across a wide range of sectors require to expand and operate competitively.

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6 Mapping Local Comparative Advantages in Innovation, BIS, July 2015
7 Coventry & Warwickshire LEP (2016), “Coventry & Warwickshire European Structural and Investment Funds Strategy: ERDF, EAFRD and ESF Priority Descriptors”
One of the factors contributing to the productivity gap affecting Coventry & Warwickshire is the level of skills within the workforce. When examining the education assets in the locality, Coventry & Warwickshire is potentially in a strong position, with two leading global universities with a total of 54,000 students studying at these institutions; further education colleges and world-class R&D institutions. However, although the skills levels of the local population have improved in recent years, they are still poor compared to the national average.

The presence of a highly skilled workforce can be a key enabler of innovation in the local economy. Although the proportion of Coventry & Warwickshire residents educated to NVQ Level 4+ (degree level) increased by 5.2% between 2011 and 2014 (compared with 3.2% nationally) to 34.7%, this remained lower than the English average of 35.7% in 2014. A relatively low graduate retention rate is one of the contributing factors, which could potentially be addressed through attracting greater levels of investment from knowledge-intensive sectors and the creation of higher value jobs. Similarly, although Coventry & Warwickshire witnessed a reduction of 2.7% in the overall number of adults with no qualifications decreased from 14.2% to 11.5% between 2011 and 2014 against an English average reduction of 1.9%, the CWLEP area still has significantly more residents with no qualifications than the English average (8.6%). It is notable that qualification levels are significantly lower in Coventry, Nuneaton & Bedworth and North Warwickshire than in Southern Warwickshire.

These skills deficiencies are also causes of significant pockets of unemployment within the CWLEP area, where Coventry’s unemployment rate is significantly in excess of the national average and Nuneaton & Bedworth’s is slightly above the national average. Although, these concentrations of worklessness hinder the performance of the local economy, challenges faced by local businesses in recruiting staff also presents a barrier to growth.

For example, 25,000 vacancies across the Midlands Engine area are hard to fill due to a lack of suitably skilled applicants. Moreover, the Coventry and Warwickshire area is expected to need up to 25,000 Level 2 and Level 3 engineers to replace the workforce.

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* The Commons Science and Technology Committee (2016)
* Labour Insight Data (2016)
* NOMIS (2016) data
in this sector alone. As a result, the Midlands Engine’s aspiration to increase the provision of apprenticeships by 100% and number of higher apprenticeships by 40% appears pertinent to address key barriers to business growth and unemployment problems in Coventry & Warwickshire. Indeed, CWLEP has set a target for 5,000 new Level 2 and 3 Apprenticeships (around 200 starts per year). The LEP is already:

- Fostering collaboration between the Further Education and Higher Education Institutions within and around the sub-region to better align education systems with the needs of employers;
- Working with local partners including employers and education providers to maximise effective use of the upcoming Apprenticeship Levy, including Higher and Degree Apprenticeships.

2.3.6 The Need to Bring New Development Sites Forward

An independent Employment Land Review 11 highlighted that a scarcity in the availability of ‘oven ready’ employment land within Coventry & Warwickshire could create significant damage to the local economy by preventing investment opportunities from being delivered. For example, at present 64ha of sites are considered fit to meet current demand, whereas demand is expected to be in the range of 650ha up to 2030. In addition, too much of the existing supply is in smaller, ageing and unsuitable units, and the Review identified a need for a need for local partners to work together to bring forward new sites for development as quickly as possible to meet the growing demand for employment land (particularly in CWLEP’s knowledge-intensive growth sectors) and housing.

Linked to the deficiencies in land availability, the area’s power supply is current not adequate to meet the needs of the anticipated growth within the local economy, and particularly the types of innovative activities that business in key sectors of the economy are aspiring to undertake. There will be a need for key public and private sectors organisations to work closely together to sufficiently increase the local power supply.

In the event of new development sites not being brought forward, the Review identified a strong risk of investors seeking alternative locations outside of Coventry and Warwickshire. As a result, there is a particular need for intervention to bring key sites within Nuneaton and Coventry City Centre forward for development. Nuneaton has the lowest job density in the CWLEP area and a GVA per worker of just 80% of the national average. However, the area has a strong manufacturing base and is expected to undergo high population increases but the planned regeneration of Vicarage Street and Church Street (core elements of the Town Centre Masterplan) have failed to secure viable developers since they were first marketed in 2011, and public intervention is essential if Nuneaton is to grow as a key economic hub. Similarly, Coventry has a lower than average job density, but planned developments such as Friargate and City Centre

South require further public sector intervention, if their potential of stimulating further investment and growth is to be realised.

Investment in the strategic transport infrastructure, particularly to enhance connectivity with UK Central, and other interventions to bring land forward for new commercial activities is identified as a crucial action within the WMCA SEP.

2.3.7 The Need to Provide at Least 75,000 New Homes

Coventry & Warwickshire needs to provide between 75,000 and 76,000 new homes by 2030; however, at present the CWLEP has a shortage of available development land for housing, and the transport infrastructure is not adequate to release the necessary level of land. In the absence of further improvements to the local road, rail and broadband infrastructure to help bring forward important development sites, there is a strong risk that this target will not be achieved.

To help accelerate developments, public bodies are co-operating to a strong degree with all six plan making bodies across the CWLEP area developing increasingly closer working relations and co-operation on cross boundary and other strategic issues. CWLEP and Warwickshire County Council are also closely involved in these activities. Work is also underway on a single Planning Framework for Coventry & Warwickshire; however, a major result to date is that two (emerging) formal Memorandums of Understanding (MOU’s) relating to overall housing provision and Employment Land allocations aimed to meet growing requirements. The MOU’s secure cross boundary allocations to factor in constraints some Local Authority Areas have on development land, and ensure a steady supply of land to meet the needs of developers and investors across the CWLEP area.

CWLEP has also been working closely with the Homes and Communities Agency (HCA) on potential methods for meeting the future housing needs of a growing and diverse population. These include:

- The potential to develop starter homes and live-work units in Coventry city centre as part of major mixed-use developments to facilitate graduate retention and thereby support economic growth generated by city centre development.
- The development of starter homes as part of the improvements to Coventry Station and surrounding areas, and identifying options for how land could potentially be acquired.
- A potential new housing development at Long Marston.

2.3.8 Connectivity with UK Central, the East Midlands and Internationally

The UK Central growth corridor, linking Birmingham, Solihull and Coventry, has a key role to play in boosting the economic competitiveness of both the CWLEP area and West Midlands economy overall. It contains the major strategic transport asset of Birmingham Airport, which has an important role to play in fostering international trade, and the proposed new HS2 Interchange which will generate further opportunities for attracting investment into the CWLEP area.
However, deficiencies in the current road and rail infrastructure in particular mean that not all parts of the CWLEP area are able to access the opportunities presented by UK Central. Connectivity with the East Midlands is also unsatisfactory, with no direct rail link from Coventry & Southern Warwickshire to any principal cities in the East Midlands. Improvements in the local infrastructure are therefore required to enable the area to benefit from the potential economic growth opportunities in Northern Warwickshire and the East Midlands.

As a result, significant investment is required in the A45, A444 and A46, A5 and A452 Corridors, as well as the North-South rail infrastructure and rail network around Stratford-upon-Avon to ensure that all parts of the sub-region have strong connectivity with UK Central, as well as Leicester and the East Midlands and South East England. As well as improvements in transport connectivity, further improvements in the broadband infrastructure are required. Despite the progress made by the CSW Broadband project, it is projected that 69,497 premises will be unable to access broadband of the EU minimum target speed of 30Mbps by 2020\(^\text{12}\). This affects both large parts of rural Warwickshire, and parts of Coventry, and acts as a barrier to SME growth across a range of sectors (particularly given the growing importance of e-trading) and deters investment. Public sector intervention is required in these areas, given the high costs and low returns for private sector providers.

2.3.9 Realising the Potential of the Local Tourism Sector

Tourism is an important sector within the Coventry & Warwickshire economy, given that it accounts for 40,000 jobs in Coventry and Warwickshire which is 8.5% of total employment (this rises to over 10% in South Warwickshire). The sector contributes £550m in GVA annually to the local economy. In addition, “Shakespeare’s England” (covering Warwick and Stratford-upon-Avon) attracts 10.2m visitors annually (just 0.9m overnight stays) resulting in £500m in visitor spend\(^\text{13}\), whilst Coventry receives 6.9m trips (just 0.7m overnight stays) resulting in £344m in visitor spend\(^\text{14}\).

Growth prospects are also strong. For example, tourism business turnover in Warwickshire grew by 7% to over £1billion in 2013, and international tourists’ spending in the country increased by 25% in 2014 to £145 million. Nationally, tourism is forecast to grow by 5% per annum in real terms to 2020 and is seen as one of the fastest growing sectors in the economy. Furthermore, the Lonely Planet Guide selected Warwickshire as the sixth-most “must-see” destination in Europe this summer – the only UK representative in the top ten and above the likes of London and Edinburgh.

There is significant scope for expanding the tourism sector across the full CWLEP area, increasing visitor numbers and maximising the economic impact that these bring. We recognise the opportunity to expand the tourism offer beyond the well-known tourist “honey pots”, and maximise all significant assets that Coventry & Warwickshire have. There is also clear potential to increase the number of overnight stays from visitors. Currently, overnight stays account for just 1.4m trips out of 17.1m in total that the area receives (8.2%) and presents a real opportunity to increase economic impact as overnight visitors spend on average £202 per person per stay compared to £35 for a day visitor\(^\text{15}\).

Coventry’s bid to become UK Capital of Culture 2021 provides a significant opportunity for helping to grow the sector across the CWLEP area, particularly based on the wider economic impacts generated by previous UK Capitals of Culture, including Derry in 2013, where each £1 invested in its bid resulted in £5 of wider economic impacts for its local economy through visitor spend\(^\text{16}\). However, significant investment is required in improving the area’s tourism infrastructure and ensuring the sector’s workforce have the necessary skills, if this potential is to be realised. Enhancements in the cultural sector is likely to deliver wider benefits to the local economy, given that it could make the sub-region more attractive to young professions and knowledge-based businesses (particularly larger employers). This could help to improve graduate retention levels and attract higher levels of inward investment from knowledge-intensive industries.

\(^{12}\) CSW Broadband (2016)  
\(^{13}\) Warwickshire County Council “Destination Management Plan for Shakespeare’s England Region 2015-2020”  
\(^{14}\) Coventry City Council “Coventry 2014-2020 An Emerging Vision for Tourism”  
\(^{16}\) See Warwick Business School (2016), “Coventry City of Culture – Economic Value Brief”
2.3.10 Formulating a Strategy for Growth

Although Coventry & Warwickshire continues to face a number of significant economic challenges, the area is facing a number of major economic opportunities, particularly those presented by recent investments from major OEMs and local universities in R&D facilities, the planned HS2 scheme, the successful creation of Coventry & Warwickshire’s Growth Hub, and potential to build on Coventry’s 2021 UK Capital of Culture bid.

The sections that follow outline CWLEP’s strategic approach to capitalising on these opportunities, and the role we see Growth Deal 3 playing in realising the area’s strong economic potential.
3

A Local Strategy for Global Growth

The CWSEP Refresh provides the strategic framework for driving the growth of the Coventry & Warwickshire economy.

Both the public and private sectors have been actively involved in shaping the Refresh, with Local Authorities, Universities, further education providers, the third sector, business representative bodies, Coventry & Warwickshire Growth Hub and businesses directly all engaged in the drafting and public consultation stages.

3.1

Coventry & Warwickshire's Strategic Vision

After assessing the key economic challenges and opportunities facing the area, as well as the possibilities that could emerge through WMCA and Midlands Engine, CWLEP has updated its strategic vision, which is also driving the focus of its proposed Growth Deal 3 interventions;

“To become a global hub for knowledge based industries, leading the way in advanced engineering and digital sectors.”

In delivering against this Vision, CWLEP's over-riding ambition is to eliminate the £460.2m productivity gap by 2030, and have an economy performing more strongly than the national average. In realising this ambition, Coventry & Warwickshire will seek to:

- Achieve annual GVA growth rates of more than 0.3 percentage points above the national average.
- Be much more ambitious than achieving parity (and have a GVA per head 113% of the UK average by 2030).
- Have an economy employing at least an additional 94,500 people.
- See 1,000 new high-level apprenticeship starts, driven by authentic business demand.
- Build 75,000 – 76,000 new homes across the sub-region.

3.2

Strategic Objectives for Delivering the Vision

Having analysed the current economic challenges and opportunities facing the area, a series of 7 Strategic Objectives have been identified that will underpin the vision and help to eliminate the productivity gap and achieve the associated targets.

Objectives

- Improve Coventry and Warwickshire's economic competitiveness
- Address the existing productivity gap between the CWLEP area and the UK average
- Ensure strong road and rail connectivity across the full CWLEP area
- Become a major global centre for R&I in Advanced Manufacturing and Engineering
- Create a supportive environment within which businesses can grow and prosper
- Invest in employment and skills provision to meet evolving demands of employers
- Coventry to become UK City of Culture in 2021
Five Strategic Pillars of Activity

The updated local economic evidence base and nature of proposals submitted in response to the July 2015 Open Call for projects have both been instrumental in shaping the focus of strategic interventions that have been proposed in the CWSEP Refresh.

However, it has also been important to consider the objectives and priority actions included within both the WMCA SEP and Midlands Engine Prospectus, not least because these activities provide CWLEP with potential access to additional resources to deliver major transformational projects. In addition, the opportunity to deliver collaborative projects that cover the three LEPs within the WMCA target area provides an opportunity to generate larger scale impacts for the local economy. It is therefore important that Coventry & Warwickshire’s Growth Deal 3 activities are aligned with these strategic frameworks.

As a result, the activities included within the CWSEP Refresh and Coventry & Warwickshire Growth Deal Round 3 application have been grouped under five Strategic Pillars. Given that the four strategic pillars included within the original CWSEP in 2014 remain pertinent, this will provide CWLEP with the opportunity to use Growth Deal 3 to build on the successes of the first two Rounds of Growth Deal.

These recognise the need to:

- Improve transport connectivity to capitalise on the opportunities presented by HS2, UK Central and growth in the East Midlands and enhance the broadband infrastructure to unlock key development sites to address shortages in employment land and deliver the necessary supply of new homes.
- Continue to foster innovation in new product and technology development to further strengthen Coventry & Warwickshire’s competitive advantage in Advanced Manufacturing & Engineering and Digital sectors.
- Build on the successful first two years of our Growth Hub by creating a central co-ordination point for businesses to access help and support and enabling more Coventry & Warwickshire SMEs to realise their growth potential.
- Deliver current and anticipated skills requirements of local employers by addressing skills shortages and expanding the provision of Level 2 & 3, Higher and Degree Apprenticeships.

However, in recognising the significant growth potential of the Culture and Tourism sector, not least with the opportunities presented through Coventry’s UK Capital of Culture bid for 2021, Culture & Tourism has been added as a fifth strategic pillar.
This section sets out the details of Coventry and Warwickshire's ambitions for projects in each of the five Strategic Pillars which will achieve our aims for growth as set out in the CWSEP.

Coventry & Warwickshire is requesting a total of £150m in Government funding to finance Growth Deal 3 interventions, which will be matched by some £200m of private sector investment and £125m of public sector investment.

In order to mitigate against potential economic shocks, potentially as a result of the outcome of the June 2016 EU Referendum, it is important to maintain business confidence in the local economy, and ensure we meet our growth aspirations.

It is therefore crucial that the major capital investments detailed within this Growth Deal 3 application take place as soon as possible. Doing nothing will increase Coventry & Warwickshire's vulnerability to an economic shock.

Details of the flagship interventions that we are proposing within each of the five Strategic Pillars, together with funding allocations and anticipated results are detailed opposite.

Across the five Strategic Pillars combined, Coventry and Warwickshire's aim is to produce the following outcomes:

- **45,000** new jobs created
- **4,000** businesses supported to grow
- **1,395** new apprenticeships
- **6,700** new homes
- **1.3** million m² new commercial floorspace

### 4.1 Unlocking our Growth Potential

In terms of funding requested, Unlocking our Growth Potential is the largest of the pillars, with a total ask of **£94m**. This theme covers a wide variety of physical measures intended to support growth or to remove constraints that prevent growth, ranging from large road and rail projects through to the provision of better digital connectivity for businesses.

Some of the key projects in this pillar are:
Enhancing transport links to UK Central and HS2 interchange, and the East Midlands

The opportunities presented to Coventry and Warwickshire by HS2 and the associated UK Central Plus development must be fully realised if we are to unlock our growth potential.

UK Central Plus, formerly known as the M42 Economic Gateway, includes Birmingham Airport, the NEC, Jaguar Land Rover’s plant at Solihull, Birmingham and Blythe Valley Business Parks and Solihull Town Centre. The economic importance of this part of the region will become even more pronounced when HS2 is completed and a new Birmingham Interchange station is established next to the NEC with a 40-minute journey time to central London. A strategic highway corridor runs along the A45, skirting the South and West of Coventry before continuing West through UK Central and on to Birmingham. We are requesting Growth Deal funding to deliver a package of highway measures to improve the efficiency of this corridor to ensure that the benefits of HS2 and UK Central Plus can be maximised for Coventry and Warwickshire by improving the ease with which the sites can be accessed via the A45 corridor.

UK Central Plus

UK Central Plus is a package of highway and public transport improvements to ensure that the Coventry and Warwickshire area is able to benefit from the economic opportunities which will arise from the further growth and expansion of UK Central, including the opening of the HS2 interchange in 2026.

The highway improvements include the proposed A46 Link Road, along with a number of enhancement schemes within the city to ensure good connectivity to the A45. The public transport improvements include better heavy rail connections to Birmingham International and Solihull, and provision of Bus Rapid Transit/SPRINT services between Coventry City Centre, Whitley, King’s Hill, the University of Warwick and UK Central.

New Direct Rail Links to the East Midlands

Improving connectivity along the North–South Corridor in Coventry & Warwickshire has long been identified as a key priority for the area, and substantial work and investment has already been undertaken to improve rail links between Nuneaton–Coventry–Leamington (NUCKLE).

The next phase of the scheme will see the extension of services to Leicester and Nottingham, facilitated by the construction of a single track dive-under to the south of Nuneaton Station to connect the Nuneaton–Leicester railway line with the Nuneaton to Coventry line.

This will substantially improve connectivity with the East Midlands, and supports the wider ambitions of the Midlands Engine by improving the attractiveness of this corridor as an area to invest.

£52m of funding is being sought in total through the Leicester & Leicestershire and Coventry & Warwickshire Local Enterprise Partnerships, including a major contribution from Network Rail.

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Coventry University Research and Innovation Zone

Coventry University is expanding at a rapid rate, and has recently purchased the freehold of four civic buildings in Coventry city centre which have reached the end of their economic life.

These buildings will shortly be demolished and the 4.3 Ha site will be redeveloped with 27,000 m² of new buildings including a new headquarters for the University, an international centre, research facilities, start-up/grow-on space and postgraduate/research accommodation. The new development will act as the “front door” to the university, bringing the centrepiece of the campus to heart of the city centre and immediately adjacent to the Council House and a barely two minutes’ walk from Broadgate Square.

The importance of universities to the Coventry and Warwickshire economy is clearly set out in the area’s SEP, and this will be the single most important project for Coventry University’s 2021 Corporate Strategy. The university has signalled its commitment with a board approval for a ten-year programme of investment in Coventry city centre. The project is expected to improve the City’s graduate retention which is one of its long term ambitions, and the focus on R&D activities is also a very good fit with Government’s current industrial strategies. A Development Brief is due to be produced in 2016, followed by planning applications for each stage.
This is a major city centre site, which presents Coventry City Council and Coventry University a once-in-a-generation opportunity not only to allow the university to fulfil its potential, but also to make a significant improvement to the city centre. We have an expanding research agenda which will increasingly see leading national and international academics and researchers visiting Coventry, the redevelopment of the civic centre site as a research and innovation hub will maximise our local, regional, national and international outcomes and impact.”

Professor John Latham
Vice Chancellor, Coventry University
“The CWLEP has produced results right across Coventry and Warwickshire, and in Nuneaton it has played a key role in making the north-south rail link happen, as well attracting funding for the Coton Arches in the town. The plans to improve the town centre by improving infrastructure, investing in its major gateways and also unlocking key development sites is crucial in driving the local economy forward and will make a long-term difference to the area. Having the private and public sector working with a single aim and with the ability to drive forward change is undoubtedly making an impact in Coventry and Warwickshire.”

Marcus Jones MP
Member of Parliament for Nuneaton
Transforming Nuneaton Town Centre

Nuneaton’s local economy is currently underperforming, relative to the national average.

It also significantly underperforms, when compared to the performance of Southern Warwickshire. For example, Nuneaton & Bedworth has:

- The lowest job density (0.61) in the CWLEP area;
- A GVA per head of £11,981 – a gap of £8,068 with the UK, which implies poor economic wellbeing;
- GVA per worker of £32,337 – a gap of £7,218 with the UK suggests low levels of productivity.

However, by combining investment into its major gateways, road infrastructure and public realm, as well as unlocking a key development site within the town centre boundary, Nuneaton has the potential to help close the economic gap between Northern and Southern Warwickshire, as well as the productivity gap between the overall CWLEP area and national average.

This will also enable Nuneaton to build on opportunities presented by the future expansions to MIRA Technology Park and Bermuda Park, improvements to the North-South rail route, and enhancements in connectivity to the UK Central area.

As a result, we are requesting Growth Deal funding to deliver a physical transformation of Nuneaton Town Centre through the development of the town’s Eastern Quarter, which will include the:

- Acquisition of land in order to unlock and create prime commercial and housing development sites, where New Homes Bonus could be utilised to ensure the delivery of housing units.
- Development of flood mitigation schemes for the town which will open up development opportunities and improve the attractiveness of the area to investors.
- Design of high quality public realm to create a step change in terms of the welcome received by visitors to the town through the train and bus stations, particularly commuters and visitors to the UK Enterprise Zone MIRA Technology Park.
- Delivery of key infrastructure improvements to the A444 encompassing the creation of a new roundabout on the ring road to enable greater capacity; enhanced pedestrian and cycle access and the reorientation of the bus station and improved access to create a new development site.

Assuming that planning applications are successful, development of the sites could commence as early as 2019.
Infrastructure to Enable Housing & Employment Growth

Coventry & Warwickshire has identified the need to build at least 75,000 new homes and bring forward 714 hectares of employment land by 2030 to meet our growth aspirations. This continued strong growth requires a strong, resilient transport network which improves connectivity across (and beyond) the Coventry & Warwickshire area and improves the access to, and viability of, important development sites. It also requires a comprehensive superfast broadband infrastructure, in order to meet the needs of knowledge-intensive businesses.

We are therefore requesting Growth Deal investment towards a programme of other major infrastructure enhancements, including:

- **Expansion of the superfast broadband network** across Coventry & Warwickshire to cover areas that do not currently have access to this network, which acts as a key factor deterring investment. Growth Deal funding is being requested to deliver new superfast broadband infrastructure, which will connect 3,000 premises to superfast broadband.

- **A package of infrastructure works to unlock the western expansion of the Friargate site**, adjacent to Coventry Railway Station to support a new 100,000m² mixed use development as part of the Friargate business district. The works will entail highway improvements to roads around the Friargate site to enable the construction of new office, retail and residential units and support the Coventry Station Masterplan.

- **A452 Europa Way Corridor Enhancements (Leamington Spa/Warwick)**, this will entail highway and sustainable transport improvements between M40 J14 and Princes Drive in Leamington Spa, including:
  - Dualling of the route from M40 J14 to Shires Retail roundabout
  - Upgrade of key junctions along the route
  - A ‘sustainable spine’ along the northern extent of the corridor, with Park and Ride provision to serve Warwick and Leamington town centres and key employment sites to the south of the towns. This will include cycle and pedestrian facilities.

- **A426 Avon Mill/Hunters Lane Improvements (Rugby)**, improvements to two important junctions in Rugby on the A426, which will support growth by reducing congestion and improving access to an advanced manufacturing cluster which contains some key businesses, as well as potential sites for new housing.

- **Rugby Parkway Station**, the Project would provide a rail station on the outskirts of Rugby, which would be located on the “Northampton Loop” of the West Coast Mainline. The Project seeks to support significant planned housing, employment and retail growth in the eastern area of the town and is one of a number of projects which seek to support the wider growth coming to Rugby over the next 15 years.

- **Development of the City Centre South site** in Coventry, the next major improvement to Coventry city centre. This will entail a large scale redevelopment of the city’s ageing retail core, originally developed in the 1960s. This ambitious development will create a new 52,000m² retail and leisure quarter on the south side of the city centre in close proximity to Coventry Railway Station and the Friargate site. Proposals include a new department store, multiplex cinema, seven large retail units, 30 smaller retail units, nine family restaurants, public space and car parking. This new and improved environment will increase footfall to the city centre and significantly broaden the catchment shopper population, resulting in an estimated increase in comparison goods spend of £42m.

The investments delivered through the “Unlocking our Growth Potential” Strategic Pillar will:

- Support the creation of c42,700 new jobs for the local economy;

- Enable almost 3,259 local businesses to grow or modernise their operations;
• Lead to some £1.5bn of additional private sector investment into key strategic development sites;
• Enable the development of 1.3 million m² of new commercial floorspace.

One of the aims of this pillar is to enable the development of new homes to help enable Coventry & Warwickshire’s overall target for at least 75,000 new homes by 2030 to be achieved. The above projects will unlock land to support the development of over 6,700 new homes within Coventry & Warwickshire. However, the planned improvements to the road and rail infrastructure (including the enhancements in connectivity to UK Central) will lead to further investment in the area’s land and transport infrastructure, which will then unlock further sites for new housing development. It is anticipated that these further investments (as included in CWLEP’s pipeline of proposed interventions) will deliver at least 11,000 additional new homes on top the 6,700 homes that will be delivered through the above projects, particularly with the local authorities utilising the New Homes Bonus to ensure new development schemes are financially viable. This will all contribute towards the achievement of Coventry & Warwickshire’s 2030 target for new homes.

4.2 Advanced Manufacturing and Engineering

£9m of Growth Deal funding is being requested to deliver major investments that would facilitate the growth of Coventry & Warwickshire’s Advanced Manufacturing & Engineering (AME) sector, primarily through stimulating further innovation in this knowledge-based sector. This will help to further enhance Coventry & Warwickshire’s competitive advantage in this sector, and the UK’s overall competitive advantage in the development of new low carbon products and technologies, particularly in the transport sectors.

The key investment within this Pillar is the National Low Carbon Centre.
The Knowledge Capital of the UK – Coventry & Warwickshire LEP’s Growth Deal Round 3 Application

**National Low Carbon Centre**

This will entail the construction of a dedicated University Research and Innovation Centre, forming part of the National Low Carbon Centre (NLCC) Campus at Stoneleigh Park.

This will catalyse economic development, stimulate growth and employment, and further establish Coventry and Warwickshire as a national focal point for low carbon research and application excellence.

This project will address the huge opportunities for economic growth identified in the low carbon sector, with its existing supply chain valued at £122 bn, supporting around 500,000 jobs, and strong propensity to export. There is strong demand for a Centre of Excellence for low carbon technology research, demonstration, knowledge transfer, skills, business development and supply chain integration.

The NLCC will deliver incubation and commercial space for SMEs operating in low carbon and clean technologies, an innovative technology interface to enable academics and students to work with SMEs in developing new technologies, and teaching/learning facilities for apprentices and students.

Coventry and Warwickshire is regarded as one of the critical areas for growth in the ‘energy and environment’ sector.

The NLCC strategy will build on this, given that it forms a key element of the wider Stoneleigh Masterplan, and will deliver an onsite commitment and demand for clean energy, sustainable infrastructure, and green transport. The project will also help address current shortages in the availability of suitable employment land in the CWLEP area.

The project already has Outline Planning Permission, and construction could potentially commence as early as 2017, depending on when funding for the project is agreed.

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<td>Houses</td>
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<td>Businesses Supported</td>
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<tr>
<td>Commercial Floorspace (m2)</td>
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An additional element of our proposed Growth Deal is the expansion of the Institute for Advanced Manufacturing and Engineering (AME), which is a collaboration between Coventry University and Unipart. This will increase the scope of the facility’s teaching and skills development, engagement with businesses, and R&D activities. New activities will include Battery Cell Manufacturing development (supporting local automotive OEMs), an Industry 4.0 Test Bed area (benefiting manufacturing supply chains), Additive Manufacturing (key, high value Advance Manufacturing technology) and on-process Metrology.

The investment in a new **High-level Apprenticeship Academy** through the “Growing our Talent” pillar (see Section 4.4) will also play an important role in growing the Advanced Manufacturing and Engineering sector through ensuring the workforce is equipped with the necessary skills.

The investments delivered through the “Advanced Manufacturing & Engineering” Strategic Pillar will:

- Support the creation of over 1,500 new jobs for the local economy;
- Support around 475 local businesses to grow and innovate;
- Lead to some £29m of additional private sector investment to deliver the Stoneleigh Masterplan;
- Enable the development of 3.25 million m2 of new commercial floorspace.
“The development of the National Low Carbon Centre provides a unique opportunity to unlock the Stoneleigh Park site in Coventry and Warwickshire. The centre will provide a development impetus through the co-location of local and regional university partners as a driver for developing and attracting businesses and inward investors operating within the low carbon Economy”.

Professor John Latham
Vice Chancellor, Coventry University
Growing our SMEs

We are requesting £9m of Growth Deal funding to address barriers to growth faced by Coventry & Warwickshire SMEs and increase the number of “fast growing” businesses in the local economy. We are proposing two major investments that will address the shortages of available suitable premises that act as a barrier to the continued growth of Coventry & Warwickshire’s digital sector, as well as addressing financial barriers to growth that SMEs within CWLEP’s priority sectors continue to encounter.

The investments delivered through the “Growing our SMEs” Strategic Pillar will:

- Support the creation of over 550 new jobs for the local economy;
- Support around 200 local businesses to grow and innovate;
- Enable the development of 3,500 m² of new commercial floorspace.
Leamington Spa Creative and Digital Quarter

‘Creative Quarter’ is an ambitious enterprise regeneration programme in the heart of Leamington Spa designed to unlock the commercial and cultural potential of an underdeveloped area of Leamington Spa’s old town, which represents the town’s southern gateway from the rail station and M40.

The project will re-establish the Bath Street and Spencer Yard area’s economic value, character and functionality through transforming existing buildings into innovative and creative workspace, and creating new build live-work units.

The five-year project will initially entail the assembly and acquisition of land to unlock important property assets. This process could potentially commence immediately upon the confirmation of funding. Imaginative building remodelling and refurbishment, and improvements to the transport/mobility infrastructure will then be undertaken, which will stimulate private sector investment and infill development for workspace, live-work and residential units.

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<tr>
<td>Commercial Floorspace (m2)</td>
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</table>
Business Growth and Innovation Fund

This project will deliver a new investment fund, which will provide financial support to address barriers to growth by enabling SMEs to invest in expansion projects.

These will include investments in new machinery/equipment or premises, small-medium infrastructure projects which serve business sites, and the development and testing of new innovations that will improve competitiveness.

This Fund will build on CWLEP’s very strong track record of providing finance to enable SMEs to grow through a range of public sources (ERDF, Regional Growth Fund, Rural Growth Network, Growing Places Fund) and through both grant and loan finance. Through these Funds, we have awarded some £18.5m in grants and loans, which are projected to create 2,800 new jobs for the local economy.

We envisage that the Business Growth & Innovation Fund will continue these successes and deliver at least one job for each £10,000 of Growth Deal investment (still an accepted HM Treasury benchmark for business grant programmes), and will add significant value to the SME support and finance programmes that will be delivered through the 2014-2020 ERDF Programme.

There is strong demand for this type of funding amongst local businesses, and funding awards could potentially commence in 2017, depending on when funding for the project is approved.

### Growth Deal Ask (£m)
4.0

### Total Cost (£m)
16.0

### Private Sector Match (£m)
12.0

### Other Match (£m)
0

### Jobs Created
400

### Businesses Supported
100

### Businesses Supported (£m)
42.5

### Commercial Floorpace (m2)
0
4.4 Growing our Talent

To help address skills shortages affecting key growth sectors of the economy including the growing demand for workers with NVQ Level 4 equivalent skills, and scale of replacement demand for engineers in the local economy, we are requesting £20m of Growth Deal investment to develop a new state of the art facility that will expand apprenticeship provision for the AME sector.

It represents a significant opportunity to capitalise on the Government’s Apprenticeship Levy, which will incentivise companies to expand the strategic training of staff by stimulating more for training that will be tailored to business needs.

The enhancement of skills in our growing AME sector will also play an important role in eliminating Coventry & Warwickshire’s productivity gap.

By working closely with local high growth SMEs to respond effectively to demand, this Strategic Pillar will deliver 1,000 additional degree level apprenticeships for the Coventry & Warwickshire economy, which will help to generate employment opportunities for local residents.

“Coventry and Warwickshire is home to a wealth of global businesses and international talent, often those businesses tell us that they are unable to find and recruit enough skilled workers to meet their needs across the range of the ladder of skills. As integral parts of their local communities, both as providers of higher level skills but also as major employers in their own right, the universities of the region are active and are determined to do still more to take on a key role in addressing this skills deficit. The University of Warwick has a strong reputation in working with businesses across the range of activities. Through the proposed Higher Apprenticeship Academy, the University of Warwick is committed to working with employers and other education providers to pioneer an essential addition to the continuum of education provision in the region, and drive local economic growth.”

Professor Stuart Croft
Vice-Chancellor, Warwick University
The Knowledge Capital of the UK – Coventry & Warwickshire LEP’s Growth Deal Round 3 Application

High Level Apprenticeship Academy

This will entail the creation of a new build state of the art Apprenticeship Learning Academy, which will deliver degree level apprenticeships dedicated to High Value Manufacturing (HVM).

The Academy will address the significant under capacity in HVM education. The CWLEP Skills Strategy (Jan 2015) indicates by 2020 “an across the board demand for higher level skills. This promises to be extremely challenging, since over half of the additions to the workforce that will be required by that date are forecast to need to be qualified to Level 4 and above.” Moreover, the West Midlands’ training infrastructure for the automotive sector has been deemed inadequate by a prominent industry group. The Academy will therefore respond to this need by delivering high quality education and learning programmes, and access to technical equipment to enable the apprentices to undertake research and innovation projects for the respective SMEs.

Planning consent for the project is expected to be granted by 2019, with construction commencing soon after, although this process could potentially take place more rapidly, depending on when funding for the project were confirmed. Once operational, the Academy will reach a capacity of 250 apprentices enrolled at any one time, with a view to delivering 1,000 apprenticeships over a four year period. It will implement developed and validated programmes and integrate learning through a continuum with Further Education Colleges (who will deliver Level 2 and Level 3 skills provision) and other industry training provision. The Academy will particularly target high growth SMEs within the HVM sector, and encourage take-up of the Government’s Apprenticeship Levy to part-fund these apprenticeships.

The Apprenticeship Levy presents a major opportunity, given that it will incentivise companies to expand the strategic training of staff, stimulating significant increases in demand from manufacturing businesses, and encouraging additional companies to embrace training that is tailored to meet business needs. As the level of income that companies receive to support training has a direct relation to the level of the Levy that they pay, this is likely to stimulate high demand for apprenticeships within local manufacturers.

<table>
<thead>
<tr>
<th>Growth Deal Ask (£m)</th>
<th>20.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost (£m)</td>
<td>25.0</td>
</tr>
<tr>
<td>Private Sector Match (£m)</td>
<td>5.0</td>
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<tr>
<td>Other Match (£m)</td>
<td>0</td>
</tr>
<tr>
<td>Jobs Created</td>
<td>0</td>
</tr>
<tr>
<td>Houses</td>
<td>0</td>
</tr>
<tr>
<td>Apprenticeships Delivered</td>
<td>1,000</td>
</tr>
<tr>
<td>Businesses Supported</td>
<td>40</td>
</tr>
<tr>
<td>Private Sector Investment (£m)</td>
<td>0</td>
</tr>
<tr>
<td>Commercial Floorpace (m2)</td>
<td>5,500</td>
</tr>
</tbody>
</table>

17 Automotive Council (March 2015), “Assessing Learning and Training Provision Serving the Automotive Industry”
4.5 Culture and Tourism

Through the fifth strategic pillar, we are requesting £18m of Growth Deal funding to deliver a series of significant investments that will enable a strategically important sector within the Coventry & Warwickshire economy to realise its growth potential. This will play an important role in diversifying the local economy and will contribute towards addressing the area’s productivity gap.

The investments will focus on improving the tourism infrastructure across the CWLEP area, both by building on the area’s existing strengths (particularly Shakespeare’s England) and by capitalising on the opportunities presented by Coventry’s bid for UK Capital of Culture 2021 and the potential for the diffusion of impacts resulting from increased visitor numbers and visitor spend across the full CWLEP area.

“Coventry and Warwickshire has a thriving and high quality, indeed world class, tourism and culture offer. Coventry Cathedral, the Royal Shakespeare Company, top class sport and international artists at the Ricoh Arena sit alongside major museums, theatres and arts centres. There are many wonderful cultural and visitor attractions of enormous variety and size, supported by a range of excellent hotels.

“The area is really well located for the national transport network, and is set in glorious countryside. Coventry is bidding to be UK City of Culture, which is hugely exciting for the city and for the wider region, artistically and economically.”

Catherine Mallyon
Executive Director, Royal Shakespeare Company
Creating a Cultural Capital

“Creating a Cultural Capital” will position Coventry as a must-see destination, a national centre for world-class cultural production. At the same time, it will address major issues of inequality and access to culture for our diverse and young population. The vision also supports Historic Coventry in their ambition to secure the heritage assets of the medieval city for the next 1,000 years.

This project will entail two core investments, which could commence as early as 2017, depending on when funding for the project is approved:

- **Expansion of Warwick Arts Centre**, which is of national significance as an Arts Council client. The project will entail expansion of the Centre’s visual art exhibition gallery and digital film facilities, which will increase visitor numbers to the centre, and also facilitate innovation and creative R&D within the Digital Centre and strengthen the Centre as a driver for cultural production within Coventry & Warwickshire. This expansion will be instrumental in creating a sustainable future for the Centre, particularly by expanding its conference business, and will create new jobs for the local economy both through additional tourists attracted and supporting the growth of local digital businesses. It will also address current shortages of exhibition space within Coventry for displaying visual arts and international class digital work, and could provide a central hub for digital businesses within Coventry.

- **The creation of a Heritage Park** on the Charterhouse Site in Coventry (a Grade 1 listed building and grounds), which forms part of a larger vision for the riverside and a new visitor route to connect the visitor attraction of the 700-year-old Carthusian Priory (containing some of the finest medieval and Elizabethan wall paintings in the UK) with Gosford Green and Fargo Village (a new creative quarter within Coventry).

The project will entail significant enhancements to green space and renovation of the listed building to create new business and conference space and facilities to accommodate the anticipated increase in tourists. This will deliver significant job creation impacts for the local economy, and new cultural learning opportunities for local residents.

<table>
<thead>
<tr>
<th>Growth Deal Ask (£m)</th>
<th>9.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost (£m)</td>
<td>24.0</td>
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<tr>
<td>Private Sector Match (£m)</td>
<td>1.0</td>
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<tr>
<td>Other Match (£m)</td>
<td>14.0</td>
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<tr>
<td>Jobs Created</td>
<td>100</td>
</tr>
<tr>
<td>Houses</td>
<td>0</td>
</tr>
<tr>
<td>Businesses Supported</td>
<td>35</td>
</tr>
<tr>
<td>Private Sector Investment (£m)</td>
<td>45</td>
</tr>
<tr>
<td>Commercial Floorspace (m2)</td>
<td>6,700</td>
</tr>
</tbody>
</table>
Enhancing the Coventry & Warwickshire Tourism Offer

This will deliver a package of investments to help expand the Coventry & Warwickshire culture and tourism sector, both by further enhancing our existing flagship visitor attractions, and by enhancing the visitor infrastructure in areas where tourism is less developed to extend the reach and impact of this sector across the whole area.

Building on our World Class Strengths

The international world class brand of Shakespeare across Stratford Upon Avon and the rest of the Shakespeare's England region is key to visitor economy growth in the Warwickshire area.

Development of infrastructure here to improve the visitor experience at flagship attractions and towns will build on the strengths of the Shakespearian international brand and its popularity in the visitor economy.

- **International Shakespeare Centre**
  Transformation of the Shakespeare Birthplace Trust’s (SBT) site in Stratford-upon-Avon into a world class cultural destination capitalising on the global significance and interest in Shakespeare, attracting more visitors from overseas, nationally and the region of Coventry and Warwickshire.

- **Royal Shakespeare Company**
  Modernisation of the workshops and equipment which house the Royal Shakespeare Company’s craftspeople in order to maintain the area’s competitive advantage in manufacturing world class costumes for theatre productions.

Further Developing our Tourism Offer

The delivery of further enhancements to the tourism offer and visitor infrastructure in areas of Coventry & Warwickshire where the tourism sector is less developed will play an important role in helping to increase the impact of increased visitor spend and overnight stays, not least on wider job creation within the local economy.

Key interventions include:

- **George Eliot Visitor Centre**
  Development of a new George Eliot Visitor Centre as part of a series of enhancements to Nuneaton Museum and Art Gallery.

- **Stoneleigh Park – Enhanced Conference Centre**
  The enhancements to the Stoneleigh Conference Centre and exhibition space form a central element of the overall Stoneleigh Masterplan, and will make an important contribution to enhancing levels of business tourism in Coventry & Warwickshire.

- **Culture and Tourism Fund**
  A new investment fund to support businesses in the culture and tourism sector across Coventry & Warwickshire to make capital investments (e.g. small scale infrastructure or premises) to address their barriers to growth.

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Overall, the interventions that will be delivered through this Strategic Pillar will:

- Create 125 new jobs for the local economy;
- Support 85 SMEs to grow or modernise;
- Create over 6,700 new m2 of new commercial floorspace.
5 Delivering Against the Devolution Agenda

Our proposed interventions for Growth Deal Round 3 funding will not only deliver against the key targets detailed within the CWSEP Refresh, but will fundamentally contribute to the objectives detailed in the Midlands Engine Prospectus and national policy objectives.

Indeed, the Devolution Deal and formation of the WMCA is crucial for Coventry & Warwickshire, given that it will provide the potential for securing additional financial resources from Government, and will provide the necessary delivery tools for delivering complex and transformational capital projects. It is expected that the £40m financial package will help to unlock some £8bn of additional investment into developments that will help contribute to the creation of up to 500,000 new jobs.

5.1 Strategic Level Collaboration

The WMCA SEP provides the strategic framework for directing the focus of WMCA activities. Fundamentally, all three WMCA area LEP Chairs have been working together on the WMCA SEP Board to ensure strong collaborative planning at the strategic level.

This Board will oversee a single Assurance Framework for the region, and will monitor the progress of activities covered by the WMCA SEP against key performance indicators.

At a thematic level, the three LEPs have also been working together on issues of common strategic importance, including:

- Transport connectivity;
- Supply chain development;
- Access to business finance;
- Maximising opportunities emerging through HS2;
- Place marketing and promotion;
- The area’s three Growth Hubs collaborating to gather stronger business intelligence to help shape improved targeting of business growth and innovation interventions.

In addition, it is notable that key universities within the WMCA area have been working closely together on the need to deliver higher skills that meet current and future needs of the region’s employers and to enable more SMEs to innovate by engaging with the knowledge base through West Midlands Combined Universities. The WMCA Innovation Group has also been active in developing measures to ensure that a higher number of the region’s SMEs are engaged in innovation.

5.2 Movement for Growth – Collaboration on Strategic Transport Projects

Transport for the West Midlands (TfWM) is the transport body for the WMCA area. Movement for Growth is TfWM’s plan to deliver the improved connectivity needed to enable economic development and unlock housing and employment growth. This will help unlock high value growth clusters across the West Midlands, widen labour markets and support regeneration and place making initiatives. As well as giving people access to skills, education and training, a balanced and effective transport system will enable agglomeration and reduce business overheads in accessing the supply chain and markets.

As illustrated in the map below, the Devolution Deal investment package will help TfWM unlock £8bn of economic development. The transport programmes developed by the three West Midlands LEPs for the Growth Deal will complement this activity by promoting modal shift, increasing capacity on the network through smart improvements to the existing highway and enabling transport improvements. Increased sustainability is a key part of these transport programmes. This is in line with the Government’s wider policy objectives, and will complement the forthcoming revenue element of the Access Fund to support sustainable travel solutions for new housing and business developments.
It should also be noted that officers from CWLEP and Leicester & Leicestershire LEP have also been working together in designing potential improvements to the strategic rail infrastructure that will connect the full CWLEP area with Leicester and the East Midlands region.

5.3 CWLEP’s Strategic Economic Growth Activities

It is notable that the interventions across all five Pillars within this application are strongly aligned with the priorities of both the WMCA SEP and Midlands Engine Prospectus. This is crucial, given that strong alignment is likely to help lever in additional resources from universities, local authorities and private sector developers to stimulate further capital investments to deliver complementary projects.

Fundamentally, CWLEP’s Growth Deal 3 interventions will all contribute directly to achieving the over-riding strategic objective of both the CWSEP and WMCA SEP of raising productivity and ensuring that the area becomes a net contributor to the UK Exchequer, whilst also improving the wealth and quality of life of local residents. For example, the interventions detailed in Section 4 will contribute significantly towards achieving the WMCA SEP’s target of creating 131,000 new jobs within the Coventry & Warwickshire economy, and in delivering a stretch target of having a GVA of 118% of the UK average. They will also address common objectives of:

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18 Delivering this stretch target would entail Coventry & Warwickshire’s annual GVA growth rate being 1.4 percentage points above the national average, and its GVA per head doubling from £21,558 to £42,863.
The Knowledge Capital of the UK – Coventry & Warwickshire LEP’s Growth Deal Round 3 Application

- Enabling more businesses (particularly manufacturers and digital businesses) to utilise key R&D and innovation assets to foster innovation and growth, again, also addressing a key aim of the Midlands Engine Prospectus.

- Improving local business birth and survival rates as well as supporting the growth of Small, Medium and Micro businesses and strengthening supply chains for the area’s large businesses, through providing a strong business and finance support environment.

- Improving skills levels locally and thereby ensure that the skills needs of employers operating in growth sectors of the economy are addressed. These include the High Value Manufacturing, Digital & Creative and Environmental Technologies sector. The outcome of the Skills Area Reviews will undoubtedly influence the mechanisms by which Further Education institutions are involved in delivering vocational training requirements, and will build on the work CWLEP is delivering in improving the alignment of Further and Higher Education with employers’ needs. Increasing apprenticeship numbers, and ensuring that Further Education providers have the necessary sector expertise to cater for employer demands, will also be a central focus of the Review.

It is also notable that the interventions funded through the “Unlocking our Growth Potential” and “Growing our Talent” pillars will help to address the aim within the Midlands Engine Prospectus of increasing the attractiveness of the region for inward investors. Again, this will play a key role in contributing to improving the economic performance of

Alignment of CWLEP’s Growth Deal 3 Ambitions with National and Regional Policy

<table>
<thead>
<tr>
<th>Pillar</th>
<th>National Policy</th>
<th>Midlands Engine Prospectus</th>
<th>WMCA SEP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unlocking our growth potential</td>
<td>HS2 will help unlock new housing and employment sites and create supply chain opportunities.</td>
<td>Enhancing transport connectivity.</td>
<td>Improving road and rail infrastructure to open up sites for development.</td>
</tr>
<tr>
<td>Advanced Manufacturing &amp; Engineering</td>
<td>Science &amp; Innovation Audit – help enable businesses to utilise innovation assets (e.g. MTC, WMG).</td>
<td>Innovation in manufacturing, engineering &amp; transport technologies.</td>
<td>Enabling businesses to utilise R&amp;D and innovation assets, strengthen supply chains.</td>
</tr>
<tr>
<td>Growing Coventry &amp; Warwickshire SMEs</td>
<td>Growth Hubs co-ordinate local business support provision – central point of access for SMEs.</td>
<td>Finance for business as in integrated business support offer.</td>
<td>Improving business birth and survival rates and supporting the growth of SMEs.</td>
</tr>
<tr>
<td>Growing our Talent</td>
<td>Alignment with Skills Area Review and rationalisation of post-16 provision. New Apprenticeship Levy could help maximise take-up of opportunities.</td>
<td>Skills in AME sector and apprentices, role of science parks &amp; innovation centres in developing technologies.</td>
<td>Improving skills levels in key growth sectors.</td>
</tr>
<tr>
<td>Culture &amp; Tourism</td>
<td>Improved co-ordination of tourism sector and strengthen skills.</td>
<td>Develop a regional visitor and tourism offer.</td>
<td>Coventry 2021 UK City of Culture bid, multi modal transport improvements.</td>
</tr>
</tbody>
</table>
Coventry & Warwickshire, and could potentially help to improve the wealth of local residents.

It is also notable that the interventions funded through the “Unlocking our Growth Potential” and “Growing our Talent” pillars will help to address the aim within the Midlands Engine Prospectus of increasing the attractiveness of the region for inward investors. Again, this will play a key role in contributing to improving the economic performance of Coventry & Warwickshire, and could potentially help to improve the wealth of local residents.

It should also be noted that CWLEP will use the findings of the Midlands Engine Science and Innovation Audit to inform future interventions to provide more opportunities for local businesses to utilise the area’s research and innovation infrastructure. Key themes within this Audit include:

- Manufacturing and engineering;
- Healthcare, life sciences and translational medicine;
- Transport technologies;
- Energy and low carbon;
- Creative, digital and design;
- Agri-food and drink manufacturing.

The outcomes of the Audit will be particularly pertinent to the Advanced Manufacturing & Engineering and Growing Coventry & Warwickshire SMEs Strategic Pillars, given that improving business engagement with the knowledge base will make an important contribution to driving the growth of our SMEs. The sector focus of the Audit also covers key sectors where the Coventry & Warwickshire economy has a competitive advantage, and stimulating innovation amongst SMEs in these sectors will be integral to the future growth of the local economy. Throughout the delivery of Coventry & Warwickshire Growth Deal 3 programme, as well our 2014-2020 European Structural and Investment Funds programme and other major economic development programmes that could be announced by national Government in the future, we will continue to work closely with the other LEPs based within the WMCA and Midlands Engine areas. Where appropriate and practical, we will collaborate with other LEPs in designing and delivering interventions that could help to transform the performance of our local economies, particularly where addressing a common economic need and opportunity has the potential to be addressed, and where working at the wider geographical scale has the potential to generate higher impacts for our local economies.

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CWLEP’s recently updated Assurance Framework sets out the governance arrangements for the management of funds allocated to the LEP, including Growth Deal.

**Governance and Assurance**

CWLEP Board Directors represented on:
- WMCA Board
- Strategic Economic Plan Board
- Audit & Standards Committee
- Scrutiny Committee
- Investment Board

**Joint Committee**
Coventry, Warwickshire, Hinckley & Bosworth

**Growth Hub**
- Subsidiary Board
  - Growth Hub

**Place Board**

**Finance & Governance Committee**
- Growth Deal Sub-committee

**Growth Hub Champions**

**Executive & Secretariat**

**Small & Medium Enterprises**
**High Value Manufacturing**
**Access to Finance**
**Inward Investment**
**Culture & Tourism**
**Transport**
**Planning & Housing**
**Jobs & Skills**
6.1 Strategic Governance

The CWLEP Board is chaired by a representative of the private sector and membership comprises 8 private sector (2 of which are SMEs), 6 councils and two universities. It is responsible for identification of projects for Growth Deal funding and the management of all resources allocated to CWLEP. It is also responsible for the strategic oversight of other major publicly funded economic development programmes covering Coventry & Warwickshire.

At the strategic level, it should be noted that the CWLEP Chairman and Chief Executive are in regular liaison with local Members of Parliament (MPs). Key areas of engagement with the MPs have included the focus/direction of the CWSEP and work of the Coventry & Warwickshire Growth Hub to ensure it is addressing the needs of local businesses.

Coventry City Council is the statutory Accountable Body for the financial direction and management of the portfolio of projects funded through Growth Deal, reporting progress to the CWLEP Board. The Programme Management Team of the Accountable Body prepares a full report at each meeting of CWLEP's Board with individual projects Red, Amber, Green (RAG) rated. The position of all non-green rated projects is reported in detail with the corrective actions explained.

The Growth Deal Sub-Committee has been established by CWLEP's Board to drive delivery of programmes and projects at a detailed level. Chaired by the CWLEP's Chairman and attended by the Chair of the Finance and Governance Board, this group reviews project progress at a micro level and makes recommendations for actions to the CWLEP Board.

Sub-committee papers are also distributed to CWLEP's Cities & Local Growth Unit Relationship Manager in advance of meetings, which are supplemented by regular progress updates. The creation of this group has been a key factor behind the success of CWLEP's Growth Deal to date, as it has enabled the private sector to drive the programme, and provided a forum that can cover the programme's activities in a level of detail that the CWLEP Board would be unable to do.

At the operational level, the Coventry City Council Programme Management Team processes all requests for funding including assessment and due diligence. It is also responsible for contracting with projects and processing of claims including verification of defrayment, checking of progress against milestones, visits to sites and checking for State Aid compliance where undertakings are supported.

The Programme Management Team receives claims from projects quarterly in arrears.

“The Growth Deal Implementation Sub-Committee is a key strength of the governance structure and has been central to the progress of Coventry the Growth Deal; the Sub-Committee adopts a very focused and robust approach to reviewing progress and ensures effective decision making. It is particularly beneficial that there's private sector CWLEP Board representation within this group”.

“Private Sector involvement in the Growth Deal is exceptional, driving the programme and being involved in significant detail.”


“The SME community has a real voice at the top table of decision-making on a wide range of issues thanks to the Coventry and Warwickshire LEP. Not only are SMEs well represented on the board and business groups of the CWLEP, but there are also strong links through the Chamber and FSB. It really feels as if the strengths and issues of SMEs are at front and centre stage of LEP policy”

Sean Farnell
Burgis & Bullock
CWLEP Board Director
Assurance Framework

Following feedback from the National Audit Office and Department for Transport (DfT), we reviewed and updated our Growth Deal Assurance Framework. All issues raised have been addressed and the Transport section has been strengthened to meet all requirements. In addition, CWLEP has collaborated with the three other LEPs in the WMCA area to develop a single Assurance Framework, which will facilitate the monitoring of the WMCA SEP and the three Growth Deals in the WMCA area.

Through the updating of the Assurance Framework, the CWLEP Growth Deal Sub-committee has developed a formal escalation policy which explains how projects are managed and the sanctions that can be applied.

To ensure all project teams understand the importance of delivery, projects that do not hit defrayment targets each year lose that underspend, which is then made available for CWLEP to reallocate to other projects. For 2015/16, CWLEP exceeded its expenditure target of £17.18m by £83.9k.

To ensure transparency and as part of its commitment to being a learning organisation the LEP has commissioned two pieces of work which will be reported to the board. First, an independent evaluation has been commissioned of the first year of operation of the Growth Deal. Second, the Council’s Internal Audit Team is presently undertaking an audit of the programme management team to further verify that systems are effective and robust and that records of defrayed expenditure are accurate.

"The management approach is welcomed by BIS, which commented positively on the role of the team, referring to its robust and disciplined systems, and committed adherence to the Assurance Framework (supported effectively by the Finance and Governance Sub-Committee). The Assurance Framework itself is rigorous and was updated in March 2016 to reflect feedback from the NAO."

“The CWLEP Assurance Framework refers to several elements of transparency, for example the publishing of LEP Board agendas five days in advance of meetings, summary minutes of Board meetings being available on the LEP website, and the opportunity for public questions to be considered as specific agenda items at the Board.”

“Project applications have, correctly, been appraised against the agreed scoring criteria and guidance within the Assurance Framework. This has, positively, led to a broad geography of projects to date.”

“The Programme Management Team, with support from the CWLEP Executive and the Growth Deal Implementation Sub-Committee, has functioned effectively; the systems and processes in place are robust and the Assurance Framework is closely adhered to.”

In applying the Assurance Framework, the Programme Management Team has developed robust systems for monitoring project cashflow against contracted targets. This has been crucial in ensuring CWLEP exceeded its expenditure target for 2015/16 financial year.

The strength of the Assurance Framework for ensuring that CWLEP has delivered against its objectives has been reflected in the recent External Evaluation of our Growth Deal.21

6.3 Selection of Interventions for Growth Deal 3

CWLEP has been actively engaged in developing a pipeline of high quality projects. Following an Open Call which was promoted through a range of media and meetings in July 2015, 74 Expressions of Interest were received from Local Authorities, Responsible Finance Providers, Colleges, Universities, private sector businesses, tourism bodies and transport organisations. These have been assessed by the Programme Management Team with expert input from a number of LEP business groups e.g. transport, against the criteria of ambition and rationale, value for money, delivery and risk.

A CWLEP Moderation Group reviewed the assessments and identified projects within three categories of: invite to full business case, reserve and declined. The CWLEP Board considered the findings and invited 47 projects to Full Business Case. Emphasis throughout the assessment and decision making process has been given to identifying projects that are strategically aligned to the SEP, including the 2016 Refresh, and are transformational in their approach.

Following on from a review of best practice in LEPs regarding the detailed assessment of projects, CWLEP has developed a detailed Green Book complaint 5 case approach based on the Black Country model which also formed the basis of the approach developed by WMCA. Moreover, CWLEP’s Business Groups have been engaged in the assessment process as expert advisors, which has strengthened the quality of recommendations through the process. The CWLEP Programme Management Team was represented on the WMCA group that developed the Assurance Framework and Business Case assessment model, thereby ensuring that the CWLEP and WMCA approaches are very closely aligned.

A fundamental part of the detailed assessment process is ensuring value for money. Transport projects are required to develop a fully compliant TAG assessment with a full exploration of value for money and benefits cost ratios with the focus being on identifying schemes that rate as high or very high. Non-transport schemes are assessed for value for money within the context of HCA additionality and other guidance related to specific projects as the value to the public purse must be based on the net additional activity that projects will deliver. All projects are reviewed against the public sector equality duty and are assessed against state aid requirements.

“I was closely involved with the establishment of the Coventry and Warwickshire LEP and it has been rewarding to see it develop so successfully and to see the help and support it has been giving to SMEs both through the Growth Hub and initiatives such as Venture House which was set up to encourage young and start-up companies in my constituency.”

Nadhim Zahawi MP
Member of Parliament for Stratford on Avon

The Knowledge Capital of the UK – Coventry & Warwickshire LEP’s Growth Deal Round 3 Application

CWLEP has the necessary track record and management and delivery capacity in place to fulfil both CWLEP and Government’s ambitions for Growth Deal Round 3.

Through the effective targeting of Growth Deal 3 projects on both Coventry & Warwickshire and the wider West Midlands’ key economic challenges and opportunities, and effective management and governance of Growth Deal 3 funding, we will realise our ambition of becoming the Knowledge Capital of the UK.

6.4 Concluding Thoughts

CWLEP has the necessary track record and management and delivery capacity in place to fulfil both CWLEP and Government’s ambitions for Growth Deal Round 3.

Through the effective targeting of Growth Deal 3 projects on both Coventry & Warwickshire and the wider West Midlands’ key economic challenges and opportunities, and effective management and governance of Growth Deal 3 funding, we will realise our ambition of becoming the Knowledge Capital of the UK.
Annex 1

Complete list of CWELP Pipeline of projects and programmes as at July 2016

- A444 North-South Corridor
- A452 A46 Leamington Corridor
- A452 Europa Way Corridor
- A46 Stoneleigh Expressway
- Allesley Old Road/Holyhead Road Corridor
- AME Expansion
- Avon Mill/Hunters Lane
- Bath Street Gyratory
- Bermuda Connectivity/Unlocking West Nuneaton
- Birch Coppice Rail Freight
- Birmingham Road Growth Corridor
- Business Growth & Innovation Fund
- Coventry City Centre South
- Coventry Digital Infrastructure Fund
- Coventry Energy Network Extension
- Coventry Ring Road Upgrade
- Coventry Riverside Regeneration Corridor
- Coventry Strategic Urban Capacity
- Creating a Cultural Capital
- CSW Broadband
- Culture and Tourism Fund
- Cycle Coventry and Warwickshire
- Data Driven Innovation Hub
- Evereux Development Site
- Friargate West
- Growing Nuneaton Town Centre
- Hinckley to Nuneaton Cycle Route
- HS2/UK Central/BIA Connectivity
- Leamington Creative and Digital Quarter
- National Centre in Advanced Agri-Food Manufacturing Technologies
- National Low Carbon Centre
- New International Shakespeare Centre
- NUCKLE 3.1 Deep Dive - Nuneaton Station
- NUCKLE 3.1 Rail Stock
- Nuneaton Museum of Skills and Tourism
- Nuneaton town centre
- Productivity Centre
- RSC Costume Redevelopment
- Rugby HE Construction and Technology Centre
- Rugby Parkway Station
- Stoneleigh Agri-tech Village
- Stoneleigh Park Conference Centre Refurbishment
- Swanswell/Canal Basin Connectivity
- University Research and Innovation Zone
- UK Central Plus Employment Access
- ULEV Acceleration Programme
- Unlocking Nuneaton’s Potential (Flood Risk)
- Warwick Arts Centre 20:20
- WMG Apprenticeship Learning Academy
- WMG Energy Led Business Innovation
“To become a global hub for knowledge based industries, leading the way in advanced engineering and digital sectors.”