

# An Economic Development Strategy for Stratford-on-Avon and Warwick Districts to 2028



## WORKING TOGETHER TO GROW THE SOUTH WARWICKSHIRE ECONOMY



# Foreword

This document presents a five-year strategy for the South Warwickshire economy. Stratford-on-Avon and Warwick District Councils, inspired by the range of common ground opportunities and challenges they face, have worked together to draw up a common vision with ambitious plans and actions to deliver this South Warwickshire Economic Strategy by 2028.

Given the importance of this strategy in shaping future investment decisions of both Councils, we are seeking feedback from stakeholders during February and March on the content of the strategy. Does it address the right challenges? Are the aims and objectives appropriate? And most importantly, will our actions lead to the desired outcomes of attracting inward investment, achieving low-carbon economic growth and growing the economy for the benefit of us all?

Comments can be made until Friday **31 March 2023** via either of the two Council's websites at:

[www.stratford.gov.uk/swes](http://www.stratford.gov.uk/swes)

[www.warwickdc.gov.uk/swes](http://www.warwickdc.gov.uk/swes)

Following receipt of the feedback, the strategy will be reviewed and amended as appropriate before being adopted by both Councils during summer 2023. It can then be implemented and monitored with the intention of ensuring that our economic vision for South Warwickshire is achieved.

We very much look forward to receiving your feedback.



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# Introduction

The 488sq miles of attractive South Warwickshire countryside is home to highly-skilled, entrepreneurial, innovative and creative people and businesses and provides the ideal incubator for new ideas to flourish and grow. However, the pandemic hit South Warwickshire hard, with Stratford-on-Avon District being the fourth worst economically-affected area in the UK due to its significant tourism and hospitality sector. Despite the challenging economic times, this strategy not only seeks to reboot the South Warwickshire economy, but also to grow it, widening existing opportunities, making it more sustainable and less vulnerable and capitalising on our ambitions for a low-carbon economy.

**Our vision for South Warwickshire is that by 2028, Stratford-on-Avon and Warwick District Councils will have contributed to the creation of a larger, stronger, greener and more inclusive economy.**

Our mission is to foster the growth of the South Warwickshire economy sustainably and equitably. Working together, we will ensure economic participation and prosperity for everyone in South Warwickshire. We will also lead the way and take smarter steps towards a greener future to meet our ambitions for a 55% reduction in South Warwickshire's carbon emissions by 2030.

The strategy is built around three themes: **People, Productivity and Place**, reflecting the three main pillars of our local economies. The strategy also identifies **five core opportunity sectors** to be jointly and actively promoted and supported by the two Councils. The first three of these sectors (Automotive, EV Batteries and Hydrogen) combine to form **one of the UK's leading low-carbon transport technology clusters**. The core opportunity sectors are:

- Automotive
- Electric Vehicle (EV) Batteries
- Hydrogen
- Bioscience and Agri-tech
- Digital Creative

The South Warwickshire Local Plan is being prepared at the same time as the South Warwickshire Economic Strategy. The Local Plan provides a long-term framework to guide physical and infrastructure developments in South Warwickshire up to 2050, reflecting, but also enabling, the vision and aspirations of both Districts as set out in [South Warwickshire Local Plan](#).

## Purpose of the Strategy

The main objective of this strategy is to **co-ordinate economic growth activities across South Warwickshire** and **highlight South Warwickshire's significance and contribution to the wider regional and national growth plans.**

Having this strategy in place provides a framework for joint activities drawing on common ground issues (opportunities as well as challenges), and taking advantage from the creation of critical mass and scale while minimising duplication and waste of resources and unnecessary competition. We should also recognise that both Stratford District and Warwick District Councils will undertake individual economic development activities. This is to be expected. This strategy enables those individual activities to share the common goals, aims and objectives of the wider geographic area in line with those set out in the strategy.

This strategy also provides impetus and direction for bidding for grants and monies when opportunities arise without restricting the ambitions and operational priorities of each authority. The strategy shows commitment and direction and will put the Stratford-on-Avon and Warwick District Councils in a stronger position to continue to attract public and private sector investment across South Warwickshire.

## Structure of the Strategy

There are three parts to this strategy:

1. **South Warwickshire at a Glance** – it presents key facts and figures about the South Warwickshire economy, and challenges and opportunities for the future.
2. **An Economic Strategy for South Warwickshire** – sets out a Vision for economic growth across South Warwickshire, our mission and focus.
3. **Delivering the Economic Strategy** – presents objectives to be achieved and actions to be delivered by 2028.

Two specific Action Plans (one for each District) will also set out how we will work in conjunction with a wide range of key stakeholders to deliver on these economic priorities.

The action plans will be produced following the consultation period and will be able to be viewed at:

[www.stratford.gov.uk/swes](http://www.stratford.gov.uk/swes)

[www.warwickdc.gov.uk/swes](http://www.warwickdc.gov.uk/swes)

# 1. South Warwickshire at a glance

## At the heart of the Midlands Engine

South Warwickshire benefits from direct access to both Birmingham and London via the M40 and the Chiltern Main Line (with UK Central and HS2 to the north to open from 2029) as well as international travel via Birmingham International Airport via the M42. To the south, South Warwickshire borders Oxfordshire and its connections to the Oxford-Cambridge Arc as well. Businesses within South Warwickshire are geographically well-placed to capitalise on a range of economic opportunities from not only the wider West Midlands, but the East Midlands and southeast and southwest of England. In addition to the M40 and M42, South Warwickshire is traversed by the A46, the Trans-Midlands [Trade Corridor](#), a key strategic route of national and regional importance.



**South Warwickshire = 488 square miles**

- 30% within the West Midlands Green Belt
- 8% within the Cotswold National Landscape (Area of Outstanding Natural Beauty)

**Travel times by road**

- Leamington to outer London (80 mins)
- Stratford to outer London (90 mins)
- Leamington to Birmingham (40 mins)
- Stratford to Birmingham (45 mins)
- Leamington to Oxford (40 mins)

**Travel times by rail**

- Leamington to London (80 mins)
- Leamington to Birmingham (25 mins)
- Stratford to Birmingham (50 mins)
- Solihull to London ( 38 mins proposed by HS2)

**Birmingham**

UK's second largest city, major transport hub, home to several universities and the leading Foreign Direct Investment location in the Midlands

**Coventry** – engine of the UK automotive industry

**Leicester and Leicestershire** – world-leading centres of new technology and innovation in space and earth observation and sports science

**Rugby** – birthplace of Rugby Union Football and strong heritage

**Silverstone** – UK Grand Prix and F1

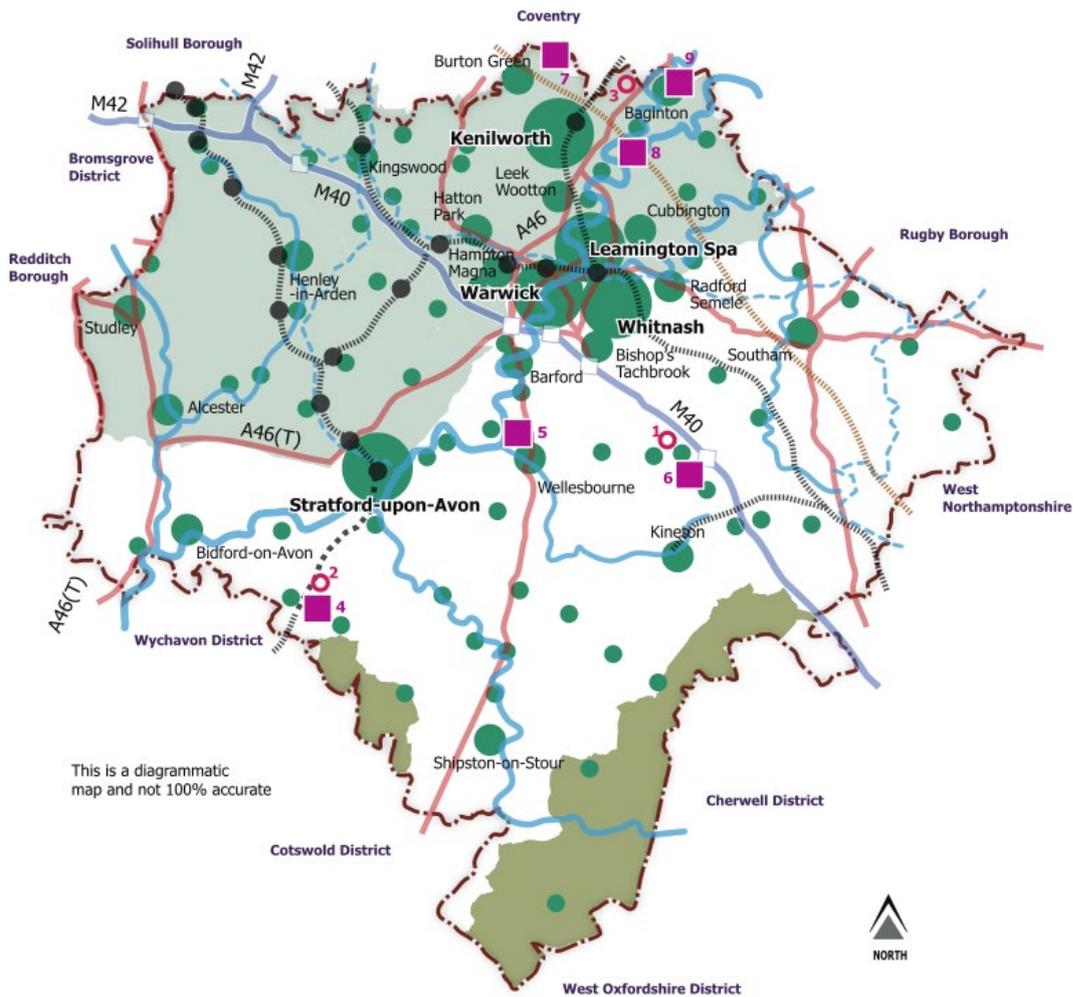
**Banbury** – motorsport and logistics hub

**Cheltenham** – GCHQ and cyber security hub

**Vale of Evesham** – booming food and agritech industry

**Redditch** – Aerospace industry

## With access to a unique range of assets



### 'Silicon Spa'

The home of the UK's Video Games Industry, the 'Silicon Spa' cluster (which extends from the heart of Royal Leamington Spa and stretches out to the surrounding areas of Southam and Warwick) employs over 2,000 highly skilled people, equating to over 10% of the UK total in games development.

### Automotive

The Coventry & Warwickshire sub-region is proud of its reputation as a world-class centre for advanced manufacturing and engineering. Aston Martin Lagonda, Jaguar Land Rover and Lotus all have a major presence in South Warwickshire particularly at Gaydon (where Aston Martin has its global headquarters). In Stratford-on-Avon District, manufacturing (of which the automotive sector forms a significant part) is the largest sector accounting for over 40% of GVA.

### UK Battery Innovation Centre

Part of a Government programme to fast-track the development of cost-effective, high-performance, durable, safe, low-weight and recyclable batteries, the UKBIC provides the missing link between prototype battery technology and successful mass production. UKBIC has been delivered through a consortium of Coventry City Council, CWLEP and Warwick Manufacturing Group/University of Warwick.

### Agriculture

70% of Warwickshire is agricultural land and home to a diverse range of farming, food and drink businesses. Agriculture is of particular importance to South Warwickshire in terms of contribution to the local economy, local communities, protection of the local environment and a large employer to local people.

## Food and Drink

South Warwickshire has developed an excellent reputation for 'foodie' businesses. Many farms have diversified and invested in infrastructure to make it possible for these businesses to start up and grow. Small and micro businesses in this sector are pioneering, created through passion and a desire to do business differently based with 'green credentials' central to their ethos. Examples of these companies are: Purity Brewing, Warwickshire Gin, Henley Chocolates, Napton Cidery and Shakespeare Distillery.

## Cotswolds National Landscape

Designated in 1966 and previously known as the Cotswolds Area of Outstanding Natural Beauty (AONB), it is the third largest protected landscape in England.

## Shakespeare Birthplace

The birthplace in 1564 and childhood home of William Shakespeare is a mecca for all lovers of literature. The restored 16th-century half-timbered house situated in the heart of Stratford-upon-Avon is a popular attraction for UK and overseas visitors.

## Magnificent Castles

Warwick and Kenilworth Castles attract significant visitor spend (£72 million pre-pandemic total visitor spend between 2017 and 2019).

## Historic Country Houses and Gardens

South Warwickshire is home to numerous significant country estates (including Charlecote Park, Coughton Court, Compton Verney, Ragley Hall, and Alscot Estate) which hold exhibitions that attract domestic and international tourists.

## Arts & cultural organisations, events and venues

South Warwickshire boasts a wide range of organisations and venues which not only are important to make South Warwickshire a great place to live, work and visit, but also contribute directly to the economy of the area. These range from Leamington Spa Art Gallery & Museum, the several theatres and venues including the Spa Centre and Loft Theatre in Leamington, and companies such as Motionhouse the world-class circus/dance performance company.

## West Midlands Gigafactory, Coventry & Warwickshire Gateway South

The proposed state of the art Gigafactory will be

based at Gateway South in Warwick District at the heart of the UK's automotive industry and will be able to supply UK manufacturers with batteries on their doorstep bringing investment, skills and jobs to the area and ensuring its place in the green revolution.

## University of Warwick

With more than 26,500 students across 32 departments the University is currently ranked sixth in the UK. Its main campus is to the south of Coventry with an additional campus at Wellesbourne. Warwick Manufacturing Group (WMG) provides research and education in engineering, manufacturing and technology. Warwick Arts Centre is the largest venue of its kind outside of London.

## Long Marston Rail Innovation Centre

Operated by Porterbrook PLC, the centre is a leading cluster in sustainable digital rail technology working with Small and Medium Enterprises.

## Wellesbourne Airfield

Formerly RAF Wellesbourne Mountford, the airfield today operates as a general aviation airfield, home to private aircraft and a flying school training the next generation of UK commercial pilots. Its proximity to the University of Warwick's Campus at Wellesbourne provides the ideal opportunity to attract inward investment as a centre for aviation innovation.

## Stoneleigh Park

A science and innovation park, home to a cluster of over 60 businesses related to food production, equine and livestock husbandry, sustainability, renewable energy and the wider rural economy, Stoneleigh Park is a showcase for rural futures.

## Royal Shakespeare Company (RSC)

Established in 1961 and based in Stratford-upon-Avon, the RSC is a major British theatre company employing over 1,000 staff and producing circa 20 theatrical productions each year. As well as its three theatres in Stratford-upon-Avon the RSC also tours across the UK and internationally.

## Bowls England

Leamington is HQ of Bowls England and hosts the annual National Bowls championships throughout August attracting an estimated 11,500 spectators.

## Long Marston Rail Innovation Centre

Derby and London based Porterbrook owns almost a quarter of the national passenger rail fleet and currently has around 4,000 vehicles on lease or on order. To date the business has invested £3bn in new passenger and freight vehicles and is actively looking to invest a further £1bn in rolling stock and wider rail infrastructure in the coming years. Engineering excellence is central to the company's role as a leading railway asset owner and manager. In collaboration with industry partners, the business project manages the delivery of regular upgrades to its rolling stock fleets, investing over £100m annually in its existing assets, working with over 100 UK-based companies and supporting around 7,000 jobs. It has an established reputation for delivering new technologies, such as battery, hybrid and hydrogen powered trains.

Since taking over the Long Marston Rail Innovation Centre in June 2021, Porterbrook has invested over £3m to modernise and enhance the facilities which include a 3.5km test track loop, high quality office and conference space, rolling stock storage and a training centre. A third of that spending has been with local businesses in Warwickshire. The Long Marston Rail Innovation Centre is an increasingly important storage, training, research and development facility for the UK rail industry. The company's ground-breaking HydroFLEX, the world's first tri-mode battery, electric and hydrogen train, was built and extensively tested at the site before being presented at the COP26 environment summit in Glasgow in November 2021. Porterbrook's long-term investment plans for Long Marston would allow many UK rail businesses to accelerate work in areas such as research and development and innovation in addition to supporting the local economy in Warwickshire. In 2023 it is committed to investing £2 million in a new Asset Management Facility (AMF), a fully enclosed train maintenance space incorporating heating, lighting, power and equipment. In 2022, the company announced a partnership with the charity Primary Engineer to deliver a new rail project to 10 schools in the Long Marston area, with the aim of encouraging more young people to consider careers in STEM related professions.



## Transforming Leamington

Transforming Leamington is an exciting new long-term initiative which aims to bring together all those involved in making Leamington Town Centre a vibrant and successful place now and into the future. This is intended to be achieved through developing existing and new relationships and articulating the shared ideas and approaches through a new Leamington Transformation Framework. This builds on foundations established in 2018 via the Vision for the Town Centre, and updates this for the current day. It takes on-board the changes that have happened since then, including recognition of the global climate emergency, the COVID-19 pandemic, and the associated changes to our High Streets.

Leamington Spa is not alone in facing some of the greatest changes in the way people use town centres in their lifetime. The High Streets Task force draws together best practice and learning across all the nation's High Streets and town centres. It is from this body of knowledge and experience that the concept of a Transformation Framework has been developed. A Framework is a forward-looking plan for the future which is flexible and able to quickly adapt and change as circumstance change in what can be very dynamic times for town centres. The work is current in development and has identified at least 22 individual projects, which will be co-ordinated at the strategic level via the Leamington Transformation Board.

As part of kick-starting this transformation, Leamington town centre has access to £10M of Government funding via the Future High Streets Fund. This is allocated to five key transformational projects including the Town Hall, Spencer Yard, Former Stoneleigh Arms, Sorting Office and an East-West cycle link. The Transformation Framework sets these projects in a wider context and provides the ability to articulate the vision for the town centre for all future funding bids. We will also be working closely with private sector partners to ensure empty units in the town centre are re-purposed to support the overall vibrancy and activity in the town centre as its profile of different uses changes from predominantly retail to more mixed-uses, including more residential and opportunities for town centre living.



## University of Warwick

Warwick is one of the world's leading education and research institutions, ranked in the UK top 10 and in the world top 65, and proud to have been established in the West Midlands. The University's mission is to be a regional force for good: working together with communities, businesses, partners, and major industry to create impact that leads to innovation in action, boosts the local economy, attracts and retains talent, and provides local people with new opportunities to advance and excel. With 28,000 students and almost 7,000 staff, in 2019-20 the University generated £1.15 billion for the local economy.

The University's strategy connects its research to solving the major challenges of society. Since its foundation, Warwick Business School has become world-leading, and WMG (Warwick Manufacturing Group) is an exemplar of academic and industry researchers working together on global initiatives through partnerships such as the National Automotive Innovation Centre, as well as supporting skills for the future through the WMG Academy for Young Engineers and the WMG Degree Apprenticeship Centre.

The University has also made major investments in sport, arts and culture, providing training facilities for elite athletes and local communities, and recently completing a £45m refurbishment of Warwick Arts Centre. With a base in The Shard in London, an alliance with Monash University in Australia, and strategic partnerships across Africa, China, Europe, North America and beyond, by 2030, Warwick will be one of the world's exceptional universities.



## University of Warwick Wellesbourne Innovation Campus

The University of Warwick's campus on the outskirts of Stratford-upon-Avon is a unique collaborative environment shared by academic research teams and a range of knowledge-led businesses. The vision is for collaborative research to deliver on the global challenges of future mobility, crop science, digital technologies and health.

There are currently over 20 businesses at the campus, including the Lotus Advanced Technology Centre, Corteva Agrisciences, Rimac P3 Mobility, and the SMEs Lyra Electronics, Stoli Catalysts, Fluxsys and EBI Software, along with researchers from the University's School of Life Sciences and WMG (Warwick Manufacturing Group). The campus is also home to Defra's UK Vegetable Genebank, a repository of international significance, as well as the Natural Light Growing Centre, an industry-focussed R&D facility of one of the UK Government's Agri-tech Innovation Centres. The University has a long-term vision for growth at the campus, with plans to welcome further investment and build a world-leading innovation hub in the region.



## A high value and high potential economy



**South Warwickshire is home to 16,000 businesses and a highly entrepreneurial location to start a successful business**

- There are **59 business per 1,000 population** in South Warwickshire, compared with 37 per 1,000 population in the West Midlands and 42 per 1,000 in England
- **Business survival rates for new businesses are relatively high**, a 4-year rate of 51% compared to 43% in England



**South Warwickshire is making an economic contribution of £10.2 billion of gross value added (GVA) to the regional and national economies, with the GVA in South Warwickshire growing faster than the average in England over the past 10 years, drawing on strong productivity trends**

GVA per hour worked and GVA per job filled are both above the England and West Midlands average



**South Warwickshire is home to 283,177 people, with a growing population and the working age population relatively highly qualified**

- There has been a population increase of 6.7% between 2017 and 2021, compared to 1.6% nationally and 1.5% in the West Midlands
- The **working age population aged 16-64 comprises 61%** of the South Warwickshire population

## 1. South Warwickshire at a glance



### Manufacturing

Businesses: 760  
Employment: 19,000  
GVA: £1,952 million



### Wholesale and retail trade:

Businesses: 1,955  
Employment: 23,000  
GVA: £1,015 million



### Professional, scientific and technical services

Businesses: 3,295  
Employment: 16,000  
GVA: £576 million



### Human health and social work

Businesses: 535  
Employment: 19,000  
GVA: £409 million



### Administration and support activities

Businesses: 1,415  
Employment: 11,000  
GVA: £505 million



### Agriculture, Forestry and Fishing

Businesses: 950  
Employment: 3,700

### Utilities (electricity, gas, water supply and waste)

Businesses: 80  
Employment: 4,310  
GVA (Utilities & Agriculture): £1,503 million



### Real Estate

Businesses: 745  
Employment: 2,750  
GVA: £1,294 million



### Construction

Businesses: 1,715  
Employment: 6,000  
GVA: £460 million

**Sources:** Business Register and Employment Survey - Nomis, ONS, Demography 2021 - Released 2022, Nomis; UK Business Counts - Nomis, ONS, Demography 2022 - Released 2022, Nomis; Regional gross value added (balanced) by industry: local authorities by ITL

It is also estimated that South Warwickshire will deliver approximately **£13.4 billion to the regional and national economy by 2028**. The two Councils are working together to contribute to the wider West Midlands ambitions to become the fastest growing region outside of London (as set out in the WMCA Strategic Plan for Growth).

This could deliver an **additional £300 million to the local economies by 2028**. This will bring the total contribution to the regional and national economies to £13.7 billion by 2028 (and £14.1 billion by 2030).

Source: Warwick Economics & Development (1.4% drop in GVA forecasted by the Office of Budget Responsibility in November 2022 has been incorporated – leading to a GVA in 2028 and 2030 that is slightly lower than would otherwise be the case).

- The working age population is projected to **grow in South Warwickshire at more than twice the rate of England by 2030**, with 8% growth in this age group compared to 3% nationally
- Approximately **49% of the working age population is qualified to NVQ4 or above**, compared to 43.2% nationally and 38.9% regionally (West Midlands)

### 79.5% of the working age population of South Warwickshire is economically active with 3.6% unemployed and 16.5% inactive

- This compares with 79% of the working age population of England being economically active with 21% inactive (including unemployed).



- 31.4% of occupations in South Warwickshire are described as professional compared to 26.1% nationally
- There is also a concentration of associate professional positions (19% compared to 15% nationally)

## Some challenges

South Warwickshire has many strengths, but it also faces some important challenges that will need to be overcome by the two Councils working closely together. For example, the competitiveness of the area is at risk. In 2021, Warwick District had a competitiveness index of 116.6 and ranked 26th among local authorities; in 2018 it had an index of 118.7 and was ranked 22nd. In 2021, Stratford-on-Avon had a competitiveness index of 108.7 and was ranked 48th among local authorities; in 2018 it had an index of 110.2 and was ranked 43rd. While both Districts have very strong bases in manufacturing, our economies are also highly dependent on retail, hospitality and tourism. These are sectors that tend to offer low-paid jobs with limited career progression opportunities.

Some parts of South Warwickshire also lack access to superfast broadband and good mobile phone coverage. This prevents some rural businesses operating on a level playing field. In parts of South Warwickshire, we also lack sufficient power/energy capacity to meet future demand for development. Furthermore, whilst South Warwickshire is centrally located in the country there are areas that lack direct links to the main rail network. Many communities have limited access to public transport. This has an impact on employment and social and health and wellbeing of residents where some suffer from social isolation and rural poverty. Housing costs have risen beyond average affordability in the area. House purchase and private rents are prohibitive for young, single, or lower paid people. With a shortage of social housing there is acute pressures in the housing market for local people who often have to move out of the area to cheaper areas.



## Significant opportunities

**A carbon neutral economy:** In 2019, Warwick and Stratford-on-Avon District Councils both declared a climate emergency with the ambition for the area of South Warwickshire to be as close to carbon neutral as possible by 2030. A joint 'Climate Change Action Programme', agreed by both Councils in November 2021, sets out three ambitions and how we'll achieve them. This Strategy has an important role to play in supporting the delivery of these ambitions and in doing so we will need to ensure the socio-economic implications of achieving net zero are also given prominence. We cannot change that situation overnight. However, what this strategy seeks to do is promote a twin-tracked approach of: a) Proactively and positively supporting growth and investment in low-carbon sectors to achieve the necessary step-change; and b) Encouraging the de-carbonisation of all industrial sectors to support the transition to a low-carbon economy.

**Powering the South Warwickshire Economy:** A bigger South Warwickshire economy will require more locally generated energy. This strategy therefore supports proposals for renewable energy generation, low carbon heat and power, retrofitting of existing buildings, hydrogen hubs and emerging low-carbon energy technologies. The [Stratford-on-Avon Core Strategy](#) and [Warwick Local Plan](#) set out the Councils' respective planning policies for supporting applications for such schemes.

**Levelling Up:** The Levelling Up White Paper recognised the role Jaguar Land Rover (JLR) is playing as an anchor institution for local SMEs driving skills improvement and supporting local communities. Warwickshire is referenced as a recipient of funding through Project Gigabit to bring gigabit-capable broadband to 85% of the UK by 2025, and Leamington Spa as a recipient of Future High Streets Fund. There is also recognition of the benefits that the legacy of the 2022 Commonwealth Games will bring to the whole West Midlands region.

**UK Shared Prosperity Fund:** As part of the Levelling Up agenda, the UKSPF is a £2.6bn fund being directed to local authorities to invest in three local priorities: communities and place, support for local businesses and people and skills. The three priorities relate to seven of the twelve Levelling Up missions. Stratford-on-Avon District Council and Warwick District Council have been allocated £3.596m and £3.484m, respectively, to deliver on these priorities through implementation of their respective Investment Plans over the next three years. Stratford-on-Avon District is also benefiting from the Rural Prosperity Fund.

**West Midlands regional strategies and initiatives:** Major opportunities are also created for South Warwickshire through the two Councils working together in the regional context, including to continue supporting the Midlands Engine and contribute to the work of the West Midlands Combined Authority (WMCA) including the [WMCA Plan for Growth](#) (in particular health-tech and med-tech, digital creative opportunities for production and games development and aerospace including manufacturing alternative fuels sectors) and the [West Midlands Innovation Accelerator](#); the WMCA's [Green Prospectus](#) (in particular future mobility, smart energy systems, energy storage and resource management and low carbon economy). Together we will also explore opportunities arising from the [Midlands Connect](#) targeted investments to alleviate key congestion hotspots along the [A46](#) corridor, including at Evesham and Stratford-upon-Avon.

## People

- Diverse and rich skills of the local workforce ranging from manufacturing, software and technology to agriculture
- Strong educational outcomes and qualifications among the population

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- High proportion of low paying employment in the retail, hospitality and tourism sectors
- High cost of living (e.g. housing and travel costs) impacting on ease of recruitment for certain sectors
- Poor connectivity through public transport

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- A highly skilled workforce offers a bedrock from which to build high skill industries such as low carbon sector and artificial intelligence
- A joint strategy offers an opportunity to work with local and regional partners to match local skills supply to the demands generated by investments in new technologies
- Work with the University of Warwick and local employers to increase graduate and apprenticeship opportunities and retention

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- Dependence on service sector jobs and response to the pandemic led to a large portion of the workforce being furloughed and seeing other work leading to hiring shortages for these sectors
- Fewer young people in the labour market, a key demographic for tourism and service sector jobs, exacerbating issues of worker shortages in these sectors



## Productivity

- Particularly high GVA growth compared to nationally
- A strong business survival rate and strong entrepreneurial culture and attractive environment to do business
- Well-qualified population and emerging new technology and innovation clusters

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- Imbalance in sectoral spread of GVA - making the economy vulnerable to economic shocks and crises
- Despite high employment, a large portion of jobs are low-paying sectors such as retail, social care, and food and drink service

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- Localise energy supply, secure further investment in new technologies and promote a low carbon economy
- Support growth in all key sectors and knowledge-based businesses in: advanced manufacturing and engineering; low carbon; tourism and service sector; creative industries and ICT and agriculture sector

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- Continuous increase in housing affordability ratios will limit young and lower income workers moving in to the area
- Certain sectors in South Warwickshire could be disproportionately impacted by climate change such as agriculture and tourism



## Place

- Proximity to world class universities and industries with strong R&D
- Areas of outstanding natural beauty and a world renowned cultural and historical heritage attracting global tourism and investment
- Excellent schools, good transport links to London and Birmingham, attractive open spaces and cultural offerings make the area an attractive place to live and work
- Good transport links to London and Birmingham from Leamington and Warwick



- Restricted access to public transport in many parts, impacting employment, health and rural isolation
- Limited access to broadband and phone coverage for some rural areas
- Continuing need for social and affordable housing affecting young and vulnerable people



- National and local policy commitments and funding and well-targeted regeneration projects across different areas and sectors
- Buy-in, engagement and the development of a new housing company offer opportunities for focusing on progressive low carbon policies for the area



- Staff shortages and supply chain breakdowns as a result of Brexit and Covid impacting on businesses' ability to operate effectively
- Employment land and space, while relatively abundant, may not be suitable for business needs



### Key

**Strengths**
**Weaknesses**
**Opportunities**
**Threats**



## 2. An Economic Strategy for South Warwickshire

### Our Vision

Our vision for South Warwickshire is that by 2028, Stratford-on-Avon and Warwick District Councils will have contributed to creating a larger, stronger, greener and more inclusive economy.

### Our Mission

**Both Stratford-on-Avon and Warwick District Councils have declared climate change emergencies and are committed as organisations to achieving net carbon neutrality by 2025. Aside from the positive environmental impacts of achieving carbon neutrality, mitigating and adapting to climate change will generate positive economic impacts and new opportunities for jobs and investment in new sectors, driving forward innovation in existing sectors and creating the cross-fertilisation of ideas. The Councils want to capture and capitalise on these opportunities and see South Warwickshire leading the way in decarbonising the local economy while promoting growth and social inclusion. Our mission, therefore is:**

**To foster the growth of the South Warwickshire economy sustainably and equitably. Working together, we will seek to achieve economic participation and prosperity for everyone in South Warwickshire. We will also lead the way and take smarter steps towards a greener future to meet our ambitions for a 55% reduction in South Warwickshire's carbon emissions by 2030.**

### Our Focus

To deliver our strategy, we are focusing on three themes: **People, Productivity and Place**. Across these themes we have identified eight objectives that the two Councils want the strategy to accomplish.

#### People

1. To address the skills imbalance
2. To increase the provision of affordable housing

#### Productivity

3. To strengthen existing economic sectors
4. To de-carbonise the existing South Warwickshire economy
5. To attract new sectors to diversify the local economy

#### Place

6. To improve infrastructure provision across South Warwickshire
7. To increase the vitality of our high streets and town centres and promote the economic value of our artistic and cultural assets
8. To ensure the adequate supply of employment land

Under each objective we have identified a series of specific actions the two Councils' will take to deliver the strategy.

The strategy also identifies five core opportunity sectors to be jointly and actively promoted and supported by the two Councils. The first three of these sectors (Automotive, EV Batteries and Hydrogen) combine to form one of the UK's leading low-carbon transport clusters. The core opportunity sectors are:

- Automotive and advanced manufacturing
- EV Batteries
- Hydrogen
- Bioscience and Agri-tech
- Digital Creative

# 3. Delivering the Economic Strategy

## Main objectives and priority actions

### People

#### Objective 1 - To address the skills imbalance

- 1.1 Explore opportunities with local businesses for apprenticeship programmes in partnership with colleges and universities across South Warwickshire
- 1.2 Working with local businesses, sixth forms and colleges, establish a programme of promoting local job opportunities with school and college leavers
- 1.3 Explore opportunities with local colleges and universities to retrain adult learners to address staff and skill shortages in specific sectors

#### Objective 2 - To increase the provision of affordable housing

- 2.1 Encourage and support the provision of 100% affordable housing schemes across South Warwickshire in accordance with Local Plan policy
- 2.2 Explore with partners the potential for affordable key worker accommodation targeted at the service and hospitality sectors
- 2.3 Deliver additional housing that meets the needs of South Warwickshire through Milverton Homes Local Housing Company

### Productivity

#### Objective 3 - To strengthen existing economic sectors

- 3.1 Promote business support programmes and networking across South Warwickshire targeted at start-up and fledgling businesses, in particular programmes that provide flexible and less prescriptive support
- 3.2 Support the diversification of the rural economy including through the provision of local hubs for rural and agricultural industries that foster collaboration and innovation
- 3.3 Establish one additional business centre across South Warwickshire by 2028
- 3.4 Support the provision of additional visitor accommodation across South Warwickshire
- 3.5 Work with the WMCA to promote Leamington Spa as the creative technology hub for the West Midlands and deliver the necessary infrastructure to support these industries through partnerships such as the Creative Quarter and Leamington Transformation Board.
- 3.6 To utilise South Warwickshire's allocation of the UK Shared Prosperity Fund allocation to improve support for local businesses.
- 3.7 Support businesses in south Warwickshire to adapt to the effects of climate change by identifying opportunities to minimise the impacts of changing weather patterns on productivity and by maximising opportunities presented by climatic changes. In particular we will work proactively with those sectors that are most vulnerable to predicted climatic change.

#### Objective 4 - To de-carbonise the existing South Warwickshire economy

- 4.1 Working with partners, to establish a network of low-carbon business champions to promote and support the de-carbonisation of existing business activities
- 4.2 Encourage and support the retrofitting of commercial premises with renewable energy generation

### 3. Delivering the Economic Strategy

- 4.3 Work with Shakespeare's England and tourism businesses to de-carbonise the tourism sector including through more sustainable travel

#### **Objective 5 - To attract new sectors to South Warwickshire to diversify the local economy**

- 5.1 Work with university partners to maximise the benefits of "spin-off" commercial opportunities arising from university research in low-carbon sectors
- 5.2 Support the provision of a 'gigafactory' and supply chain businesses within South Warwickshire

### Place

#### **Objective 6 - To improve infrastructure provision across South Warwickshire**

- 6.1 To facilitate the delivery of superfast broadband speeds/full fibre and good mobile 5G signal across South Warwickshire
- 6.2 To work with National Highways and Warwickshire County Council to facilitate the upgrading of the A46 to expressway standards
- 6.3 To facilitate the increase of renewable power generation and supply across South Warwickshire, in appropriate locations
- 6.4 By 2028 to have supported and facilitated the provision of at least one 'hydrogen hub' in South Warwickshire
- 6.5 To improve the transport connectivity to the University of Warwick's campus

#### **Objective 7 - To increase the vitality of our high streets and town centres and promote the economic value of our artistic and cultural assets**

- 7.1 To facilitate the delivery of the World Shakespeare Centre in Stratford-upon-Avon by 2028
- 7.2 Working with town councils and BIDS, secure funding opportunities for public realm improvements to high streets
- 7.3 In conjunction with the BIDs, monitor occupancy levels in town centres and work with landlords to encourage pop-up and meanwhile uses in empty shops
- 7.4 Compile and maintain a single list of events across South Warwickshire to assist in more effective co-ordination and promotion
- 7.5 Deliver Leamington's Future High Street Fund and wider Transformation project to strengthen the role of Silicon Spa as the national centre for digital creative industries
- 7.6 To retain visitors to Stratford-upon-Avon by growing the evening economy through supporting later opening of businesses and provision of evening events
- 7.7 To strengthen and protect existing high streets by resisting the loss of retail and/or commercial space to residential uses
- 7.8 To support the provision of upper floor residential uses in town centres providing there is no detrimental impact on the operation of existing neighbouring businesses

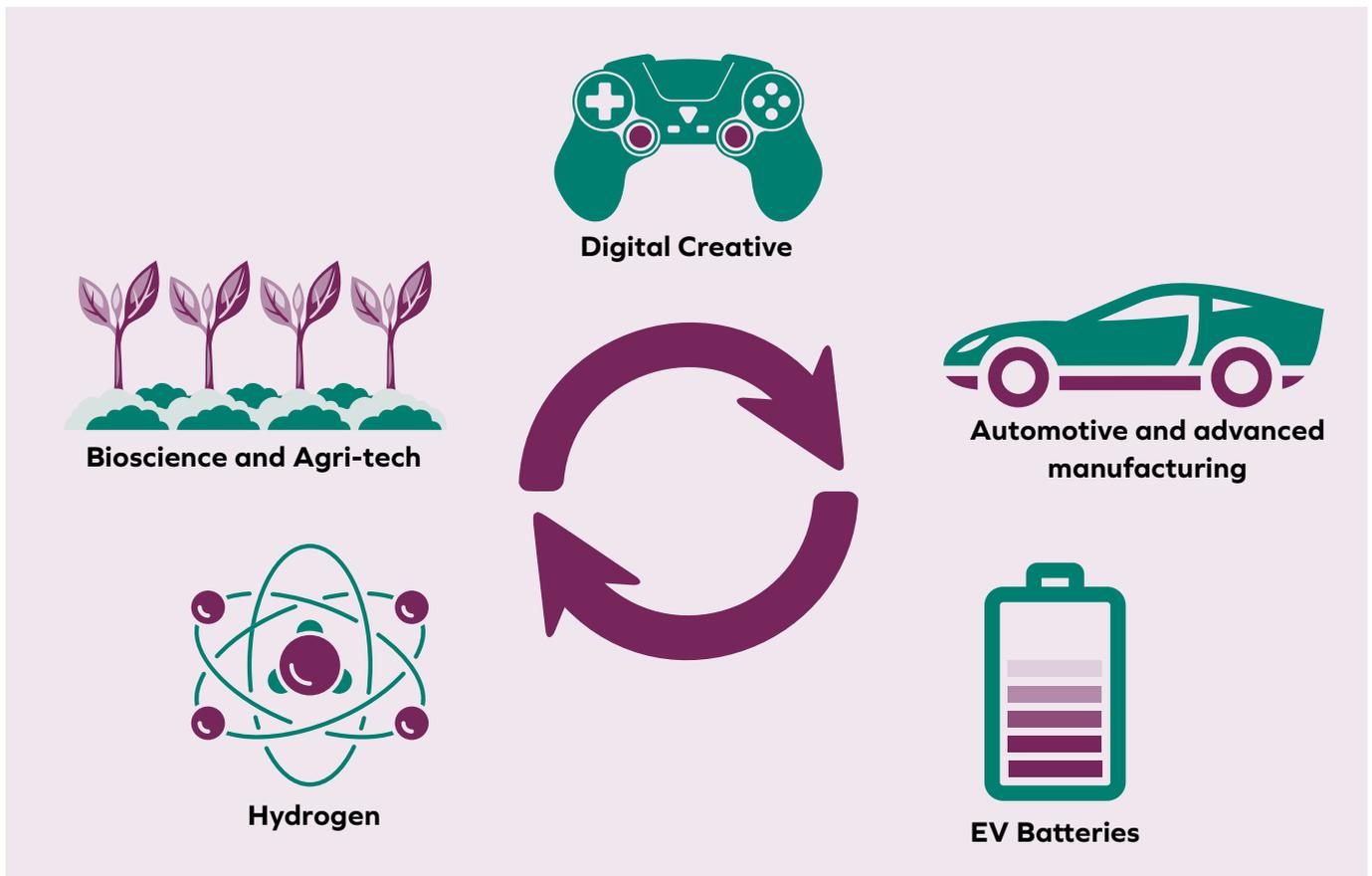
#### **Objective 8 - To ensure the adequate supply of employment land**

- 8.1 To facilitate the provision of additional affordable employment premises across South Warwickshire through the SWLP
- 8.2 To ensure adequate future supply of employment land in the right locations across South Warwickshire through the SWLP
- 8.3 To resist the outright loss of employment premises to non-employment uses to ensure an adequate supply of a range of types and tenures of employment land

## Core Opportunity Sectors

The strategy identifies five sectors for the two Councils to work together on in order to boost growth and productivity. These sectors are those where there are significant opportunities for investment, building on an existing foundation while further improving and opening up (new) opportunities for the local workforce. Collectively, these sectors also contribute to the achievement of our net zero targets.

- **Automotive and advanced manufacturing** - With strong links to both further and higher education institutions, South Warwickshire forms a world-leading cluster at the heart of advanced automotive technology.
- **Bioscience and Agri-tech** - Seeking to develop biological and technological solutions that sustain, restore, and improve the quality of life for humans, plants, and animals in our world, including innovations in agriculture to increase its yield, efficiency, and profitability. Bioscience has strong roots in South Warwickshire with continual research since 1949.
- **Digital Creative** - Centred on Leamington Spa town centre this cluster extends to nearby towns such as Southam. The home of the UK video games industry, "Silicon Spa" employs 10% of the UK games development workforce
- **EV Batteries** - Taking a lead from the R&D foundation of the automotive industry, this fast-developing sector is creating a high value, advanced cluster in its own right, assisted by the UK Battery Innovation centre in Warwick District and the proposed Gigafactory at Coventry and Warwickshire Gateway South and the world-leading research of University of Warwick and Coventry University.
- **Hydrogen** - Non-fossil fuel hydrogen generation is an alternative clean fuel to battery technology. Work on hydrogen technology in the rail industry is being explored at Long Marston with the development of the Hydro-flex train.



### 3. Delivering the Economic Strategy

Within South Warwickshire, there is a core economic area comprising the five main towns (Kenilworth, Royal Leamington Spa, Stratford-upon-Avon, Warwick and Whitnash), the A46 Trans-Midlands Trade Corridor and the central section of the M40. It also includes the University of Warwick's two campuses, Coventry and Warwickshire's Gateway South Battery Innovation Centre and the proposed Gigafactory, Long Marston Garden Village and Rail Innovation Centre, Stoneleigh Park and the automotive hub at Gaydon. Whilst this Economic Strategy seeks to maximise economic opportunities across the whole of South Warwickshire, this area, with its proximity to High Speed 2 and UK Central at Arden Cross in neighbouring Solihull Borough just to the north of South Warwickshire, is likely to provide **the focus for attracting strategically significant inward investment to drive forward the South Warwickshire economy**, while acknowledging national and local planning policies (e.g., Green Belt).

This strategy acknowledges the need for additional employment land (including affordable employment premises), and this will generally be directed towards this Core Investment Opportunities Area. The strategy will also ensure that these areas are well connected - **with a particular focus on supporting public transport and active travel**. It is recognised that a core area which includes the A46 expressway does support further car borne travel. It will be important that investment along this corridor focuses on tackling existing congestion and that new development opportunities maximise all opportunities for promoting public transport including rail-based access where possible. These will need to be addressed further in the South Warwickshire Local Plan. The identification of this area is not intended to set out a wider development growth strategy for South Warwickshire, nor is it intended to advocate development in the Green Belt. The place to consider this wider growth strategy in the round will be the South Warwickshire Local Plan. The role of this identified area is to prompt discussion about the likely focus for attracting significant inward investment within this strategy.

**Areas outside of the Core Investment Opportunities Area remain suitable for more local investment opportunities**, subject to national and local planning policies.





## Our Key Partners

In delivering this Economic Strategy, Stratford-on-Avon and Warwick District Councils will be working closely with a number of key delivery partners.

### **West Midlands Combined Authority (WMCA)**

Created in 2016, the WMCA exists to grow the regional economy by investing in transport, skills, wellbeing and housing. Comprising 18 local authorities and 3 local enterprise partnerships, the WMCA is the power behind the [Midlands Engine](#).

### **West Midlands Growth Company**

The West Midlands Growth Company plays an important role in supporting with the delivery of the [West Midlands Local Industrial Strategy](#). Its primary purpose is to attract investment, jobs, visitors and business to the West Midlands region.

### **Coventry & Warwickshire Growth Hub**

A single gateway to navigating the best private and public sector business support available. Businesses can access tailored, commercially focused and joined-up advice that's free, impartial and delivered with one goal in mind: growing your bottom line.

### **Coventry & Warwickshire Local Enterprise Partnership (CWLEP)**

The CWLEP has played a pivotal role in delivering on Coventry & Warwickshire's aspiration to become a high growth economy and global hub for knowledge-based industries, leading the way in Advanced Engineering & Digital sectors. The District Councils will need to work with colleagues to review how the work of the CWLEP following its closure is to be taken forward, including the priorities identified in the [CW Strategic Reset Framework](#) published March 2021. This document develops and implements a focused, partnership-led strategic framework to reset the sub-regional economy to make Coventry & Warwickshire a safe and highly attractive place to live, study, work, and invest.

### **Coventry & Warwickshire Champions**

The champions unite businesses, organisations and individuals across Coventry & Warwickshire in a powerful network to help develop and promote Coventry and Warwickshire and raise its profile.

### **Coventry & Warwickshire Chamber of Commerce**

One of 53 accredited Chambers of Commerce in the UK which together make up a strong network of trusted champions of businesses, providing a local hub for businesses to access business support.

### **Invest in Coventry and Warwickshire**

Leads on local inward investment activity, working closely with partners like Dept for International Trade, WMGC and CW Growth Hub to promote the area and to provide free and confidential services to businesses looking to relocate including commercial property searches and location advice, local intelligence, introductions to networks and organisations, information on funding and innovation support and employment and skills development support.

### **Coventry & Warwickshire Reinvestment Trust**

The Trust is a not-for-profit organisation committed to supporting individuals, start-ups and businesses in Coventry and Warwickshire and through its investment, creating a positive and beneficial impact upon the local community. Its mission is to help people and finance businesses by providing loans to financially disadvantaged people and aspiring entrepreneurs, businesses and social enterprises not able to secure finance from the high street banks.

### 3. Delivering the Economic Strategy

#### **Warwickshire County Council**

Warwickshire County Council's Economy and Skills Group develops activities and initiatives that add value for Warwickshire to help grow the economy to the benefit of residents. Key services include economic analysis and research, project and programme management, business support and development and engagement in the employment and skills agenda. The [Inward Investment Team](#) works closely with staff at Stratford-on-Avon and Warwick District Councils to secure new employers and jobs to South Warwickshire.

#### **Warwickshire Property & Development Group**

The Property & Development Group has been set up to deliver new affordable and market priced homes and a range of commercial, mixed use and renewable energy opportunities across the county. It is owned by Warwickshire County Council, which will re-invest profits back into the Council's priority activities.

#### **University of Warwick**

The University of Warwick is consistently highly placed in university rankings, achieving top 10 status in UK league tables and recognition as one of the top universities in the world. The University benefits from three multi-disciplinary faculties on two campuses: Arts; Social Science; and Science, Engineering and Medicine, including world renown departments such as, [Warwick Business School](#), [Warwick Medical School](#), and [Warwick Manufacturing Group](#).

#### **Warwickshire College Group**

WCG operates three colleges across South Warwickshire. [Moreton Morrell](#) with a focus on land-based courses, [Leamington](#), and [Warwick Trident](#) with a focus on engineering. They also run a number of apprenticeship programmes with local employers, including JLR.

#### **Stratford-on-Avon College**

The college provides a wide curriculum of vocational courses including re-skilling of the older population. As well as apprenticeships with local employers, courses include including performing arts and stage skills.

#### **Shakespeare's England**

Established by Stratford-on-Avon and Warwick District Councils, Shakespeare's England is the official tourism body for the South Warwickshire region. Its aspiration is to attract more business and leisure visitors – who stay longer, explore further and spend more. Shakespeare's England prepares and implements a Destination Management Plan to deliver its objectives. This economic strategy is consistent with the DMP with a focus on de-carbonising the tourism industry. In the light of the de Bois Review of the role of Destination Management Organisations (DMOs), both councils will work with partners in Shakespeare's England to consider the best means of support the visitor economy through our DMO.

#### **BID Leamington**

Since 2008, BID Leamington has made excellent progress to increase the appeal of Leamington town centre and improve trading performance of its businesses. Popular Events include the [Leamington Food Festival](#), [Leamington Lantern Parade](#), as well as promoting the town through its websites [LoveLeamington](#) and [TasteLeamington](#).

#### **Stratford-upon-Avon BID**

Since 2009, the Stratford-upon-Avon BID works to attract more people into Stratford town centre, make them stay longer, spend more and leave happy. Events include the [Festival of Motoring](#) and [Food Festival](#). They also promote [Independents' Day](#).

## South Warwickshire Business Support

Across South Warwickshire the councils lease space to support and grow small businesses. Find out more about your local business centre:

### Althorpe Enterprise Hub

Althorpe Enterprise Hub offers a range of furnished and serviced office space – from 2 to 18 people - all with flexible “easy-in, easy-out” licence arrangements. The Hub also benefits from a staffed reception providing office support services.

### Court Street Creative Arches

Spacious and distinctive, Court Street Creative Arches are renovated Victorian railway arches providing unique, inspirational workspaces for creative and digital businesses, appealing to creative individuals with a dynamic business idea or an existing company looking to expand or collaborate.

### Spencer Yard

Forming part of Leamington’s Creative Quarter, Spencer Yard is home to a variety of arts and creative organisations and provides a unique collaborative environment for all creative industries, in a range of office and studio space.

### 26HT

26HT is a refurbished four-store regency building located in the centre of Leamington Spa fitted out specifically for the digital gaming sector. It offers a supportive and collaborative studio environment for new and emerging gaming studios looking for their own space.

### Venture House Stratford

Venture House provides a unique environment for people starting up a business and for fledgling businesses. Following the COVID-19 Pandemic the exact shape of Venture House’s services are still being developed for re-opening but the fundamental aim of Venture House, to inspire a new generation of entrepreneurs and offer support to existing small enterprises remains.



## Implementation

Accompanying the final draft of this strategy will be two action plans that set out the specific tasks that each Council will seek to undertake to deliver of the vision, aims and objectives of this strategy. The strategy will be reviewed at least every 5 years, or sooner if there are significant structural changes to the local economy.

## Measuring success

The vision expresses the ultimate aim of this strategy; essentially to grow a more productive lower carbon local economy. In order to know whether this strategy has been achieved, it is important to establish a baseline dataset that can then be reviewed in 5 years. Providing a regional and national context will also establish the wider context for economic change over the period of the strategy.

Success of the strategy will be monitored and assessed using a number of different measures across three main areas:

- size of the economy
- diversity of the economy
- the carbon footprint of the economy

These measures will be set out in more detail in the Action Plans prepared for each Council.

## South Warwickshire Local Plan

Stratford-on-Avon and Warwick District Councils are working together to prepare a single local plan for South Warwickshire. Running to 2050, the SWLP will act as the delivery vehicle for this Strategy, setting planning policies to support economic growth and identifying locations to attract investment. This strategy therefore informs the SWLP as well as other planning decisions taken in respect of the existing SDC Core Strategy and WDC Local Plan.

## Business Friendly Environment

The councils each have three main regulatory functions; planning, environmental health and licensing. Within these functions, the councils have enforcement powers to address any breaches of law. In November 2021, the Councils adopted '[Better Business for All](#)', a regulator and business charter to promote success in business whilst continuing to provide public protection.

**Whilst this strategy does not overrule the independent exercise of these functions, it sets a clear position that the councils will be supportive of the principle of proposals that generate low-carbon economic growth, and in taking decisions in respect of the above functions, the starting point is a presumption in favour of proposals that accord with this strategy.**

If you require this document in an alternative format please contact us:

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