

Coventry City Council
Minutes of the Meeting of Business, Economy and Enterprise Scrutiny Board (3)
held at 2.00 pm on Wednesday, 3 March 2021
(This meeting was held remotely)

Present:

Members: Councillor C Miks (Chair)
Councillor R Ali
Councillor M Heaven
Councillor T Jandu
Councillor R Lancaster
Councillor P Male
Councillor E Ruane
Councillor B Singh
Councillor C Thomas (substitute for Cllr Hayre)

Cabinet Member (by invitation): Councillor J O'Boyle - Cabinet Member for Jobs and Regeneration

Invited:

Representatives on the West Midlands Combined Authority Transport

Delivery Committee: Councillor P Akhtar
Councillor L Bigham

Employees (by Service):

Law and Governance G Holmes, M Rose

Business, Investment and Culture J Norton, P Singh, S Weir

Transportation and Highways J Seddon

Apologies: Councillor G Hayre

Public Business

25. Declarations of Interest

There were no disclosable pecuniary interests.

26. Minutes

The minutes of the meeting held on 3rd February 2021 were agreed as a true record.

27. **Support for Small Businesses**

The Business, Economy and Enterprise Scrutiny Board (3) received a briefing note regarding the support the Council had been giving to businesses and how the Authority had worked alongside local business support partners including Coventry & Warwickshire (CW) Chamber of Commerce, CWLEP Growth Hub and Coventry & Warwickshire Reinvestment Trust (CWRT) to adapt the business support offer to changing economic, social and health conditions and ensure local businesses were supported through the COVID-19 pandemic.

The nature of support services provided to businesses had changed due to changing economic circumstances. Coventry & Warwickshire entered 2020 as the fastest growing LEP area economy in England since the 2008/09 recession in terms of economic output. However, the COVID-19 outbreak in March 2020 forced some sectors of the economy to close and social distancing restrictions limited the output of sectors remaining open. The impact had been severe, with UK economic output (measured by GDP) falling by over 21% in the first two quarters of 2020 alone and contracting by 9.9% in 2020 as a whole (the largest contraction of any G7 nation). The West Midlands encountered the highest fall in economic output of any English region during the Spring 2020 lockdown, and the UK economy remained 7.4% smaller than pre-pandemic levels.

Due to many businesses needing to close temporarily and/or unable to generate sufficient income, some 49,200 posts in Coventry were furloughed in June 2020 (30%) and the claimant count (numbers on unemployment related benefits) in Coventry increased to 16,695 (6.7%) in October 2020. Because of the cashflow challenges facing many businesses and the need to minimise further job losses, business support activities had broadened in 2020 to support local businesses to access Government grants and loans to mitigate against the impact of COVID-19 and help ensure their survival, as well as continue delivery of our business support programmes and Inward Investment service.

The Economic Development Service (EDS) worked to deliver the aims of promoting the growth of a sustainable economy and improving the quality of life for local people. Coventry's businesses play an integral role in creating wealth and employment. There were nearly 10,000 businesses in Coventry, many of which were Small or Medium Enterprises (SMEs), which create significant employment opportunities and contribute to local business rates. The Service had remained active in ensuring that local businesses (particularly SMEs) were given the best chance of succeeding with the support available. Coventry's SMEs continued to need advice, access to finance and infrastructure, and support to fulfil their growth potential.

The briefing detailed the ongoing support for businesses which this year included COVID-19 support and EU Exit and Funding of Business Support. Officers discussed furlough, EU funding programmes, grants and anticipated future announcements.

The Board questioned officers, received responses and discussed the following issues:

- The Apprenticeship Levy and LEP's

- Level up funding
- Promoting benefits of how being the City of Culture has supported the local economy using Key Performance Indicators
- Freeports and their competitiveness
- Furlough
- Brexit
- Support for BAME communities

The Cabinet Member for Jobs and Regeneration assured the Board that he had participated in regular briefings about grants and Coventry had worked hard and been successful in supporting businesses through the pandemic. He discussed changing government policies, furlough, freeports, Brexit and impacts of being the City of Culture.

The Board requested further information regarding

- discussions with the LEP to encourage diverting Apprenticeship Levy funding if it cannot be spent by individual businesses
- the Levelling Up fund and the Shared Prosperity fund
- government policy on Freeports and what this means for Coventry

The Board requested that as there had been significant investment into the City of Culture, Key Performance Indicators on jobs and businesses should be available to scrutiny.

RESOLVED that the Business, Economy and Enterprise Scrutiny Board (3) requested further information regarding Apprenticeship Levy use, Levelling Up Fund and Shared Prosperity Fund, Freeports and City of Culture Key Performance Indicators on jobs and businesses.

28. **Bus Provision and Innovation in Coventry**

The Business, Economy and Enterprise Scrutiny Board (3) received a briefing note which provided an update on Bus Provision and Bus Innovation in Coventry which had been considered by Scrutiny Co-ordination Committee (SCRUCO) at their meetings on 5th and 19th February 2020 (minutes 50/19 and 56/19 refer). On the 16th February 2021, Cabinet agreed recommendations in a report on All Electric Bus City and Enhanced Partnership Plan, (their minute 69/20 refers) which was attached to the briefing note considered by the Board.

The Department for Transport (DfT) launched the All Electric Bus Town fund in February 2020, with £50 million in grant funding made available to allow one town or city within England to make the transition to a bus network operated fully by electric powered buses. The West Midlands Combined Authority, as the strategic transport authority for the West Midlands, submitted an Expression of Interest for Coventry. The Expression of Interest was developed by the City Council in partnership with Warwickshire County Council and Transport for West Midlands and covered all public bus services operating within the city and in surrounding areas of Warwickshire.

The Department for Transport subsequently confirmed that the Coventry and Warwickshire bid had been shortlisted alongside a second bid from Oxfordshire County Council based on Oxford. In the Budget Statement on 25th November

2020, Government increased the amount of funding available for the All Electric Bus Town competition, and the Department for Transport confirmed to the Chief Executive of the West Midlands Combined Authority, that the Coventry/Warwickshire proposal would be funded subject to the submission of a satisfactory Full Business Case.

The Full Business Case would be presented to the West Midlands Combined Authority Board at its meeting on 19th March 2021 for approval. City Council officers had taken a lead role in the preparation of the Full Business Case and, if successful, the bid would see around 297 new electric buses come into operation in Coventry over the next four years. This meant that by Winter 2025 every public bus service in the city would be operated by a zero-emission electric vehicle, supporting the Council's objectives of a green economic recovery through the decarbonisation of the city's transport network, with an estimated annual emissions saving of around 24,000 tonnes of carbon dioxide and 55 tonnes of nitrogen dioxide.

Information was detailed on the application process to the All Electric Bus Town fund, the areas covered as well as the accountable body. The report also provided information about the Enhanced Partnership Plan for the West Midlands area, which provided a strategic context for joint working between bus operators and local authorities that could be beneficial for the All Electric Bus Town scheme.

The Cabinet Member highlighted the economic and environmental opportunities that would be experienced in Coventry as a conversion was made to electric buses.

The Board congratulated those involved so far in this fantastic opportunity and discussed the following issues:

- Ensuring that the opportunity is taken to revolutionise travel and influence the design of buses, having consideration for people with disabilities using the service, as is the case in other European Cities.
- Air Quality
- The bid process for the funding
- The impact on roads of the new buses, their reliability and performance
- Engaging with bus users
- Deregulation of buses and improvements to encourage passengers onto buses in the city

The Board welcomed Councillors P Akhtar and L Bigham, the City Council appointed representatives on the West Midlands Combined Authority Transport Delivery Committee. Councillor Bigham reassured the Board that the views of passengers with a disability would be raised.

The Cabinet Member thanked the Board for supporting the report and agreed that it would be a positive addition to discussions to go beyond compliance with the requirements of the Disability Act.

The Board requested information on how bus users could feed into the Bus Performance Board.

RESOLVED that the Business, Economy and Enterprise Scrutiny Board (3) recommended to the Council representatives on the West Midlands Combined Authority Transport Delivery Committee that, consideration of disabled passengers is taken when the design of the new electric buses are commissioned to ensure there is sufficient space internally as well as meeting accessibility requirements.

29. **Outstanding Issues**

There were no outstanding issues.

30. **Work Programme 2020/2021**

The Board noted the Joint Meeting with Finance and Corporate Services Scrutiny Board (1) was scheduled for 24th March 2021 to consider Apprenticeships.

The Board requested that digital connectivity be included with the item on digital skills in 2021- 2022.

RESOLVED that the Business, Economy and Enterprise Scrutiny Board (3) notes the Board's Work Programme for the remainder of the Municipal Year 2020/2021 and requests that digital connectivity be included with the item on digital skills, to be considered at a future meeting of the Board at the relevant time.

31. **Any other items of public business which the Chair decides to take as matters of urgency because of the special circumstances involved**

There were no other items of public business.

(Meeting closed at 3.40 pm)