



Coventry Shareholder Committee

Time and Date

3.00 pm on Thursday, 21st November, 2024

Place

Committee Room 3 - Council House

Public Business**1. Apologies for Absence****2. Declarations of Interest****3. Minutes** (Pages 5 - 12)

(a) To agree the Minutes of the previous meeting held on 23rd April 2024

(b) Any matters arising

4. Exclusion of Press and Public

To consider whether to exclude the press and public for the private item(s) of business for the reasons shown in the report.

5. Strategic Energy Partnership Performance Update - November 2024
(Pages 13 - 32)

Report of the Director of Regeneration and Economy and the Director of Innovation

6. Coventry and Warwickshire Growth Hub Half-Year Report (Financial Year 2024/25) (Pages 33 - 40)

Report of the Director of Finance and Resources

7. UKBIC 6-Month Performance Report 2024/25 (Pages 41 - 46)

Report of the Director of Finance and Resources

8. Coventry Municipal Holdings Ltd Annual Performance Report year ended 31st March 2024 (Pages 47 - 54)

Report of the Director of Finance and Resources

9. **Any other item of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

Private Business

10. **Coventry and Warwickshire Growth Hub Half-Year Report (Financial Year 2024/25)** (Pages 55 - 70)
Report of the Director of Finance and Resources

(Listing Officer: S Weir / P Singh – email: stephen.weir@coventry.gov.uk / parmy.singh@coventry.gov.uk)
11. **UKBIC 6-Month Performance Report 2024/25** (Pages 71 - 88)
Report of the Director of Finance and Resources

(Listing Officer: S Weir – email: stephen.weir@coventry.gov.uk)
12. **Coventry Municipal Holdings Limited Annual Performance Report Year Ended 31st March 2024** (Pages 89 - 124)
Report of the Director of Finance and Resources

(Listing Officer: M Phillips – email: mike.phillips@coventry.gov.uk)
13. **Any other item of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

Julie Newman, Director of Law and Governance, Council House, Coventry

Wednesday, 13 November 2024

Note: The person to contact about the agenda and documents for this meeting is Lara Knight / Suzanne Bennett email: lara.knight@coventry.gov.uk / suzanne.bennett@coventry.gov.uk

Membership: Councillors N Akhtar, L Bigham, R Brown, K Caan, G Duggins (Chair), P Hetheron, AS Khan, J O'Boyle, K Sandhu and P Seaman

Public Access

Any member of the public who would like to attend the meeting in person is encouraged to contact the officer below in advance of the meeting regarding arrangements for public attendance. A guide to attending public meeting can be found here: <https://www.coventry.gov.uk/publicAttendanceMeetings>

Lara Knight / Suzanne Bennett
email: lara.knight@coventry.gov.uk /
suzanne.bennett@coventry.gov.uk

This page is intentionally left blank

Coventry City Council
Minutes of the Meeting of Coventry Shareholder Committee
held at 2.00 pm on Tuesday, 23 April 2024

Present:

Members: Councillor G Duggins (Chair)
Councillor L Bigham
Councillor J O'Boyle
Councillor K Sandhu
Councillor P Seaman
Councillor D Welsh

Coventry Municipal Holdings Limited: P Mudhar (Director)
G Sangha (Director)
A Walster (Director)

UKBIC Limited: R Moon (Director)
A Williams (Director)

Employees (by Directorate):

Chief Executive J Nugent (Chief Executive)
Finance B Hastie (Chief Operating Officer), M Philips
Law and Governance J Newman (Director of Law and Governance), L Knight
Regeneration and Economy P Singh, S Weir

Apologies: Councillor R Brown and P Hetherton

Public Business

16. Declarations of Interest

There were no disclosable pecuniary interests.

17. Minutes

The minutes of the meeting held on 23rd September 2023 were agreed and signed as a correct record.

There were no matters arising.

18. Exclusion of Press and Public

RESOLVED that the press and public be excluded under Section 100(A)(4) of the Local Government Act 1972 for the consideration of the following private reports on the grounds that the reports involve the likely disclosure of information defined in Paragraphs of Schedule 12A of the Act as indicated, and that in all circumstances of the cases, the public interest in maintaining the exemption outweighs the public interest in disclosing the information:

Minute Number	Report Title	Paragraph(s) of Section 12A of the Act
24	Strategic Energy Partnership Performance Update and Acceptance of Strategic Business Plan for 2024-2029 and Annual Business Plan For 2024/25	3
25	Business Planning Cycle for 2024-25 for the Coventry Municipal Holdings Group	3
26	Coventry and Warwickshire Growth Hub Business Plan	3
27	UKBIC Business Plan 2024/25	3

19. **Strategic Energy Partnership Performance Update and Strategic Business Plan for 2024-2029 and Annual Business Plan for 2024/25**

The Committee received a presentation and considered a joint report of the Director of Innovation and Director of Regeneration and Economy, which provided a performance update and set out the high-level vision and strategic theme for the Strategic Energy Partnership (SEP) for the first five years (2024-2029) as per the agreed governance process.

Coventry SEP is a contractual joint venture between the Council and E.ON UK plc (E.ON) and was formed in September 2023 following a competitive dialogue procurement process. The initial term of the partnership is 15-years.

Tackling the causes and consequences of climate change is a key corporate priority as set out in the One Coventry Plan. The rationale for the partnership was the recognition that whilst the Council has a critical role to play in tackling climate change, it does not have sufficient expertise and access to the required capital to deliver its net zero ambitions. As such it was recognised that a strategic long-term partnership with industry was required, enabling a strategic partner to work together with the Council to develop strategies, business models and plans that will drive the city towards net zero and then have the capabilities to deliver these plans.

The use of a five-year Strategic Business Plan complemented by specific actions in an Annual Business Plan, plus a social value action plan, sets out the ambitions of the SEP and ensures a strategic and holistic approach to decarbonisation.

The Committee noted that the Strategic Business Plan and Annual Business Plan are required to be approved by the SEP Contractual Joint Venture Board, which comprises senior Council and E.ON representatives and Coventry Shareholder Committee. This is in line with the governance process approved by Cabinet and Full Council in September 2023.

Project progress (the gateway process) is approved by the SEP Contractual Joint Venture Board, provided it meets requirements set out in the approved Annual Business Plan. Any deviation from the Annual Business Plan is to be approved by the Contractual Joint Venture Board and Coventry Shareholder Committee (e.g., greater draw on funds than anticipated). Any Council capital investment (equity or loan) requirements would require Cabinet approval as per corporate governance, which would be required at final business case stage, and factored into the Council's Medium Term Financial Strategy as necessary.

Since the partnership commenced, teams have been focused on setting up the governance and organisational structures to enable an aligned, collaborative approach to the selection of projects and activities. The report submitted provided key highlights which included:

- Strategic Energy Partnership Contractual Joint Venture Board established with monthly meetings.
- Alignment of the Council and E.ON teams to co-ordinate work, including co-location of the Strategic Energy Partnership Programme Team in Friargate.
- Commencement of new projects following approval through approved Gateway process:
 - o Home Upgrade Grant (domestic energy efficiency scheme) – with additional added value brought by not needing an additional procurement process.
 - o New EV chargers installed at Coventry train station - which support new tenants in Friargate 2.
 - o Energy supply contract with more energy sourced from renewables.
- A further 13 projects in the pipeline.
- Development of Strategic Themes to underpin the partnership approach, as set out in the Strategic Business Plan:
 - o Clean Local Energy;
 - o Jobs and Skills;
 - o Innovation and Scale; and
 - o Community Benefit.
- Social Value is a very important aspect of the partnership, with E.ON allocating a fund to initiatives that generate a community benefit as well as it being a key consideration as part of technical projects that come through the 'gateway' process. Some of the initial initiatives that are being developed include an engagement programme for schools, development of a community champions' programme, a programme to support Care Leavers into work placements and the partnership is exploring projects to boost biodiversity in the city.
- Additional workstreams established include Innovation and Propositions and Communications and Engagement.

A corresponding private report detailing confidential financial matters was also submitted for consideration (minute 24 below refers).

RESOLVED that, the Coventry Shareholder Committee approve the Strategic Business Plan and the Annual Business Plan, as per the agreed governance process which is set out in the Strategic Energy Partnership Joint Venture Contract.

20. **Business Planning Cycle for 2024-25 for the Coventry Municipal Holdings Group**

The Committee considered a report of the Director of Finance and Resources, which set out the Business Plans for Coventry Municipal Holdings (CMH) and its subsidiaries for the year ahead, ending 31st March 2025.

CMH is required by the Group Governance Agreement to present the group Business Plan for approval by the Coventry Shareholder Committee. CMH was set up as a holding company to strengthen the governance and management of the Council's subsidiaries. The Business Plan covered the following companies:

- Coombe Abby Park Limited (CAPL), the company that operates Coombe Abbey Park Hotel via a long lease from the Council, and its subsidiaries:
 - No Ordinary Hotel Management (NOHM) undertakes management contracts for third parties and provides the trading name for operations within the hospitality and leisure sector
 - Coombe Abbey Park (LACo) a Teckal company set up to enable contracts to be directly awarded by the Council
- Coventry Technical Resources (CTR) provides resourcing solutions to the Council via contractual arrangements
- Coventry Regeneration Limited (CR) set up during the construction of Coventry Arena and continues trading with minimal transactions to preserve historic tax benefits
- No Ordinary Hotels Limited (effectively a dormant company)
- Tom White Waste Limited (TWW) a commercial waste company that was previously one of the Council's largest local competitors prior to acquisition, and subsidiaries:
 - A&M Metals and waste – supported the waste management and recycling activities of the parent company. The company has ceased trading and the management plan to liquidate the company in the foreseeable future.
 - Tom White Waste (LACo) a Teckal company set up to enable contracts to be directly awarded by the Council

Each entity had set out their vision, strategic objectives and budgets for 2024/25, which were summarised in the report submitted.

A corresponding private report detailing confidential financial matters was also submitted for consideration (minute 25 below refers).

RESOLVED that, the Coventry Shareholder Committee approve:

- 1. The Business Plan for Coventry Municipal Holdings Limited.**
- 2. The Business Plan for Coombe Abbey Park Limited group.**
- 3. The Business Plan for Tom White Waste group.**
- 4. The Business Plan for Coventry Technical Resources Limited.**

5. The Group budget, as set out in the corresponding private report for Coventry Municipal Holdings Limited and its subsidiaries.

21. Coventry and Warwickshire Growth Hub Business Plan (Financial Year 2023/24 to 2025/26)

The Committee considered a report of the Director of Finance and Resources, which set out the Business Plan for the Coventry and Warwickshire Growth Hub.

Coventry and Warwickshire Growth Hub (CWGH) was established in 2014 using City Deal funding provided by Government. It was one of the first Growth Hubs to be established in England, before every Local Enterprise Partnership (LEP) area was subsequently given funding to establish a Growth Hub as a central coordination point for business support to try and simplify businesses' understanding of which business support products were appropriate to their individual needs. CWGH has been nationally recognised as a leading Growth Hub in the UK.

During the closure process of Coventry and Warwickshire LEP in 2022/23, the LEP Board, including the Local Authorities across the sub-region, determined that the Growth Hub and Coventry and Warwickshire Champions should continue as a legacy of the LEP. The Place geography spans Coventry and Warwickshire Council's areas and welds the two together into one economic area.

As a result, the Shareholders of the Growth Hub are Coventry City Council and Warwickshire County Council. It was noted that as well as Growth Hub Limited, which delivers the core Growth Hub service, the Growth Hub 'Group' includes subsidiaries Coventry and Warwickshire Champions, and Growth Hub Business Solutions (including the Projects team) which both operate unfunded and commercially.

The Business Plan was appended to the corresponding private report and outlined the plan for 3 years of operation from 2023/24 to 2025/26, detailing income and operating costs for the 'core' CWGB. The Council had agreed to make an annual revenue contribution, which was grant funded, for the three financial years 2023/24 to 2025/26. It was noted that Warwickshire County Council had also agreed to annual funding contributions to the CWGB. There were limited risks with the company balance sheet and the CWGB has sufficient resources to meet liabilities as they fall due. The Committee noted that the Council is not responsible for meeting liabilities in the role as shareholder as the CWGB is a private limited company.

The primary objectives and priorities for the period of the Business Plan remain unchanged with the CWGB focussing on accessing and supporting sub-regional small and medium sized enterprises, plugging them in to relevant and available support partners and their programmes, such as those funded through the UK Shared Prosperity Fund.

A corresponding private report detailing confidential financial matters was also submitted for consideration (minute 26 below refers).

RESOLVED that, the Coventry Shareholder Committee approve the Coventry and Warwickshire Growth Hub three-year Business Plan attached as an appendix to the corresponding private report, up to the financial year ended 31st March 2026.

22. **UKBIC Business Plan 2024/25**

The Committee considered a report of the Director of Finance and Resources, which sought approval of the UKBIC Business Plan for 2024/25.

The UK Battery Industrialisation Centre (UKBIC) Limited is a state of the art, 20,000m² battery manufacturing research and development facility on Rowley Road which was formally opened in July 2021. UKBIC is an open access facility designed to allow UK manufacturers to trial and industrialise the next generation of batteries for electric vehicles and other applications, which is essential to the UK's net zero ambitions.

Between November 2017 and October 2019, the Council approved the acceptance of £114m grant funding from Innovate UK's Faraday Battery Challenge towards the total cost of £132m to develop the UKBIC facility. The remaining £18m was provided in the form of an £18m repayable grant (essentially an interest free loan) from West Midlands Combined Authority (WMCA).

The Faraday Battery Challenge was established by government in 2018 to invest in research and innovation projects, and facilities, to drive the growth of a strong battery business in the UK. Securing UKBIC in the Coventry area was critical to the future of the area's world-class automotive and advanced manufacturing cluster.

UKBIC Ltd was established in order to operate the facility. The Council owns 100% of the shares in UKBIC Ltd, and has two Council directors who sit on the board, including the Chair. The remaining board seats are made up of the UKBIC Managing Director and Finance Director, a representative from Government's Advanced Propulsion Centre (APC) and independent battery / automotive industry experts. In addition, the Faraday Challenge Director attends the board as an observer.

The Faraday Battery Challenge reviews and approves the UKBIC Ltd business plan on a regular basis to ensure that the business is sustainable and that it is meeting the technology needs of the UK automotive industry, and is currently providing core operational funding to UKBIC Ltd.

The UKBIC Business Plan for 2024/25 was appended to the corresponding private report and set out the strategic objectives for the coming year.

A corresponding private report detailing confidential financial matters was also submitted for consideration (minute 27 below refers).

RESOLVED that, the Coventry Shareholder Committee approve the UKBIC Business Plan attached as an appendix to the corresponding private report.

23. **Any other item of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of public business.

24. **Strategic Energy Partnership Performance Update and Acceptance of Strategic Business Plan for 2024-2029 and Annual Business Plan for 2024/25**

Further to Minute 19 above, the Committee considered a joint private report of the Director of Innovation and the Director of Regeneration and Economy, which set out the commercially confidential matters relating to a performance update of the Strategic Energy Partnership and the high-level vision and strategic theme for the first five years (2024-2029) as per the agreed governance process.

RESOLVED that, the Coventry Shareholder Committee is recommended to consider and approve the Strategic Business Plan and Annual Business Plan, as per the agreed governance process which is set out in the Strategic Energy Partnership Joint Venture Contract.

25. **Business Planning Cycle for 2024-25 for the Coventry Municipal Holdings Group**

Further to Minute 20 above, the Committee considered a private report of the Director of Finance and Resources, which set out the commercially confidential matters relating to the Business Plans for Coventry Municipal Holdings (CMH) and its subsidiaries for the year ahead, ending 31st March 2025.

RESOLVED that, the Coventry Shareholder Committee approve:

6. **The Business Plan for Coventry Municipal Holdings Limited.**
7. **The Business Plan for Coombe Abbey Park Limited group.**
8. **The Business Plan for Tom White Waste group.**
9. **The Business Plan for Coventry Technical Resources Limited.**
10. **The Group budget for Coventry Municipal Holdings Limited and its subsidiaries.**

26. **Coventry and Warwickshire Growth Hub Business Plan**

Further to Minute 21 above, the Committee considered a private report of Director of Finance and Resources, which set out the commercially confidential matters relating to the three-year Business Plan for the Coventry and Warwickshire Growth Hub.

RESOLVED that, the Coventry Shareholder Committee approve the Coventry and Warwickshire Growth Hub three-year Business Plan attached as Appendix 1 to the report submitted, up to the financial year end 31st March 2026.

27. **UKBIC Business Plan 2024/25**

Further to Minute 22 above, the Committee considered a private report of Director of Finance and Resources, which set out the commercially confidential matters relating to the approval of the UKBIC Business Plan for 2024/25.

RESOLVED that, the Coventry Shareholder Panel approve the UKBICK Business Plan included as Appendix 1 to the report submitted.

28. **Any other item of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of private business.

(Meeting closed at 4.05 pm)



Public report

Coventry Shareholders Committee

Scrutiny Co-ordination Committee
Coventry Shareholder Committee

20 November 2024
21 November 2024

Directors approving submission of the report:

Director of Regeneration and Economy
Director of Innovation

Ward(s) affected:

None

Title:

Strategic Energy Partnership Performance Update – November 2024

Is this a key decision?

No

Executive summary:

The information in this report is being brought to the Coventry Shareholder Committee to enable the Council's interest in the Strategic Energy Partnership to be monitored as per the agreed governance process. This report provides an update on Strategic Energy Partnership activity since the approval of the Strategic Business Plan and Annual Business Plan at Shareholders Committee on 23rd April 2024.

The fifteen-year Strategic Energy Partnership between the Council and E.ON is the first of its kind in the UK and has the potential to put Coventry at the forefront of the net zero transition. The Council's relationship with E.ON will help support the development of ground-breaking projects, with potential funding from E.ON as well as other sources.

There has been a significant amount of activity over the last six months. Projects underway include a five-year energy supply contract, development of solar/heat pump projects in schools and four council-owned or run buildings, installation of EV charging points and a home energy efficiency programme. A key milestone that has been achieved is the production of the Coventry energy plan, which provides a detailed baseline of energy infrastructure challenges and opportunities to help prioritisation of future projects the partnership develops going forwards to maximise impact. In addition, there are currently nine social value projects that generate benefits to local communities either delivered or underway which include school education programmes, work placements, a community growing programme and tree planting.

Recommendations:

The Scrutiny Co-ordination committee is recommended to:

- (1) Consider the report and identify any additional recommendations to the Coventry Shareholders Committee.

The Coventry Shareholder Committee is recommended to:

- (1) Consider any recommendations from Scrutiny Co-ordination committee; and
- (2) Receive and note the update on Strategic Energy Partnership activity since approval of the Annual Business Plan 2024/25, as per the agreed governance process which is set out in the Strategic Energy Partnership Joint Venture Contract.

List of Appendices included:

Appendix 1: Report on Strategic Energy Partnership Activity to date 2024/25

Background papers:

None

Other useful documents

Coventry Strategic Energy Partnership – Cabinet Report, August 2023

[Coventry Strategic Energy Partnership.pdf](#)

Coventry Strategic Energy Partnership – Shareholder Committee Report, April 2024

[Strategic Energy Partnership Performance Update and Strategic Business Plan for 2024-2029 and Annual Business Plan for 2024/25](#)

Strategic Energy Partnership Business Plan summary 2024 [SEP SBP summary](#)

One Coventry Plan 2022-2030 [The One Coventry Plan – Coventry City Council](#)

Climate Change Strategy 2024-2030 [05 Appendix 1 - Climate Change Strategy.pdf](#)

Coventry Net Zero Carbon Routemap 2023 [Net Zero Carbon Route Map for Coventry – Coventry City Council](#)

Economic Development Strategy [Economic Development Strategy 2022-2027 – Coventry City Council](#)

Has it or will it be considered by Scrutiny?

Yes – Scrutiny Co-ordination Committee - 20th November 2024

Has it or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Strategic Energy Partnership Performance Update – November 2024

1. Context (or background)

- 1.1. The Council's Strategic Energy Partnership (SEP) with E.ON is the first of its kind in the UK, providing an innovative way for the public and private sectors to work collaboratively to put Coventry at the forefront the net zero transition. Since its inception in September 2023, the SEP has been working hard to develop the Coventry energy plan, which has been fully funded by E.ON, alongside creating a pipeline of projects and starting to deliver projects on the ground. This report provides an update on progress to date and a forward look ahead at planned activity.
- 1.2. The appendix to this report details progress to date; capturing progress on key anchor projects which include solar farm, solar into schools, public sector buildings (our own occupied estate) decarbonisation, energy security and fleet and depot decarbonisation.
- 1.3. Alongside the anchor projects, there have been a number of additional projects delivered, including a five-year energy supply contract, installation of EV charging points and a home energy efficiency programme. One key project that has been developed is the Coventry energy plan. This has been a key piece of work for the partnership, which has involved working with stakeholders across the city to understand better the city's energy infrastructure challenges and opportunities. The outputs of this exercise provide a prioritisation of feasible projects for the SEP to take forward, ensuring that the partnership focuses on areas where maximum impact and value will be delivered. This includes a focus on heat decarbonisation across the city, which will include public sector and commercial buildings and residential homes.
- 1.4. In addition, the SEP have been developing social value projects that deliver direct benefits to residents in Coventry which have either been delivered or underway which include school education programmes, work placements, a community growing programme and tree planting.
- 1.5. The appendix provides further detail of project activities and next steps in the next six months to the next Shareholder Committee in March 2025.

2. Options considered and recommended proposal

- 2.1. **Option 1 – Not recommended – Do nothing** – The Strategic Energy Partnership's agreed governance process and contractual commitments require updates on Strategic Energy Partnership activity to be received and noted by Coventry Shareholder Committee and this report meets this requirement.

This is not the recommended option.

- 2.2. **Option 2 – Recommended – Receive the update on Strategic Energy Partnership activity to date in 2024/25** - As per the Strategic Energy Partnership's agreed governance process and contractual commitments, receiving and noting updates in relation to Strategic Energy Partnership activity will facilitate the Strategic Energy Partnership to continue to progress with planned activities.

3. Results of consultation undertaken

3.1. No consultation has been undertaken.

4. Timetable for implementing this decision

4.1. Upon this report being received, the Strategic Energy Partnership will be satisfied that the Council, through an agreed governance process, has received the update on activity of Strategic Energy Partnership 2024/25 and can continue to proceed with activity as set out in the Annual Business Plan.

4.2. Further SEP performance updates on implementation of the Business Plans will be provided at subsequent Coventry Shareholder Committee meetings.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1. Financial Implications

Both SEP partners are contributing resource to the partnership. This includes a significant team from E.ON, above and beyond that to which E.ON committed in its bid, comprising a dedicated full time team plus experts from across E.ON who are brought in for specific projects and initiatives. The Council has a minimum annual commitment of 2.5 FTEs who form the Council's SEP project team (further detail in 6.3). This resource has been identified from the reallocation of existing resources and approved as part of the Council's Budget in February 2024, and a further dedicated resource has been secured using grant funding. Additional support is provided by Council officers in substantive posts as required.

If any SEP projects are identified as potential investment opportunities for the Council, these opportunities will be taken to Cabinet or Full Council as appropriate on a case-by-case basis, where such decision is required under the Council's Constitution. There will be no financial obligation on the Council to invest or provide project funding as part of this report.

Where Council funding or Grant funding has been required for projects that are already in progress, this has been subject to further governance as required by the Council's Constitution on a case-by-case basis, as set out in Appendix 1 of this report.

5.2. Legal Implications

The Strategic Energy Partnership is operating under the Joint Venture Agreement which was entered into with EON UK PLC. The governance of this was set out in the approvals which came to Cabinet and Full Council on 29th August 2023 and 5th September 2023 respectively.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

<https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>

The Strategic Energy Partnership can contribute to all three core aims of the One Coventry Plan:

- The core focus is achieving net zero which contributes directly to tackling the causes and consequences of climate change;
- The required infrastructure development to achieve the above and related jobs and supply chain implications will support economic growth, as will related support to local businesses to achieve their own carbon reduction objectives, and help to create a circular economy; and
- Social value is a key driver for the partnership and all projects will have a strong focus on improving outcomes and tackling inequalities within our communities.

In addition to the above, the partnership will help support the enabling outcomes of the One Coventry Plan. The economic returns from some projects and bolstering of resource through the partnership will directly support the financial sustainability of the Council. The Partnership is a direct demonstration of the Council as a partner, leader and enabler and will likely lead to further partnering opportunities.

6.2. How is risk being managed?

The Strategic Energy Partnership contractual joint venture agreement governs development of projects from concept up to start of implementation. The primary risk is the abortion of projects at any stage in their development due to project acceptance criteria not being met. This is governed and mitigated by a clear gateway process which must demonstrate value for money alongside other key criteria including social value. This is a risk to the Council as well as E.ON, noting E.ON will bear greater development risk given the resource, expertise and investment it is bringing to the partnership.

The project risks (such as technical risk, planning, construction, etc) will be project specific, and will be defined, and managed through the gateway process, such that any investment decision and final business case contemplates such risks and puts in adequate measures to mitigate and/or compensate for the same. Future governance over the specific projects will contemplate and manage such risks through appropriate mitigations.

Any capital investment decisions which follow the ordinary course of governance in line with Council's Constitution will go to Cabinet and Council should any investment be required on a specific project.

6.3. What is the impact on the organisation?

As part of the Council's contractual obligations to the Strategic Energy Partnership, 2.5 full time equivalent (FTE) officers support delivery (1 Project Manager, 1 Project Officer and 0.5 Finance). New roles have been created and internal employees were appointed through a recruitment process with no backfill to the employees' previous roles. An additional dedicated resource of 1 FTE is also now supporting the partnership, funded

by grant. In addition, project development requires engagement from a cross-section of employees so further upskilling opportunities exist whilst working with E.ON.

6.4. Equalities / Equalities Impact Assessment

An Equalities Impact Assessment (EIA) was completed during the procurement process to recognise any specific social value aspects which might be achieved through the partnership. Positive outcomes can be achieved for a wide range of Coventry citizens through the partnership:

- Projects which seek to improve domestic energy efficiency will reduce fuel poverty in the city;
- Increased use of renewable energy sources has the potential to lower fuel costs including for the Council which improves financial sustainability for other service areas. For citizens and businesses this improves home and business finances; and
- Transport related projects will have benefits for air quality and wider health impacts through more active lifestyles.

A SEP Social Value Strategy is under development which will consider social value delivery and the impact on Equalities/EIA for the partnership.

6.5. Implications for (or impact on) climate change and the environment?

The key driver for the partnership is supporting the Council to achieve net zero ambitions and tackle the causes and consequences of climate change, as set out in the Council's Climate Change Strategy. The Partnership will enable the Council to develop long-term holistic energy solutions that not only meet these aims but also deliver related outcomes such as improved health outcomes for citizens and increased biodiversity.

6.6. Implications for partner organisations?

The partnership is not just focussed on decarbonising the Council's estate; this is about decarbonising the city. This requires the Council and the Strategic Energy Partner to work with a range of organisations across Coventry to widen the benefits of the approach, or specific projects, to other partner organisations, businesses and communities.

Report author:

Anna Livesey
Strategic Energy Partnership Programme Lead

Service Area:

Climate Change & Sustainability
Regeneration and Economy

Tel and email contact:

Tel: 024 7697 1434
Email: anna.livesey@coventry.gov.uk

Enquiries should be directed to the above person

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-ordinator	Law and Governance	14/10/24	30/10/24
Names of approvers for submission: (officers and members)				
Aimee Proctor	Finance Manager	Finance and Resources	14/10/24	16/10/24
Gurbinder Sangha	Corporate & Commercial Lead Lawyer	Law and Governance	14/10/24	16/10/24
Andy Williams	Director of Regeneration & Economy	-	17/10/24	18/10/24
Colin Knight	Director of Innovation	-	17/10/24	18/10/24
Rhian Palmer	Strategic Lead Green Futures	Climate Change & Sustainability, Regeneration and Economy	01/10/24	10/10/24
Councillor J O'Boyle	Cabinet Member for Jobs, Regeneration and Climate Change	-	23/10/24	25/10/24

This report is published on the council's website: www.coventry.gov.uk/council-meetings

This page is intentionally left blank

Appendix 1 - Report on Strategic Energy Partnership Activity to date 2024/25

1. Background to Strategic Business Plan and Annual Business Plan 2024/25

- 1.1. The Strategic Business Plan sets out the high-level vision and strategic themes for the partnership for the first five years (2024-2029).
- 1.2. The Annual Business Plan sets out the details of programme activities and financial information, to deliver under the strategic themes and vision as set out in the Strategic Business Plan, for the year 2024/25.
- 1.3. Both business plans were approved at Shareholders' Committee on 23rd April 2024. This report provides an update on SEP activity.

2. Programme team and projects update

- 2.1. The SEP partnership is a UK first, with an ambitious approach to delivering projects that help the city transition to net zero. The first year of the partnership has been focussed on establishing ways of working and developing its initial phase of projects. Alongside this, the SEP has been focussed on the development of the Coventry energy plan which has been fully funded by E.ON, and wider strategic discussions with partner organisations, supporting the One Coventry approach, to help facilitate and prioritise activity and actions delivered by the Partnership.

2.2. Anchor projects progress

Anchor projects were included in the contractual requirements of the energy partnership following a soft market test exercise at the start of procurement, to give bidders confidence in the opportunity. The Council identified five priority areas for delivery.

Table 1.0 Progress update on anchor projects

Anchor project	Update
Solar farm	The SEP is developing options for a significant ground mount solar scheme at Lenton's Lane. The scheme options are being developed to respond to concerns raised at Planning Committee earlier this year when an initial consent was sought by the Council and will be brought back to Planning in 2025.
Solar into schools	A pilot programme has been developed to deliver solar panels in up to five schools (subject to business case). This has also been linked to delivery of heat pumps to maximise efficiencies.

Public sector buildings (our own occupied estate) decarbonisation	A pilot programme has been developed to deliver heat pumps or solar panels in four council-owned buildings (Moat House Leisure and Neighbourhood Centre, Foleshill Library, Coundon Family Centre, and The Families for All Hub at 454 Foleshill Road). Work has commenced at two of the sites with other sites due to commence soon.
Energy security	The Coventry energy plan explores opportunities for local renewable energy generation and energy security, including ground-mount solar farms and building-mount solar. Further programme development work needed to follow on.
Fleet and depot decarbonisation	The Coventry energy plan explores potential sites for creating EV charger hubs within the city. Fleet and depot decarbonisation is not explored directly but the information will be useful towards understanding opportunities to decarbonise the Council fleet. Further work needed to develop opportunity.

2.3. Projects developed in year one

There has been a tremendous amount of activity in the first year of the Partnership. Project and programme delivery is well established with several projects now in delivery phase. There has been recognition at Strategic Energy Partnership (SEP) Contractual Joint Venture board that, whilst progress has been very positive, some of the projects brought to the SEP by the Council due to public funding received have been transactional (smaller, not strategic or connected to wider opportunities). Discussions are taking place on how to identify more strategic and holistic opportunities (larger programmes and making connections between opportunities) including regular strategic board discussions. The Coventry energy plan (explained in section 2.3) will provide a key component of this approach to make sure we are making a large and lasting impact on our city.

Table 2.0 - Impact of projects in 2024/25 by programme

Project	Description	Funding	Impact
Solar schools			
Solar schools phase 1	A pilot programme to deliver solar panels in up to five schools (subject to business case).	- Existing funds from schools capital programme	Reduce energy costs for schools.
Schools Heating PSDS	Plus delivery of heat pumps in two schools, these being schools with solar panels to achieve efficiencies.	- £0.9m Salix grant - Additional funding to be determined by	Increase renewable energy supply and resilience to buildings.

Project	Description	Funding	Impact
		a future business case	Additional work in schools includes careers talks/ energy workshops. Use of local supply chain at real living wage.
Ground mount solar			
Ground mount solar scheme	The SEP is developing options for a significant ground mount solar scheme at Lenton's Lane. The scheme options are being developed to respond to concerns raised at Planning Committee earlier this year when an initial consent was sought by the Council and will be brought back to Planning in 2025.	E.ON will fund the solar farm, to be confirmed by a future business case and subject to planning	c23MW solar farm, which could generate power for around 5000 homes. Lower energy costs. Will further increase the Council's share of renewable energy generation, improving energy resilience and lowering our carbon footprint.
Council building decarbonisation			
Public Sector Decarbonisation scheme	Developing a pilot programme to deliver heat pumps or solar panels in four council-owned buildings (Moat House Leisure and Neighbourhood Centre, Foleshill Library, Coundon Family Centre, and The Families for All Hub at 454 Foleshill Road). Work has commenced at two of the sites (Foleshill Library and 454 Foleshill Road) with other sites due to start soon, works at all	<ul style="list-style-type: none"> - £1.0m approved Feb 2024 - £0.8m Salix grant 	<p>Reduce energy costs Council buildings</p> <p>Increase renewable energy supply and resilience to buildings.</p> <p>Social value has included local talks and activities to influence communities to</p>

Project	Description	Funding	Impact
	sites are due to complete in early 2025.		support environmental protection and improvement at Moat house, Foleshill Road FC, Foleshill Library. Also used a local Midlands supplier in Daventry.
Domestic energy efficiency			
Home Upgrade Grant (HUG)	Energy efficiency for off-gas grid eligible homes. Funding to upgrade over 100 homes. There have been some challenges in deployment of this scheme, including limitations of grant criteria and delays in funding allocation, which have also been felt by other local authorities nationally.	100% grant funded from Midlands Net Zero Hub.	Expected that up to 74 homes will be retrofitted by March 2025 - which includes measures to improve insulation, ventilation, heating, and solar PV. Social value – E.ON have committed to an additional 2% total of capital spend which can help to retrofit additional homes or other interventions that complement the programme.
ECO4	Energy Company Obligation is a requirement of all large energy suppliers to support deployment of energy efficiency/renewables measures in homes. EON and the Council have worked collectively to explore opportunities to increase deployment of ECO in Coventry and overcome barriers to installation. The	E.ON as obligated under government scheme	During 2023 and 2024 to date – E.ON delivered ECO4 (or complementary Great British Insulation Scheme – GBIS) in 105 Coventry properties. Spending almost £900k. Data

Project	Description	Funding	Impact
	Council would work with other energy companies in a similar way.		<p>shows an increase in installs since the start of the SEP indicating that collaboration has supported uptake.</p> <p>Improved energy efficiency of homes with related benefits of improved quality of life and health, reduces possibility of fuel poverty</p>
EV Charging			
EV charger installation	A total of 48 EV chargers to be installed or upgraded in three locations. EV chargers have been installed and commissioned in one location with other sites are due to be delivered soon on completion of contracts. At one site this has included two bays with chargers suitable for use by disabled drivers.	The business models for EV chargers differ according to location. However, chargers have been funded either from existing Council budgets or funded directly by E.ON.	Continued or increased access to EV chargers in more locations in the city including for disabled drivers. In support of transition to lower emissions vehicles.
Other enabling projects			
Electricity supply contract	A new 5-year energy supply contract for the Council. This is also an enabler for improved benefit of future SEP projects through opportunities such as sleeving (potential to 'sleeve' more renewable energy for the Council use) and netting (potential to sell surplus renewable energy for a fee), which we wouldn't be able to access without the SEP.	Existing Council energy budgets	<p>Higher mix of energy supplied to the Council comes from renewables.</p> <p>Will benefit future SEP projects through sleeving and netting renewable energy supply. Social value - 10 school energy audits, 16 school education</p>

Project	Description	Funding	Impact
			workshops, a volunteering programme and a work placement scheme.
Innovation & propositions	<p>The partnership supports making Coventry a live test bed and 'living lab' for new energy technologies and innovation, new start-ups and energy propositions to meet the needs of all sectors of the city. Further development work to take place based on emerging areas to focus on from local energy plan.</p> <p>An example pilot programme to improve access to energy improvement measures has recently launched, this is the first of this pilot and is in Coventry due to the SEP. The pilot will provide batteries and time of use tariffs to eligible EON Next customers (targeting those who may be struggling with bills). E.ON has worked with central government to develop and fund the scheme.</p>	<ul style="list-style-type: none"> - Innovation funding through SEP contractual commitments - Other funding sources e.g. Innovate or Horizon to be explored - Pilot programme funded through E.ON and central government funds 	<p>Innovation programmes to support Coventry as a 'living lab' with project by project aims and benefits.</p> <p>Pilot programme will improve energy efficiency of homes with related benefits of improved quality of life and health, reduces possibility of fuel poverty.</p>

2.4. Coventry Energy Plan

Background

A key piece of work in the last six months has been the development of the Coventry energy plan which has been fully funded by E.ON. The Coventry energy plan provides a strategic long term energy vision for the city, giving us a detailed understanding of the energy challenges and opportunities looking to the next 15 years and beyond.

The development of the plan has been led by consultants Mott Macdonald, working closely with the SEP team and external stakeholders to develop a proposed pipeline of commercially viable and technically feasible energy projects, with a focus on heat decarbonisation for homes and businesses, retrofit of homes and SMEs, electric vehicle charging and renewable and low carbon energy generation. The interventions will

support a reduction in carbon emissions across the city by up to 65% by 2038 (based on 2021 baseline), producing 17% of the city's current electricity needs which will significantly increase energy resilience. In order to deliver this, significant public and private investment will be required.

Delivery of the plan will also be supported by enabler projects, using Coventry as a living lab to trial approaches which stimulate the market for delivery projects, for example, by creating new approaches to procurement, financing mechanisms or by unlocking policy barriers. This might include developing group purchase schemes (residential and commercial), testing out new technologies and services.

The development of the Coventry energy plan has drawn on expertise from across both organisations, alongside Mott Macdonald. At the Council, we have ensured a wide range of service areas have had chance to feed into the process, highlight ideas and raise any potential barriers. For example, reviewing the relationship with existing activity to decarbonise our estate and other strategic developments such as the Climate Change Strategy, the Local Plan Review and other plans for new developments. The Coventry energy plan development has also involved liaising with external stakeholders such as WMCA to discuss their regional energy strategy refresh, and National Grid Electricity Distribution to discuss wider energy distribution impacts. Such discussions may help facilitate energy system upgrades, funding opportunities and innovation projects. Other key stakeholders have included University of Warwick, Coventry University, Bring Energy (Heatline operator), Cadent and Severn Trent, with which E.ON has a pilot project to recover heat energy from waste-water in sewers to provide heating and cooling to local buildings.

The Coventry energy plan was completed in October and provides a prioritised approach to SEP activity which will feed into Annual Business Plan development. This will ensure that SEP activity focuses on priority interventions that will make the biggest impact to the city, benefitting residents, businesses and the public sector. The benefits of collaboratively developing the plan with E.ON include:

- providing a long-term plan that will help increase the scale and pace of the city's transition to net zero, that is supported by Europe's leading privately owned energy company, with the resource, expertise and investment that this brings;
- avoided costs, with the exception of Council officer time, E.ON has fully funded and led development of the plan at no cost to the Council;
- stronger commercial position to deliver projects - due to co-development, E.ON has aligned development of the Coventry energy plan with its financial planning processes, which should expediate ability to deploy projects. At Group level, E.ON has signalled to the market its intent to invest up to €42 billion to support the energy transition in Europe between 2024-2028, putting the city in a strong position to access investment, subject to developing a commercially viable pipeline of projects and planning consents.

If the Council had developed the plan in isolation, it would have been burdened with costs of development and would also have needed to attract potential investment to projects, delaying delivery.

SEP Board approved next steps

The development of the Coventry energy plan assessed projects against a low, medium and high scenario of deployment based on National Grid Future Energy Scenarios. The SEP Board have agreed it will be aiming to deliver to the high scenario, bringing maximum impact to the city. The SEP team are now working to develop a detailed delivery plan which will be reflected in the Annual Business Plan.

2.5. Resources and ways of working

The Council committed 2.5 FTEs to the SEP in September 2023. This has grown to 3.5 FTE, a Council delivery lead post being supported by grant funding. The E.ON team has grown from 8 FTEs to 14 FTE, at no cost to the Council. This has effectively more than doubled the capacity of the Council's Climate Change team, which is a huge benefit to ensuring we take action to tackle the causes and consequences of Climate Change, a key priority of the One Coventry Plan. The partnership also enables access to expertise from across E.ON as required further bolstering our resource; for example subject matter experts contributing to the Coventry Energy Plan and development of projects.

The partnership has established a joint working approach with teams co-locating in Friargate and E.ON's offices in Westwood. The programme team has established shared ways of working with regular meetings. Lessons learnt sessions have helped support improvements to how we work together as a team. Supporting the One Coventry approach we are extending this relationship to wider teams in the Council; this includes on individual projects and in the development of the Coventry energy plan.

Developing governance

The SEP Contractual Joint Venture Board (CJV) is also now well established, meeting monthly. The meetings include strategic discussions to explore how we can tackle city-level challenges and unlock new opportunities and operational sessions to discuss specific projects and programmes within the established governance and gateway process.

A SEP communications group has been established and jointly works on managing SEP partnership and project specific communications opportunities and risks. An innovation workshop stream has begun and E.ON colleagues attend Council groups including an Innovation Working Group and Smart Cities workshops. This allows us to share expertise and exchange ideas; with additional opportunities also expected from the Coventry energy plan process.

3. Community Benefits update

Embedding social value in the SEP will ensure long term social benefit and sustainable impact for the city.

The community benefit initiatives have progressed well during 2024. There are 8 community benefit projects either delivered or underway. Examples of initiatives being developed are below.

Table 3.0: Impact of social value activity delivered through social value fund

Social Value Project	Description	Impact
Schools Pilot Programme	Workshops on climate change & renewable energy including energy saving tips in the home delivered to 6 schools to Y5 and Y6 primary school children, 16 lessons, 480 children, 13 volunteers, 111 volunteering hours.	Sessions delivered between April to June 24 and were well received by children and schools included in the programme with requests for additional workshops. Joint engagement through SEP led to uptake rate of 60% (previous E.ON only programme uptake of 30%) Link to PR activity
Care leavers placement	Working with care leavers on work experience placements, apprenticeships, careers and the “House Project”. These were designed to support care leavers from school year 9 (age 13/14) to age 24, helping to support them into work and to take control of their energy bills once they move to independent living.	First event held in May with seven attendees, a workshop on communication styles and how to present to an audience. Second event held in September with nine attendees focussing on Career immersion and opportunities at E.ON, CCC and Coventry Building Society. Link to PR activity
Cornerstone	A careers outreach service to target disadvantaged students and promote pathways into work. This initiative aligns with our work experience and apprenticeship programmes. It covers all secondary schools including SEND schools.	Allows alignment with other SEP initiatives in schools and collaborative promotion of activities.
Biodiversity	Looking at ways of addressing biodiversity challenges in the city. The SEP will work alongside Parks, Environmental Services & Ecology teams to support delivery of the city’s Urban Forestry Strategy.	This will provide opportunities for tree planting across the city and seek innovative ways to involve communities to support this with a focus on promoting active health and wellbeing challenges through these projects.

Social Value Project	Description	Impact
Community Growing Programme	A Community growing programme is being developed to bring derelict sites back into community use for food growing and horticulture, which will help bring communities together, tackle food poverty and increase biodiversity with training support from Garden Organic. This has also provided funding for staff within the Council and voluntary sector to coordinate the programme.	<p>This will deliver 3 community growing sites in Hillfields, Willenhall and Binley. It will be supported by training for community volunteers through Garden Organic and provision of tools and equipment that residents.</p> <p>This will support 1.5 FTEs to coordinate the programme.</p> <p>Benefits to be realised included improved green spaces in Coventry, encourage wildlife, provide land for food growing, addressing food poverty and community cohesion.</p>
Careers fairs	<p>E.ON have supported events such as Job Shop open days, career events, pupil parliament, as a key employee in the City and sit on the city's Green Skills Action Group, working with partners to increase opportunities for local people to access training and reskilling for green jobs.</p> <p>The SEP are planning to develop more specific events linked to projects, helping to develop skills and capacity in the city to directly support projects that the SEP will deliver.</p>	Benefits to be realised include raise awareness of local employment opportunities in the city, promote green jobs in relation to SEP specific projects.
Books	The SEP have partnered with a local author and businessperson to commission two books as part of a series which celebrates Coventry's heritage. The books will focus on how to be a good Coventry Kid and will align to the Child Friendly Coventry values with a focus on the Be and Feel Healthy pledge which encompasses making Coventry a more environmentally friendly city and reducing the impact of	<p>All schools in the city will receive a copy of the book along with an engagement letter from the SEP to raise awareness of partnership and funding/grants available to schools.</p> <p>This project will set up a voluntary reading programme for schools which will be supported by E.ON volunteers.</p>

Social Value Project	Description	Impact
	climate change. Every school will receive a copy of this book for free to every class. In addition to this the author will facilitate reading sessions which will be supported by E.ON volunteers. This initiative will also encompass SME and VCSE business mentoring and volunteering workshops through the authors consultant network.	This project will set up business mentoring workshops with SME and VCSE organisations in the city which will be supported through specialist volunteers at E.ON.
Highly Sprung	Climate change and the cost of living - arts and culture driven project using performance to inspire learning, conversation and community change. Children aged 12 to 16 years olds using their voices around issues concerning the global and local energy crisis and its impact of poverty and quality of life.	The SEP will support the Young Producer programme with industry knowledge and expertise. The Accelerate Summit will be a two-day event for over 400 secondary school children to participate in climate and sustainability workshops, showcase their arts performance and Q&A panel session working jointly with other local organisations such as Warwick Manufacturing Group and Sustainability West Midlands.

4. Wider engagement activity

Wider engagement activity has taken place which helps support awareness of the SEP:

- Fargo Mural – engaging with primary school children to create a mural portraying what a greener city could look like. A local artist and muralist designed the feature located at the entrance of Fargo Village. A printed version of the mural was used at Godiva Festival to engage young people on renewable energy opportunities.
- Bus wrap – E.ON wrapped several buses in the city showing they are proud to be located in Coventry and to be chosen as the city’s Strategic Energy Partner.
- [Spark a light](#) – E.ON worked with a local poet laureate – John Bernard – who created a poem on climate change to inspire and empower young minds. Working with local artists to highlight climate change sends a positive message to the city through a different medium.
- [Sustainability heroes](#) – showcasing local people who, in their individual ways, were helping climate change and sustainability in Coventry. Middlemarch, Cogs of Coventry and Tree Amigos are all helping shape greener, cleaner habits in the city

and were all shortlisted (amongst others) by E.ON.

There have also been other events where a joined-up approach has been of benefit:

Events:

- UKREiiF 2024 – a large-scale developer and investment event, this year held in Leeds, which highlighted Coventry as a location for investment and at which the Council's investment prospectus was launched. E.ON was lead sponsor of the West Midlands Pavilion and worked alongside the Council to promote not only the SEP but also the city and its location benefits to property & investment professionals. 13,000+ attendees from across Europe came to the event which included 40 stages, 800 speakers and 150 exhibitors.

Sponsorship

- Motofest – E.ON Next sponsorship of the 2024 event – 10th anniversary year. The event has previously attracted 200,000 visitors to the city centre (2023) and it is believed that this year's event exceeded that. Through this partnership with MotoFest, E.ON has made connections to Veloce Racing (the Extreme-E racing team it sponsors) and by extension, World Rally Cross and the Federation Internationale de l'Automobile (FIA), such that Coventry is now being seriously considered as the UK location for international electric car races.
- Godiva Festival – E.ON Next sponsored Godiva 2024.
- E.ON sponsored the 2023 and 2024 Care Leavers' Awards.

5. Next steps

Existing projects we expect to deliver in the next six months include:

- Commence delivery of Public Sector Decarbonisation (PSDS) project in solar and heat pumps projects in up to five schools (subject to business case) and development of a longer-term programme. Plus, completion of four council owned or run buildings under the PSDS.
- Further deployment under the Home Upgrade Grant programme to deliver energy efficiency improvements in eligible homes.
- Further development work on the city's first solar farm in preparation for submission to Planning.

The SEP team is now focused on the route map and actions to deliver projects. Ensuring appropriate prioritisation of short- and longer-term projects, delivery and enabler projects, and allocation of resource. This will be presented in the annual business plan 2025/26 to outline initial areas of focus, next steps and expected outputs and outcomes.

An update to the Shareholder Committee will be provided in March 2025. This will include the updated Annual Business Plan for 2025/26.



Public report Coventry Shareholder Committee

A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to the identity, financial and business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

Scrutiny Co-ordination Committee
Coventry Shareholder Committee

20th November 2024
21st November 2024

Director approving submission of the report:
Director of Finance and Resources

Ward(s) affected:
None

Title:

Coventry and Warwickshire Growth Hub Half-Year Report (Financial Year 2024/25)

Is this a key decision?

No - although the proposals affect more than two electoral wards, the impact is not expected to be significant.

Executive summary:

The Coventry and Warwickshire Growth Hub (CWGH) has been established since 2014 and is firmly integrated as part of a successful Coventry and Warwickshire economic area – providing a ‘one stop’ centre for local businesses, with advice and guidance on the most appropriate support for their needs.

The CWGH Business Plan was approved by the Shareholder Committee on 23rd April 2024. The CWGH half-year report outlines the performance based on the Business Plan during the Financial Year 2024/25, detailing income and operating costs for the ‘core’ Growth Hub. There are limited risks with the company balance sheet and CWGH has sufficient resources

to meet liabilities as they fall due. The Council is not responsible for meeting liabilities in its role as shareholder, as CWGH is a private limited company.

Primary objectives and priorities for the period of the Business Plan remain unchanged with the CWGH focussing on accessing and supporting sub-regional small and medium-sized enterprises (SMEs), plugging them in to relevant and available support partners and their programmes - such as those funded through the UK Shared Prosperity Fund.

Recommendations:

Subject to the consideration of the additional confidential information contained in the corresponding private report the Scrutiny Co-ordination Committee is requested to consider the Coventry and Warwickshire Growth Hub half-year performance report, attached as an appendix to the corresponding private report and forward any comments or recommendations to the Coventry Shareholder Committee.

The Coventry Shareholder Committee is recommended, subject to the consideration of the additional confidential information contained in the corresponding private report, to:

- (1) Consider any comments or recommendations from the Scrutiny Co-ordination Committee.
- (2) Approve the Coventry and Warwickshire Growth Hub half-year performance report, attached to Appendix 1 of the corresponding private report.

List of Appendices included:

None

Background papers:

None

Other useful documents

None

Has it or will it be considered by Scrutiny?

Yes – Scrutiny Co-ordination Committee – 20th November 2024

Has it or will it be considered by any other Council Committee, Advisory Panel, or other body?

Yes

Will this report go to Council?

No

Report Title: Coventry and Warwickshire Growth Hub Half-Year Report (Financial Year 2024/25)

1. Context (or background)

- 1.1. Coventry and Warwickshire Growth Hub (CWGH) was established in 2014 using City Deal funding provided by Government. It was one of the first Growth Hubs to be established in England, before every Local Enterprise Partnership (LEP) area was subsequently given funding to establish a Growth Hub as a central coordination point for business support to try and simplify businesses' understanding of which business support products were appropriate to their individual needs. CWGH has been nationally recognised as a leading Growth Hub in the UK.
- 1.2. During the closure process of CWLEP in the financial year (FY) 2022/23, the LEP Board, including the Local Authorities across the sub-region, determined that the Growth Hub and CW Champions should continue as a legacy of the LEP. The Place geography spans Coventry and Warwickshire Council's areas and welds the two together into one economic area.
- 1.3. As a result, the Shareholders of the Growth Hub are Coventry City Council (CCC) and Warwickshire County Council (WCC). It should be noted that as well as Growth Hub Limited which delivers the core Growth Hub service, the Growth Hub 'Group' includes subsidiaries CW Champions, and Growth Hub Business Solutions (including the Projects team) which both operate unfunded and commercially.
- 1.4. On 23rd April 2024 the CWGH Business Plan covering three years (FY 2023/24 to 2025/26) was approved by the Shareholder Committee.
- 1.5. Based on the content of the CWGH Business Plan, the half-year performance report has identified that the CWGH is ahead of the overall Key Performance Indicators target set within the Grant Agreement, and this trend is expected to continue for the remainder of the FY.

2. Options considered and recommended proposal

- 2.1. **Option 1 – Do nothing.** The Council's governance and reporting requirements for companies in its ownership requires the agreement of a business plan each year, and to provide a 6-month performance report against this business plan. Failure to present this report will mean that the Council is not provided with visibility over the business planning for CWGH. This report has therefore been prepared to meet this requirement.
 - 2.1.1. This is not the recommended option.

- 2.2. Option 2 – Accept the Coventry and Warwickshire Growth Hub Half-Year Report (Financial Year 2024/25)** The appended CWGH Half-Year Report covers the Financial Year 2024/25.
- 2.2.1. The key points of the CWGH Half-Year Report are summarised in the following sections:
- 2.2.2. Primary objectives and priorities for FY 2024/25 remain unchanged with the Growth Hub focussing on supporting sub-regional SMEs, referring them into relevant and available support partners and their programmes, including UK Shared Prosperity Fund (UKSPF) programmes.
- 2.2.3. The Coventry & Warwickshire Growth Hub continues to perform well against Service Level Agreement targets for FY 2024/25 that have been agreed with Coventry City Council (and also separately with Warwickshire County Council and District and Borough Authorities).
- 2.2.4. Overall, 236 referrals out of a target of 325 have been made (72%), so CWGH is well placed to meet the target well before the end of the financial year. All programmes bar two (Business Sustain, Decarb & Net Zero) are at least 50% of target, with two (Employer Hub and Invest in C&W) already over target.
- 2.2.5. The Growth Hub conducts regular quarterly meetings with Finance staff from Coventry City Council and Warwickshire County Council to keep them apprised of the current and projected financial position of the Growth Hub and its subsidiaries. The last meeting took place on 29th October to consider the position at the mid-year point of the current 2024/25 financial year and the latest budget estimates for 2025/26.
- 2.2.6. CWGH has been working closely with the Economic Development Team at CCC on activities including events such as the Decarbonisation Net Zero Conference; proactive marketing campaigns etc, to ensure flow of client engagements. This will continue throughout the second half of the financial year; priority will be given to those programmes still requiring referrals to achieve target.
- 2.2.7. The preferred option is the approval of the Coventry and Warwickshire Growth Hub Half-Year Report (FY 2024/25) appended to the private report.

3. Results of consultation undertaken

- 3.1. No consultation has been undertaken.

4. Timetable for implementing this decision

- 4.1. Upon acceptance of CWGH's Half-Year Report the CW Growth Hub Board will be notified immediately.
- 4.2. The activity of CWGH will be monitored regularly by the Local Authorities to make sure that the organisation is adhering to the Grant Aid Agreement.

4.3. In addition, representatives from Coventry City Council and Warwickshire County Council's Finance teams will meet with the Growth Hub's Company Secretary and Senior Management team to review the on-going financial performance.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1 Financial Implications

5.1.1 The Council is making a revenue contribution of £0.130m to CWGH this financial year. This payment is funded by grants from Central Government so there are no additional resourcing requirements for the Council.

5.2 Legal Implications

The Growth Hub has acted in accordance with the Shareholders Agreement and Articles of Association by submitting the Annual Business Plan 2024/25 and in accordance with the Councils constitution. Governance is followed as Coventry City Council's Director of Regeneration and Economy attends the CWGH Board meetings.

6 Other implications

6.1 How will this contribute to the One Coventry Plan?

<https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>

The continuation of Coventry & Warwickshire Growth Hub will play a vital role in delivering the One Coventry Plan's objective of "Increasing the Economic Prosperity of the City and Region". The development of this Plan has been subject to extensive consultation of both Council staff and external stakeholders, with some 485 people completing surveys and 433 individuals attending 23 workshops up to September 2022. This consultation process determined that a key objective needs to be the support of local businesses to innovate, grow and scale up, and create new jobs. The activity of CWGH will enable these objectives to be met by signposting businesses to the most suitable business support initiatives.

6.2 How is risk being managed?

6.2.1 Regular operational and finance meetings with CWGH make sure that the risk to the Council is managed appropriately. In addition, closure costs are monitored closely, and sufficient reserves are always maintained to meet potential closure costs – this procedure removes a key risk.

6.2.2 A Health and Safety Policy is maintained as part of the Staff Handbook. In addition, Professional Indemnity insurance, as well as Public and Employers Liability Insurance, are in place to cover all staff activities.

6.3 What is the impact on the organisation?

To help manage Coventry City Council's (CCC) ownership of Growth Hub, the content of the Business Plan will be reviewed regularly; it is necessary for staff in the Economic Development Service and the Finance team to work together ensuring that the organisation's financial position and terms of the Grant Aid Agreement are reviewed and adhered to. There is also an ongoing time commitment from CCC's Director of Regeneration and Economy to attend the Growth Hub Board meetings which take place quarterly.

6.4 Equalities / EIA?

No equalities impact assessment has been undertaken.

6.5 Implications for (or impact on) climate change and the environment?

The CWGH will be proactively promoting the Decarbonization Net Zero programme to local businesses, this initiative will help reduce the carbon footprint generated by businesses, which will ultimately have a positive impact on climate change and the environment.

6.6 Implications for partner organisations?

The CWGH is an integral part of the Coventry and Warwickshire business support ecosystem. Working closely with Business Support teams within CCC and WCC; the Growth Hub provides a number of referrals to Partners such as the CW Chamber of Commerce, CW Reinvestment Trust, Federation of Small Businesses, Business Growth West Midlands and local Universities.

Report author:

Steve Weir; Parmy Singh

Strategic Lead for Economic Development; Senior Business Relationship Manager

Service Area:

Director of Regeneration and Economy

Tel and email contact:

Tel: 024 7697 2422

Email: parmy.singh@coventry.gov.uk

Enquiries should be directed to the above person

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-ordinator	Law and Governance	28/10/2024	30/10/24
Xiao-Ming Hu	Lead Accountant (Business Partnering, Corporate Finance)	Finance and Resources	28/10/2024	31/10/24
Gurbinder Singh Sangha	Corporate and Commercial Lead Lawyer	Law and Governance	28/10/2024	28/10/2024
Names of approvers for submission: (officers and members)				
Helen Williamson	Finance Manager	Finance and Resources	01/11/2024	04/11/2024
Oluremi Aremu	Head of Legal and Procurement Services	Law and Governance	04/11/2024	11/11/2024
Barry Hastie	Director of Finance and Resources	-	07/11/2024	08/11/2024
Councillor G Duggins	Cabinet Member for Policy and Leadership	-	08/11/2024	08/11/2024

This report is published on the council's website: www.coventry.gov.uk/council-meetings

This page is intentionally left blank



Public report Coventry Shareholder Committee

A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to the identity, financial and business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

Scrutiny Co-ordination Committee
Coventry Shareholder Committee

20th November 2024
21st November 2024

Director approving submission of the report:
Director of Finance and Resources

Ward(s) affected:
None.

Title:

UKBIC 6-Month Performance Report 2024/25

Is this a key decision?
No

Executive summary:

UKBIC is a state-of-the-art battery manufacturing research and development facility, funded by £114m from the UK Government (through Innovate UK, part of UK Research & Innovation) and £18m from the West Midlands Combined Authority (WMCA). The facility is operated by UKBIC Ltd which is owned by Coventry City Council (CCC). The Council is also accountable body for the grant funding used to establish the facility.

This report recommends approval of the UKBIC 6-Month Performance Report 2024/25 included as an appendix to the corresponding private report.

Recommendations:

Subject to the consideration of the additional confidential information contained in the corresponding private report, the Scrutiny Co-ordination Committee is recommended to:

- (1) Consider the UKBIC 6-Month Performance report 2024/25 included in Appendix 1 of the corresponding private report and to forward comments and / or recommendations to the Coventry Shareholder Committee.

Subject to the consideration of the additional confidential information contained in the corresponding private report, the Coventry Shareholder Committee is recommended to:

- (1) To consider any comments and / or recommendations from the Scrutiny Co-ordination Committee.
- (2) Approve the UKBIC 6-Month Performance Report 2024/25 included in Appendix 1 of the corresponding private report.

List of Appendices included:

None

Background papers:

None

Other useful documents

None

Has it or will it be considered by Scrutiny?

Yes – Scrutiny Co-ordination Committee – 20th November 2024

Has it or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report Title: UKBIC 6-Month Performance Report 2024/25

1. Context (or background)

- 1.1. The UK Battery Industrialisation Centre (UKBIC) Limited is a state of the art, 20,000m² battery manufacturing research and development facility on Rowley Road which was formally opened in July 2021. UKBIC is an open access facility designed to allow UK manufacturers to trial and industrialise the next generation of batteries for electric vehicles and other applications, which is essential to the UK's net zero ambitions.
- 1.2. Between November 2017 and October 2019, the Council approved the acceptance of £114m grant funding from Innovate UK's Faraday Battery Challenge towards the total cost of £132m to develop the UKBIC facility. The remaining £18m was provided in the form of an £18m repayable grant (essentially an interest free loan) from WMCA.
- 1.3. The Faraday Battery Challenge was established by government in 2018 to invest in research and innovation projects, and facilities, to drive the growth of a strong battery business in the UK. Securing UKBIC in the Coventry area is critical to the future of the area's world-class automotive and advanced manufacturing cluster.
- 1.4. UKBIC Ltd was established in order to operate the facility. CCC owns 100% of the shares in UKBIC Ltd, and has two CCC directors who sit on the board, including the Chair. The remaining board seats are made of up of the UKBIC Managing Director and Finance Director, a representative from Government's Advanced Propulsion Centre (APC) and independent battery / automotive industry experts. In addition, the Faraday Challenge Director attends the board as an observer.
- 1.5. The Faraday Battery Challenge reviews and approves the UKBIC Ltd business plan on a regular basis to ensure that the business is sustainable and that it is meeting the technology needs of the UK automotive industry, and provides core operational funding to UKBIC Ltd.

2. Options considered and recommended proposal

- 2.1. **Option 1- Do Nothing.** The Council's governance and reporting requirements for companies in its ownership requires the agreement of a business plan each year, and to provide a 6-month performance report against this business plan. Failure to present this report will mean that the Council is not provided with visibility over the business planning for UKBIC Ltd. This report has therefore been prepared to meet this requirement.
- 2.2. This is not the recommended option.
- 2.3. **Option 2 – Approve the 6-month report.** This report has been drafted in line with the Council's governance and reporting requirements for companies in its ownership.

2.4. UKBIC's 6-month performance report for the 2024/25 financial year is included at Appendix 1 of the corresponding private report. The report reviews the first six months of the year, summarising key business activities, sales performance, operational expenditure and expected use of UKRI grant funding. It also provides an update on UKBIC's KPIs, priorities, future outlook, risks and their mitigations.

3. Results of consultation undertaken

No consultation has been undertaken.

4. Timetable for implementing this decision

Upon the approval of this report, UKBIC Ltd will be notified that the Shareholder has approved the 6-month performance report for 2024/25.

5. Comments from Director of Finance and Resources and Director of Law and Governance

5.1. Financial Implications

The UKBIC 6-month performance Report is attached at Appendix 1 of this report.

The performance report sets out the UKBIC budget for the current financial year, and a set of forecasts taking into account performance in the first half of the year and expected performance for the remainder of year.

5.2. Legal Implications

UKBIC is complying with its governance requirements under the Articles of Association and in relation to the obligations under the grant agreement.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

<https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>

The Council's ownership of UKBIC contributes to the Economic Prosperity theme in the One Coventry Plan. In Coventry and Warwickshire, almost 40,000 people are employed in the automotive industry, and with the sale of new internal combustion engine vehicles due to cease in 2035 it is essential that CCC supports our local automotive industry to transition to design, development and production of electric vehicles. Having UKBIC in the area along with other world class innovation assets such as WMG, Coventry University, MTC and MIRA makes the area highly attractive for investment in electric vehicles and other clean technologies.

6.2. How is risk being managed?

A key risk mitigation is the Council's Directors having two seats on the UKBIC Ltd Board, including the Chair. No decisions can be taken on the operation of UKBIC without the approval of the Council's two Director Board Members. Financial risks for example

linked to the WMCA Loan are mitigated by the fact that CCC has security of UKBIC's land and buildings. Finally, the oversight provided by the Faraday Battery Challenge provides essential input on UKBIC's business plan to ensure that it is meeting the needs of the UK automotive industry, as well as the associated grant funding that they provide.

6.3. What is the impact on the organisation?

In order to manage Coventry City Council's (CCC) ownership of UKBIC Ltd it is necessary for staff in the Economic Development Service, Finance and Legal to ensure that UKBIC is reported correctly in the Council's accounts, and that conditions of the original Innovate UK grant continue to be met, and that the terms of the WMCA loan are complied with. There is also an ongoing time commitment from the two CCC Directors who sit on the UKBIC Board.

6.4. Equalities / EIA?

No equalities impact assessment has been undertaken.

6.5. Implications for (or impact on) climate change and the environment?

UKBIC's work in supporting the transition to electric vehicles and away from internal combustion engines will contribute to CCC's plans to tackle climate change and improve the environment.

6.6. Implications for partner organisations?

UKBIC is based in the Warwick District Council (WDC) municipal area. CCC has supported UKBIC Ltd to ensure that they have a good working relationship with WDC.

Report author:

Steve Weir
Strategic Lead, Economic Development

Service Area:

Economic Development,
Regeneration and Economy

Tel and email contact:

Tel: 024 76971074

Email: stephen.weir@coventry.gov.uk:

Enquiries should be directed to the above person

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-ordinator	Law and Governance	25/10/24	01/11/24
Gurbinder Singh Sangha	Corporate and Commercial Lead Lawyer	Law and Governance	28/10/2024	28/10/2024
Names of approvers for submission: (officers and members)				
Phil Helm	Head of Finance	Finance and Resources	01/11/24	06/11/24
Oluremi Aremu	Head of Legal and Procurement	Law and Governance	01/11/24	11/11/24
Barry Hastie	Director of Finance and Resources	-	07/11/24	08/11/24
Councillor G Duggins	Cabinet Member for Policy and Leadership	-	08/11/24	08/11/24

This report is published on the council's website: www.coventry.gov.uk/council-meetings



Public report

Coventry Shareholders Committee

A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to the identity, financial and business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

Scrutiny Co-ordination Committee
Coventry Shareholder Committee

20th November 2024
21st November 2024

Director approving submission of the report:

Director of Finance and Resources

Ward(s) affected:

None

Title:

Coventry Municipal Holdings Ltd Annual Performance Report year ended 31st March 2024

Is this a key decision?

No

Executive summary:

The Annual Performance Report is focused on a backward look over the 12 months of operation from April 2023 to March 2024 for Coventry Municipal Holdings (CMH) and its subsidiaries which includes the following entities.

- Coombe Abbey Park Ltd (CAP), including two subsidiaries:
 - No Ordinary Hospitality Management Ltd (NOHM)
 - Coombe Abbey Park (LACo) Ltd (CAP LACo)

- Tom White Waste Ltd (TWW), including two subsidiaries:
 - A&M Metals & Waste Ltd (A&M)
 - Tom White Waste (LACo) Ltd (TWW LACo)

- Coventry Regeneration Ltd (CR)
- Coventry Technical Resources Ltd (CTR)
- No Ordinary Hotels Ltd (NOH)

The Group Governance Agreement (GGA) requires CMH to produce an Annual Performance Report looking back at the operation of the Group to the year-end 31st March 2024.

Recommendations:

Subject to the consideration of the additional confidential information contained in the corresponding private report, the Scrutiny Co-ordination Committee is recommended to:

- (1) Note the annual performance report for the CMH Group for the year ended 31st March 2024.
- (2) Forward any comments or recommendations to the Coventry Shareholder Committee for its consideration.

Subject to the consideration of the additional confidential information contained in the corresponding private report, the Coventry Shareholder Committee is recommended to:

- (1) Consider comments or recommendations from the Scrutiny Co-ordination Committee.
- (2) Accept the performance assessment provided by Company Management in the Annual Performance Report for the CMH Group for the year ended 31st March 2024.

List of Appendices included:

None

Background papers:

None

Other useful documents

Business Planning Cycle for 2024-25 for the Coventry Municipal Holdings Group,
(Shareholder Committee on 23rd April 2024, Item 6)

<https://edemocracy.coventry.gov.uk/ieListDocuments.aspx?CId=773&MId=13021&Ver=4>

Coventry Municipal Holdings Ltd Annual Performance Report year ended 31st March 2023,
(Shareholder Committee on 26th September 2023, Item 5)

<https://edemocracy.coventry.gov.uk/ieListDocuments.aspx?CId=773&MId=13020&Ver=4>

Commercial Investments and Income Generation, (Finance and Corporate Services
Scrutiny Board (1) on 21st September 2023, Item 10)

<https://edemocracy.coventry.gov.uk/ieListDocuments.aspx?CId=568&MId=12955&Ver=4>

Has it or will it be considered by Scrutiny?

Yes

Scrutiny Co-ordination Committee – 20th November 2024

Has it or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report Title: Coventry Municipal Holdings Ltd Annual Performance Report year ended 31st March 2024

1. Context (or background)

- 1.1. Coventry Municipal Holdings Ltd (CMH) was established in November 2021 as an intermediary parent company to manage the Council's existing company investments. This includes significant investments in Coombe Abbey Park Ltd (CAP) and Tom White Waste Ltd (TWW), along with other smaller subsidiaries.
- 1.2. CAP was acquired by the Council in December 2017. CAP operates Coombe Abbey Hotel in the surroundings of Coombe Abbey Park. The Council already owned the freehold of the hotel and operated Coombe Abbey Country Park. The acquisition of the hotel management company provided an opportunity for the Council to consolidate its interest in an important leisure and cultural destination in the city.
- 1.3. TWW is a commercial waste company that was acquired by the Council in March 2020. The Council aimed to achieve competitive advantage and operational efficiencies due to the synergies with its internal services.
- 1.4. Coventry Technical Resources Ltd (CTR) provides resourcing solutions and consultancy services to the Council under a series of contracts.

2. Options considered and recommended proposal

- 2.1. **Option 1 – Not recommended – Do nothing** – the Group Governance Agreement (GGA) is a legally binding document that was entered into by the entities within the CMH Group. It sets out the governance and reporting requirements for the group which includes presenting a report on the Annual Performance Report for the Group to the Coventry Shareholder Committee each year. This report has been drafted to meet this requirement.

This is not the recommended option.

- 2.2. **Option 2 – Recommended – Accept the Annual Performance Report** which has been drafted in line with the GGA, to meet the reporting requirements to Shareholder Committee and ensure transparency and consistency in relation to information on the Council's wholly owned investment.

Shareholder Committee are asked to review and accept the performance assessment provided by company management in the Annual Performance Report. It is recommended that the report is accepted as it provides an accurate reflection of performance and does not raise any issues over going concern.

3. Results of consultation undertaken

- 3.1. No consultation has been undertaken.

4. Timetable for implementing this decision

- 4.1. Upon approval of this report the CMH Group will be satisfied that the Council, as Shareholder, have accepted the performance assessment made by company management for the year ending 31st March 2024.
- 4.2. The filing deadline for all entities within the CMH Group for the year ended 31st March 2024 is 31st December 2024. The final accounts are due to be available on Companies House by the filing deadline, with a formal extension sought where there are any delays.

5. Comments from Director of Finance and Resources and Director of Law and Governance

5.1. Financial Implications

The Council has commissioned external valuation advice on its equity interest in CMH. The Council has financial relationships with companies within CMH related to trading for goods and services, loan funding for capital investment and cashflow purposes, and the long-term lease for Coombe Abbey Hotel.

The total value of long term loans owed to the Council by the CMH Group was £7.4m at March 2024. The annual loan instalments and rental payments were repaid on schedule during 23/24.

Dividends have not yet been declared for 23/24, with this position due to be reviewed by the CMH Board of Directors when the final accounts are available. The Council generated a favourable return on investment across its company investments when compared to other investments available in the market. It is anticipated that the CMH Group will supplement this in future years as CAP and TWW return to profitability following COVID and inflationary cost pressures.

The financial statements of the subsidiaries within the CMH Group will be consolidated into the Council's group accounts as the Council has control over these entities as the ultimate parent company.

5.2. Legal Implications

CMH has acted in accordance with the Group Governance Agreement (GGA) which sets out the policies and obligations on the group. The group have submitted their confirmation statements and requirements to Companies House on the submission requirement dates. The audited accounts will be submitted to Companies House as soon as they are finalised.

The Council is not required to meet the liabilities of individual companies as they are separate legal entities. The entities are also in compliance with their reporting requirements as per the Constitution.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

<https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>

Through the recycling of waste materials, TWW are continuing to focus on tackling the causes and consequences of climate change which was a key consideration in the Council's decision to acquire the company.

The Council's control over the hotel management company and the surrounding land at Coombe Abbey Park, will continue to provide opportunities to increase the economic prosperity of the city and the region.

The Council received treasury returns from the CMH Group, related to leased property assets and service loans which contributed towards the continued financial sustainability of the Council.

6.2. How is risk being managed?

The Council is managing risks at a corporate level through its treasury management strategy, quarterly budget monitoring and the inclusion of company investments on the Corporate Risk Register.

Company management have identified specific risks and mitigations for the companies within the CMH Group. This includes the risk of operating in industries (hospitality / waste management) influenced by macroeconomic factors and liquidity risk due to inflationary pressures.

6.3. What is the impact on the organisation?

The Council relies on companies within the CMH Group to deliver services, particularly the commercial waste services delivered by TWW, so it must review whether service levels are being met and assess value for money. This is achieved through contractual arrangements and monitoring of spend by procurement.

The Council must continue to provide the appropriate staffing resources to manage the performance and investment value of its equity interests, assess the condition of property assets held by subsidiaries and manage the repayment of service loans, seeking external advice where needed.

6.4. Equalities / EIA?

The Public Sector Equality Duty (PSED) contained in section 149 of the Equality Act 2010 requires public authorities to have due regard to several equality considerations when exercising their functions. The Council has control over all of the companies within the CMH Group and it is important for the Council to consider the PSED in its role as sole shareholder. The companies within the CMH Group have developed Equality & Diversity policies and it is not expected that any specific groups will be disproportionately impacted, either positively or negatively, by the recommendations in this report.

No equality impact assessment has been carried out as the recommendations in this report do not constitute a new project and do not review existing, or develop new, Council strategies, policies, guidelines or services.

6.5. Implications for (or impact on) climate change and the environment?

TWW is expected to continue to make a positive impact on climate change and the environment. Further details are provided in section 6.1 of this report as performance in this area is a key reason that TWW contributes towards the One Coventry Plan.

6.6. Implications for partner organisations?

The report focuses a number of commercial companies, which have a relationship with the Council. Any impact on the Council or these companies as a result of the report is covered in the appended report.

Report author:

Michael Phillips
Lead Accountant – Business Partnering

Service Area:

Financial Management
Finance and Resources

Tel and email contact:

Tel: 02476 972315

Email: Mike.Phillips@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-ordinator	Law and Governance	28/10/24	30/10/24
Gurbinder Singh Sangha	Major Projects Commercial Lawyer / CMH Company Secretary	Law and Governance	28/10/24	30/10/24
Names of approvers for submission:				
Tina Pinks	Corporate Finance Manager	Finance and Resources	05/11/24	08/11/24
Julie Newman	City Solicitor and Monitoring Officer	Law and Governance	05/11/24	08/11/24
Barry Hastie	Director of Finance and Resources	-	05/11/24	08/11/24

This report is published on the council's website: www.coventry.gov.uk/council-meetings

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank