

Coventry City Council
Minutes of the Meeting of Business, Economy and Enterprise Scrutiny Board (3)
held at 2.00 pm on Wednesday, 13 November 2013

Present:

Members: Councillor T Skipper (Chair)
Councillor D Galliers
Councillor M Hammon
Councillor K Maton
Councillor M Mutton
Councillor K Taylor
Councillor S Walsh
Councillor D Welsh

Other Members: Councillor L Kelly (Cabinet Member (Business, Enterprise and Employment)) (Invited to attend)

Invited to Attend: Linsey Luke, Federation of Small Businesses
Howard Anderson, Chamber of Commerce
Louise Bennett, Chamber of Commerce

Employees (by Directorate):

K Larsen, Resources Directorate
P Mudhar, Resources Directorate
J Murphy, Resources Directorate
M Salmon, Resources Directorate
A West, Resources Directorate
R Young, Place Directorate

Apologies: Councillors F Abbott and M Auluck

Public Business

21. Declarations of Interest

There were no declarations of interest.

22. Exclusion of Press and Public

RESOLVED that the Scrutiny Board agrees to exclude the press and public under Section 100(A)(4) of the Local Government Act 1972 for consideration of the private matter in Minute 29 below headed 'Coombe Abbey Park Hotel', on the grounds that the item involves the likely disclosure of information relating to the financial or business affairs of any particular person (including the authority holding that information) as defined in Paragraph 3 of Schedule 12A of the Act, and that in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

23. **Minutes**

The minutes of the meeting held on 11th September 2013 were agreed and signed as a true record.

Further to minute 14(b)/13 relating to the City Centre, Members were informed that the Chair of BID, Andy Talbot, would be invited to the meeting of the Board on 9th December 2013 at which a report from the City Centre Task Force would be presented.

Further to minute 16/13 relating to Advanced Manufacturing and Engineering Skills Analysis for Coventry, Warwickshire, Hinckley and Bosworth, Members requested that they be provided with a response from Cabinet Member (Business, Enterprise and Employment) to the issues detailed in i) to iv) of recommendation 2.

24. **Supporting Business Investment in Coventry**

The Board received a briefing note of the City Council's Economy and Jobs Manager, together with presentations from the Federation of Small Businesses and the Chamber of Commerce, outlining the current local business support arrangements, provided key performance data, and some of the challenges faced by investing businesses. Members were also provided with business demography statistics for the City.

Coventry City Council worked with local partners including the Chamber of Commerce, Warwickshire County Council, the Districts and Boroughs, the Federation of Small Businesses and both universities. The partnership defined much of LEP business support strategy and delivered most of its programmes.

The City supported 8665 businesses and that number was rising, driven by an increase in the number of new businesses being created. Public administration, education and health were the largest sector, employing a third of the workforce. Employment in Coventry's manufacturing sector was 10% of the workforce and higher than the national average.

A range of support to businesses was offered by the Authority, through the Business Investment Team, forming the demand side of the current Jobs Strategy, and was underpinned by investing in infrastructure eg ultra-fast broadband, electric vehicle charging and 4G wifi. The Authority's work focused on those sectors that were creating or expected to create the most jobs and these were manufacturing, especially automotive and aerospace, and digital technologies, energy and professional services. In the first half of the year 2013 896 new jobs had been created by 161 businesses that the Council had assisted. Together they had invested over £80m.

The Chamber of Commerce, a not-for-profit organisation, provided business support on issues such as ICT, access to finance, business plans and growth. Support for start-up businesses and university spin-outs was provided by the Chamber of Commerce and the universities and had provided start-up advice to 127 individuals resulting in the creation of 83 new businesses from April – September 2013.

The Federation of Small Businesses was a lobbying organisation that facilitated access to finance, procurement issues and direct costs, particularly for new businesses. They worked closely with the Chamber of Commerce and also had established strong links with the private sector.

Significant Government and European funding was continually being secured to finance the programmes and provide financial assistance to job creating investment projects. Clauses were being added to funding contracts to ensure that businesses benefiting from financial assistance proactively considered Coventry residents for the new job and training opportunities created.

The Board noted that challenges for the future included capacity for growth within small to medium size, skills gaps and skills as a barrier to growth, the need for 'up-skilling' to secure the future of skills in businesses and the retention of apprentices following completion of their training. Assistance with bottom line costs were welcome, particularly for new businesses

The Board suggested that the Authority could 'add weight' to building capacity as a priority, and that funding availability should be sought to enable existing small and medium sized business growth. They outlined the importance of maintaining links with larger companies of strategic importance and encouraging their growth. Members also suggested the establishment of targets for increasing the number of businesses in the City and for reducing the number of business closures, together with identifying the reasons for closures. They noted that the professional and financial business sector was not well represented and that there was a lack of skills in sales and selling in the City.

RESOLVED that:-

- 1) The Scrutiny Board notes the briefing note and presentations.**
- 2) Details of the costs to the City Council for providing the Business Investment Team, together with comparative costs of similar support services in the region, be circulated to Members of the Board.**
- 3) The Scrutiny Board makes the following recommendations to the Cabinet Member (Business, Enterprise and Employment) to progress with partners:**
 - i. Investigate opportunities to promote local Small and Medium Enterprises (SMEs) access to procurement opportunities across public sector employers such as the police, fire service and NHS, building on the good practice developed by the City Council and other neighbouring authorities.**
 - ii. Explore ways the Council can support SMEs to reduce their direct costs.**
 - iii. Explore opportunities to share the risks in relation to SMEs taking on apprentices, including reviewing the model whereby colleges operate as employers, such as North Warwickshire College, Apprentice Training Agency.**
 - iv. Encourage partners to identify ways of supporting SMEs to work with the universities to innovate and invest in research and development.**

25. **Outstanding Minutes**

Outstanding Issues were included in the Work Programme.

26. **Work Programme 2013/14**

The Board noted the following changes to the Work Programme:

The agenda items for the meeting of the Board on 9th December 2013 would be:

- 1) Overview of Grimsey Review
- 2) City Centre Task Force

The Tourism Strategy, MIPIM Outcomes and the Business Case for Friargate items were moved to dates to be confirmed.

27. **Meeting Evaluation**

The Board evaluated the meeting commenting that the presentations had been very informative. Comments given by members would be used to ensure the efficiency and effectiveness of future meetings.

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

There were no other items of public business.

Private Business

29. **Coombe Abbey Park Hotel**

Further to Council minute 70/13 that referred the financial and business aspects of the Council's Investment in the Coombe Abbey Park Hotel to the Business, Economy and Enterprise Scrutiny Board (3) for their detailed consideration, the Board received a presentation of the Executive Director, Resources that provided context, financial performance to date, a five year business plan, the opportunities and risks and the governance and monitoring of the financial loan.

The Board discussed the details of the proposals for protecting the Council's investment in Coombe Abbey Park Hotel. They recognised that the Coombe Abbey Country Park and Hotel were important cultural, leisure and tourist assets for the City and that the Council should aim to maximise commercial opportunities between the Coombe Abbey Hotel and Coombe Abbey Country Park.

RESOLVED that the Scrutiny Board notes the presentation.

(Meeting closed at 4.30 pm)