

Coventry City Council
Minutes of the Meeting of Business, Economy and Enterprise Scrutiny Board (3)
held at 2.00 pm on Wednesday, 26 November 2025

Present:

Members: Councillor R Singh (Chair)

Councillor J Blundell
Councillor S Gray (Substitute for Councillor G Lewis)
Councillor T Jandu
Councillor A Kaur
Councillor G Lloyd (Substitute for Councillor P Akhtar)
Councillor J McNicholas
Councillor B Singh
Councillor CE Thomas

Other Members: Councillor J O'Boyle, Cabinet Member for Jobs, Regeneration and Climate Change

Employees (by Directorate):

Law and Governance S Bennett, E Jones

People and Facilities L Lewis

Regeneration and Economy G Smailes, P Singh, S Weir

Others present: M Anderson, Bring Energy (for items contained in Minutes 23 and 25 below)

Apologies: Councillor P Akhtar
Councillor G Lewis
Councillor K Sandhu

Public Business

18. Declarations of Interest

There were no disclosable pecuniary interests.

19. Exclusion of Press and Public

RESOLVED that the Scrutiny Board agrees to exclude the press and public under Sections 100(A)(4) of the Local Government Act 1972 relating to the private item referred to in Minute 25 below headed 'Heatline District Heating Update' on the grounds that the report involves the likely disclosure of exempt information as defined in Schedule 12A of the Local Government Act

1972. The grounds for privacy are that it refers to information relating to the financial or business affairs of an organisation and the amount of expenditure proposed to be incurred by the Council under a particular contract for the supply of goods or services. The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

20. Minutes

The Minutes of the meeting held on 22 October, 2025 were agreed and signed as a true record.

There were no matters arising.

21. Report on Progress Made Against Coventry Economic Development and Skills Strategies and Coventry & Warwickshire Economic Plan

The Scrutiny Board considered a Briefing Note of the Director of Regeneration and Economy, together with a comprehensive presentation at the meeting, which provided details against the key objectives of the Economic Strategy and Skills Strategy together with the Coventry and Warwickshire Economic Plan.

The Briefing Note provided context to the current economic position in the UK and the challenging business environment over the past twelve months, which has been reflected in the UK labour market. Unemployment has risen from 4.0% in August 2024 to 5.0% in September 2025. Over that time, the claimant count in Coventry has fallen from 14,065 to 13,660, suggesting that the local labour market remains robust in the face of national challenges.

The Skills Strategy was launched in November 2022. It takes a holistic approach to the skills system from early years through to lifelong learning to achieve the best outcomes for Coventry residents and businesses. It serves as a 'Framework for Action' with partners learning and developing creative solutions to skills challenges together to meet three Strategic Ambitions and eight priority areas within them.

The presentation highlighted the following key achievements of the Skills Strategy:-

- Achieved full West Midlands Combined Authority (WMCA) /Coventry City Council co-commissioning commitment (from April, 2026)
- Enabled Coventry College's Ofsted "Good" rating
- Supported over 1,600 residents into high-quality paid employment
- Launched the Green Skills Roadmap (January, 2025) and built momentum in key areas
- Expanded Primary Schools Aspirations – February's Primary Aspirations Week engaged 1,000 plus children in person and 2,500 plus online
- Summer Holiday Food Activity Skills Clubs
- Implemented Coventry Alternative Provision (CAP) Model – Rollout of a graduated, multi-tiered framework offering tailored support for students struggling in mainstream education

- Ensured a region-leading Adult Education Service: in the 2024/25 academic year, Coventry Adult Education supported over 7,500 learners (exceeded WMCA target)
- Taken action on graduate retention through Coventry University “Discover Coventry” programme

The Economic Development Strategy was launched in October 2022 and acts as the framework for creating a strong and resilient economy. The Strategy covered 8 priority areas.

The presentation highlighted the following key achievements of the Economic Development Strategy:-

- Delivered 257 engagements with Coventry SMEs between April and September 2025 – 91% of the 2025/26 target of 283
- Allocated £306k of the £628k SME capital grant fund in the first 6 months of 2025/26
 - £106k already claimed by Coventry SMEs, resulting in £176k additional investment
 - Followed £1.148m of grants being claimed in 2024/25, after Coventry City Council was awarded £450k top-up due to high demand – created 66 new jobs
- Delivered 23 energy audits to Coventry SMEs in the first 6 months of 2025/26 to reduce carbon emissions, with 13 audits currently in progress
 - Follows 151 completed audits in 2024/25
 - Businesses now need to use 25 MWH electricity per year to qualify for support`
- In 2024/25, Coventry and Warwickshire attracted 42 Foreign Direct Investment (FDI) projects (which equates to 32% of West Midlands FDI projects), supporting 2,828 jobs

Notable local FDI successes:-

- Corona Energy locating in the Bourn building (150 jobs)
- Octopus Energy expanding in Two Friargate (450 jobs)
- Nurol Makina (defence company) locating in Leamington Spa (150 jobs)
- FDI European Cities and Regions of the Future publication 2025:
 - Coventry ranked 3rd amongst mid sized European cities for FDI Strategy
 - Coventry ranked 9th amongst mid sized European Cities for Economic Potential
- £23m of funding secured for the Coventry and Warwick Investment Zone (CWIZ)
 - Delivered a 30 MVA power supply to enable first phases of development of Greenpower park
 - Works will take just under 2 years – new power supply going live August 2027
- Worked with developers on 33 social value projects across Coventry in 2024/25
 - 153 local people employed on site
 - 24 new local apprentices started

- £930, 400 donations or in-kind contributions to local community projects
- Hosted roundtable with 10 local businesses and regional stakeholders to discuss ways to mitigate the impacts of US tariffs
- Coventry City Council and Warwickshire County Council have worked together to grow the sub-region's CreaTech cluster through the Coventry and Warwickshire Exchange (CWX) steering group
- To help increase the number of local scaleup businesses, CW Growth Hub's new CW Peer-to-Peer network has been established
- Coventry City Council has worked with Warwickshire County Council, the WMCA and the Coventry and Warwickshire Chamber to understand impacts of September's cyber-attack at Jaguar Land Rover on the local economy.

The Scrutiny Board made comments, sought assurances and asked questions on a number of issues including:-

- Proposals for the City Centre South Development and work being undertaken with local businesses to ensure the best possible all round offer for attracting people to the city centre.
- The recent budget announcement regarding increased funding for the WMCA. It was noted that Coventry was already ahead of the game in relation to funding bids.
- The availability of grants for social enterprise businesses and start-up businesses and work undertaken in this regard.
- In response to a question, it was noted that there were very few Council owned empty properties in the City Centre and that attracting businesses to these properties was a continuous piece of work.
- An update on work undertaken in relation to the Green Skills programme was provided.
- Further information was provided in relation to the work undertaken with businesses in relation to energy audits and it was noted that each business was dealt with on a case to case basis.
- The Scrutiny Board noted the links between the Strategies and the One Coventry Plan.
- Work undertaken in relation to identifying skills shortages and the complexities of collating this data was noted.
- Information was provided on work being undertaken in relation to AI. It was noted that there was a WMCA AI fund and that Coventry was the lead for the public sector in relation to this. It was recognised that AI would have an as yet unknown impact on the labour market.
- The extensive engagement with both Coventry and Warwick University was outlined and welcomed.
- The Scrutiny Board indicated that it would be helpful to provide comparative information for future considerations of the Strategies to enable achievements and targets to be measured.
- The Scrutiny Board also indicated that it would be helpful to engage and receive feedback and information from businesses via the Coventry and Warwickshire Chamber of Commerce.
- Details of work undertaken in deprived neighbourhoods was noted, particularly in relation to the success of the Jobs Fest and the hosting

of the Job Shop in community venues across the City. The Scrutiny Board supported proposed future plans in relation to this work.

- Information regarding activity undertaken in both primary and secondary schools was provided and welcomed.
- The work undertaken by the Coventry Skills and Employment Board was noted and further consideration of the work of the Board was highlighted as a possible future item for the Scrutiny Co-ordination Committee.
- It was noted that work was currently being undertaken in relation to supporting Coventry Market Traders who were being impacted by the City Centre South development.
- The difficulties in obtaining data regarding graduate retention was noted. Both Universities had been contacted in relation to this and it work was on-going in this regard.
- It was noted that Green Skills included adaption as well as de-carbonisation and that work in this regard was undertaken in conjunction with the Council's Sustainability Team.
- The importance of links with the Transport Strategy was reiterated, together with the importance of maintaining a regular and direct train service to London post HS2.
- It was noted that the City Centre South development was key to providing aspirational housing in the City Centre and attracting people to the City. It was also noted that the development would provide skilled jobs for local people.

RESOLVED that the Business, Economy and Enterprise Scrutiny Board:-

- 1) **Notes the contents of the Briefing Note.**
- 2) **Requests that future reports on this matter provide comparative information to enable the Scrutiny Board to review the Strategies and Plans objectively.**
- 3) **Requests that the Chamber of Commerce be invited to attend a future meeting of the Scrutiny Board and that this be added to the Work Programme.**

22. Work Programme and Outstanding Issues 2025/26

The Scrutiny Board noted the Work Programme and outstanding issues for 2025/26, including the provisional date of 4 March, 2026 for a visit to UK BIC.

23. Heatline District Heating Update

The Scrutiny Board considered a Briefing Note of the Director of People and Facilities, together with a comprehensive presentation at the meeting, which provided an update on the funding of Heatline to date, its historic performance and future proposals for the network. The Scrutiny Board also considered a corresponding private Briefing Note which contained commercially sensitive information relating to this matter (Minute 25 below refers).

The Briefing Note indicated that the Coventry Heatline district heat network currently supplies recovered heat from the Energy from Waste (EfW) facility on London Road to 9 city centre buildings including 3 offices, 2 sports facilities, a Museum, a Hotel, the Cathedral and a Student Accommodation Block, via its 4km network of underground pipework.

The presentation covered:-

- The existing contract arrangements:-
 - Coventry District Energy Company (CDEC) responsible for:-
 - Recovering heat from steam
 - Distributing heat to customers
 - Generating any additional heat required by customers
 - Selling heat to customers
 - A summary of the concession contract
 - 25 year operating concession
 - Due to expire in 2038
 - Contract procurement allows for maximum term until 2045
 - CDEC fully responsible for operating and maintenance costs
 - “Super profits” protection with profit share mechanism
- A breakdown of Heatline Funding-
 - Original network total cost - £5.6m
 - To date 35% public sector financed
 - CDEC has been the largest investor in Heatline to date
- The financial performance to date:-
 - Key outcomes (reviewed 2024 compared to 2012 financial model:-
 - Revenues have been lower and operating costs have been higher
 - Increased capital investment for same customer demand
 - Net operating profit is lower than originally forecast
 - Key factors:
 - Lower inflation than allowed for
 - Slower buildout of Friargate Business District
 - Unexpected maintenance at Bar Road
- Current activities to address – Renewed efforts to expand the network by supporting customers with funding bids which will treble the customer demand connected to the network by 2028.
- Forecast breakdown of investment – extending the concession to 2043 enables significant grant funding to be accessed. This rebalance of investment profile will enable CDEC financial performance to move back towards original expectations without contributions coming from Coventry City Council.
- Social Value Impacts:-
 - Avoidance of carbon emissions

- To date 14,716 tCO2 avoided
- Following expansion – 7,300 tCO2/year
- Direct workforce
- Indirect workforce
- Impact of forthcoming legislation

The Scrutiny Board made comments, sought assurances and asked questions on a number of issues including:-

- Information relating to financial elements of the contract. It was noted that the requested confidential and commercially sensitive information regarding the “super profit” element of the contract would be circulated to the Scrutiny Board.
- Further information and explanation in relation to the proposals and funding to extend the current network to 11 Coventry University buildings, 2 Ministry of Justice court buildings and 6 new public sector connections in Hillfields. The Scrutiny Board also noted that City Centre South and the Friargate regeneration area were also expected to connect as they build out. The expansion of the network was welcomed.
- Details were provided in relation to the proposal to extend the current contract to 2043 to enable grant support to be maximised for the above expansion proposals.
- The environmental benefits of Heatline and the impact on the City’s emissions and air quality.
- Technical details in relation to the Energy from Waste facility.

RESOLVED that, subject to the consideration of the information contained in the corresponding private Briefing Note, the Business, Economy and Enterprise Scrutiny Board:-

- 1) **Notes the information provided regarding the current status of the Heatline District Heat Network.**
- 2) **Notes the forthcoming changes to the context of heat networks in the UK.**
- 3) **Notes the proposed extension of the Concession Contract to 2043 to enable grant support to be maximised.**

24. Any Other Items of Urgent Public Business

There were no other items of urgent public business.

25. Heatline District Heating Update

Further to Minute 23 above, the Scrutiny Board considered a private Briefing Note of the Director of People and Facilities, together with a comprehensive presentation at the meeting, which set out the confidential commercial and financial matters relating to the Heatline District Heating update.

RESOLVED that having considered the information contained in the corresponding public Briefing Note, the Business, Economy and Enterprise Scrutiny Board:-

- 1) Notes the information provided about the current status of the Heatline District Heat Network.**
- 2) Notes the forthcoming changes to the context of heat networks in the UK.**
- 3) Notes the proposed extension of the Concession Contract to 2043 to enable grant support to be maximised.**

26. Any Other Items of Urgent Private Business

There were no other items of urgent private business.

(Meeting closed at 5.10pm)