

Title of EIA		EIA for WM Gigapark
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PLEASE REFER TO EIA GUIDANCE FOR ADVICE ON COMPLETING THIS FORM

SECTION 1 – Context & Background

1.1 Please tick one of the following options:

This EIA is being carried out on:

□New policy / strategy

□New service

 \Box Review of policy / strategy

□Review of service

Commissioning

 \boxtimes Other project (*please give details*)



1.2 In summary, what is the background to this EIA?

This Equality Impact Assessment (EIA) is for the WM Gigapark, which has been included as both a Tax Incentive and Business Rates Retention site within the West Midlands Investment Zone, and other activities that are planned for the West Midlands Investment Zone that are expected to have a direct impact on the Coventry economy and the city's businesses and residents.

Background Behind Investment Zones

Investment Zones were announced in the Spring 2023 Budget to catalyse the growth of knowledge-intensive growth clusters across the UK, with each cluster will driving the growth of at least one of the UK's key future sectors - green industries, digital technologies, life sciences, creative industries and advanced manufacturing. The ultimate aim is to bring investment into areas which have underperformed economically.

Each Investment Zone is being given an £80m (rising to £160m) public funding envelope over a five-year period, which will consist of two elements:

- Tax incentives a maximum of three underdeveloped sites (up to 600ha of land in total) can provide tax incentives to help attract new investors and accelerate R&D activities within the target clusters. These incentives include Stamp Duty Land Tax (SDLT) for land/buildings bough for commercial use; 100% Business Rates relief on newly occupied business premises or where businesses expand; 100% Enhanced Capital Allowance for businesses investing in plant and machinery assets in their first year; Enhanced Structures and Buildings Allowance over 10 years; and zero rate Employer National Insurance Contributions Relief for any new employee working on the tax site for up to 36 months.
- Flexible spend the remainder of the £80m funding envelope can be directed at other measures that can attract investment and tackle barriers to growth within the clusters. These include Research & Innovation support (including grants and loans); Local Enterprise & Business Support (including tailored sector-specific support for start-ups); Skills & Training programmes; Local Infrastructure delivery (e.g. land remediation); and investment in greater planning capacity.

One of the 12 Investment Zones nationally is the West Midlands Combined Authority (WMCA) area (the other 4 will be located in Scotland, Wales and Northern Ireland). The West Midlands Investment Zone has two Tax Incentive and Business Rates Growth Retention sites (the WM Gigapark and Birmingham Innovation Quarter), with Wolverhampton Green Innovation Corridor being awarded significant capital funds to accelerate development works.



Background Behind the WM Gigapark

The WM Gigapark is a 241.4ha site which falls within the Local Authority areas of Coventry and Warwick. The aspirations are (principally through attract new inward investment) to build new commercial (mainly industrial production) and Research & Development (R&D) space (1,027,071 m² of new commercial floorspace in total) that will at as a major catalyst for modernising and growing the West Midlands automotive sector and linked Future Mobility and Advanced Manufacturing sectors.

The developments are expected to lead to the creation of many new good quality jobs – almost 10,000 directly, many thousands of additional indirect jobs, and many more in the region's Advanced Manufacturing supply chain, especially as securing investors/occupants in the WM Gigapark site are then expected to "crowd in" investment to other nearby sites in the Coventry area and the wider West Midlands in linked Advanced Manufacturing activities.

The WM Gigapark will consist of four components (the first three are physically located in Warwick Local Authority area, with Whitley East located in Coventry Local Authority area):







- **Coventry Airport.** This is expected to be the centrepiece of the overall development, given that it has outline planning permission for development of the West Midlands Gigafactory this would be the UK's largest battery gigafactory, which would support the transition to sustainable energy through electric vehicles by supplying advanced lithium-ion batteries. At full capacity, the Gigafactory will be able to produce up to 60GWh enough to power 600,000 electric vehicles per year. The Investment Zone tax incentives are expected to stimulate £2.5bn of private investment (most likely in the form of Foreign Direct Investment), and result in the development of 529,648m² of industrial workspace and 6,000 new jobs, around half of which are expected to be high level jobs and almost half of which will be entry level jobs (including apprenticeships).
- Whitley South is currently brownfield empty land adjacent to UK Battery Industrialisation Centre, that has
 planning permission for commercial and R&D use. This is prime potential R&D space (particularly for
 Automotive and linked Future Mobility sectors) and development at these sites is expected to result in
 46,355m² of R&D workspace, 11,617m² of hotel, 10,411m² of general office, and 2,300m² of retail space,
 plus the creation of over 750 jobs.
- Segro Park Coventry has planning permission for creation of new commercial premises, especially in R&D and supply chain production in electric vehicles and smart mobility. We are expecting development at this site to deliver 239,740m² of warehouse & distribution premises and 104,000m² of general industrial space, plus the creation of around 2,700 new jobs.
- *Whitley East* consists of land allocated for employment uses in the current Coventry Local Plan. Any development on the site would be subject to a future planning approval.

On top of these capital development activities, the West Midlands Investment Zone will deliver a series of region-wide revenue funded programmes that are expected to deliver positive benefits for Coventry and wider West Midlands business in terms of accessing opportunities to grow or diversify their business through new supply opportunities (through being supported by Supply Chain and Innovation and R&D programmes), and for Coventry and wider West Midlands residents to access new employment and training opportunities through Skills Development programmes. The number of residents and businesses that are expected to be engaged in these programmes will be determined once the total amount of funding being made available is finalised.

The £80m of government funding that has been made available for the Investment Zone for the period of 5 years (2024/25 to 2028/29) will cover the value of the tax incentives (likely to be around £15m for the WM Gigapark), capital development activities at the Investment Zone sites across the region (the WM Gigapark is expected to be allocated around £23m of capital funds to deliver site enabling works, opening up site transport access, and connection to power and utilities), with the remaining funding allocated to Investment Zone management and co-ordination and regional revenue funded programmes.



1.3 List organisations and people who are involved in this area of work?

Coventry City Council has been leading on the design of the Investment Zone activities, working together with West Midlands Combined Authority (who have been assigned lead responsibility from government for the Investment Zone), and in close collaboration with Warwick District Council and Warwickshire County Council.

For Coventry Airport specifically, the Council is in a Joint Venture with Rigby Property Group to oversee development and secure investors to the site. The Joint Venture has been in regular contact with West Midlands Combined Authority and relevant government departments (notably Department for Business & Trade) on the status of the pipeline of interested investors.

Coventry City Council and the neighbouring Local Authorities detailed above are also working closely with Coventry University, University of Warwick, the Advanced Manufacturing Catapult (WMG and the Manufacturing Technology Centre), and West Midlands Growth Company, notably in marketing the site to prospective investors and informing design of the regional revenue programmes (Supply Chain Development, Innovation and R&D and Skills Development). We also expect that other key assets within the local innovation ecosystem will become involved in design and delivery of these activities in the future (including MIRA Technology Park and UK Battery Industrialisation Centre, as well as Further Education and relevant training providers, and key Business Representative Bodies (including Coventry & Warwickshire Chamber of Commerce, Make UK, and Society of Motor Manufacturers and Traders).

SECTION 2 – Consideration of Impact

Refer to guidance note for more detailed advice on completing this section.

In order to ensure that we do not discriminate in the way our activities are designed, developed and delivered, we must look at our duty to:

- Eliminate discrimination, harassment, victimisation and any other conflict that is prohibited by the Equality Act 2010
- Advance equality of opportunity between two persons who share a relevant protected characteristic and those who do not
- Foster good relations between persons who share a relevant protected characteristic and those who do not

2.1 Baseline data and information

- Please include an analysis of the equalities data your service holds. This could include surveys, complaints, compliments, management information and customer profiles. (*Please refer to Diversity Guide*)
- Where possible compare your data to local data using



- Facts about Coventry
- o Census 2011
- Census 2021
- o JSNA

The Automotive sector and wider Advanced Manufacturing has been a key employer across Coventry & Warwickshire and the wider West Midlands for many years. There are over 40,000 jobs in Coventry & Warwickshire in Automotive and linked Advanced Manufacturing sectors, such as Rail, Aerospace and Motorsport. The area has 12 vehicle manufacturing sites and 15 R&D centres.

The wider West Midlands region contains around 430 firms in the automotive supply chain, and one in three British cars are manufactured in the region and the West Midlands is responsible for 40% of British cars exported. The region is home to global brands, including the Headquarters of Jaguar Land Rover, Aston Martin Lagonda, LEVC, plus BMW production and Lotus and Polestar R&D facilities. The region also has access to a large talent pool, with some 32,570 university students studying engineering and technology subjects.

However, the Automotive sector and wider Advanced Manufacturing is undergoing a significant evolution, as the internal combustion engine is expected to be phased out and electrification and electric vehicles grow in importance. The global Electric Vehicle market is projected to grow from \$163.1bn in 2020 to <u>\$823.75bn</u> in 2030 This means that Coventry and wider West Midlands businesses operating in the sector will need to diversify and innovate in order to meet these new global supply opportunities and both project and create what are expected to the "green jobs" of the future. As well as the need for businesses in the sector to diversify, there is also a major need to upskill and retrain the workforce, both to tackle the expected challenge of engineers leaving the sector in future years and to service electrification and these expected new "green jobs" of the future.

There is a growing local talent pool that could benefit from the new job and training opportunities created through the WM Gigapark and wider Investment Zone. For example, the population of Coventry has increased by 8.9%, from around 317,000 in 2011 to around 345,300 in 2021. Since the last census in 2011 the overall population in Coventry has increased by a greater percentage than the overall population of both the West Midlands (up by 6.2%) and England (up by 6.6%). See Figure 1 below.





Between the last two censuses, the median age of Coventry has increased by one year from 34 to 35 years. The number of people aged between 50 to 64 years rose by around 8,800, an increase of 18.2%, while the number of residents aged 4 years and under decreased by around 2,000, which equates to around 9.0%. See figure 2 below. This further emphasises the growth in the local potential talent pool of skilled workers.



Figure 2: Coventry Population Age Breakdown

Coventry and the wider West Midlands is continuing to experience a wide range of economic challenges, and it is clear that large chunks of the local population are not benefiting from the economic growth and job opportunities. For example, Coventry's employment rate (77.2%) is lower than the national average

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of 78.8%. However, the city's economic inactivity rate (22.8%) is above the national average of 21.2% and the unemployment rate of 5.4% significantly exceeds the national average of 3.7%.

As Figures 3 and 4 demonstrate, there are ongoing unemployment and youth unemployment challenges that are prevailing across large parts of the West Midlands – notably large parts of Birmingham, the Black Country, North Solihull and North Coventry. Given the scale of expected job creation at the WM Gigapark (almost 10,000 new direct jobs alone), there is scope for the WM Gigapark and wider West Midlands Investment Zone (and associated region-wide revenue funding programmes) to tackle challenges associated with worklessness both in Coventry and across other parts of the West Midlands.

Figure 3: West Midlands Claimant Count by Ward, January 2024







As highlighted 50% are production staff are predominantly on-the-job trained against product quality, cost and delivery criteria and operating environment controls.

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Both Coventry University and Warwick University are located within 5 miles of the WM Gigapark and Coventry College is also located within 5 miles. This gives prospective occupants immediate access to highly skilled university of college graduates and who could be trained in the specifics of what is required during their degrees. This, in turn, would vastly improve the retention rate of graduates to the local area which would then benefit Coventry and its economy.

Recent years have also seen a massive upgrade of the A45 / A46 junction next to the WM Gigapark site and both of those roads going in and out of it. There is also an access / link bridge going from the JLR HQ at Whitley to the airport across the A45 and this has been future proofed with a dedicated cycleway to allow green travel for potential employees to access the proposed Gigafactory site. The future aspirations to develop the Very Light Rail route will further help to improve the potential ability of local residents to connect with new employment and training opportunities.

2.2 On the basis of evidence, complete the table below to show what the potential impact is for each of the protected groups.

- Positive impact (P),
- Negative impact (N)
- Both positive and negative impacts (PN)
- No impact (NI)

*Any impact on the Council workforce should be included under question 5.0 – **not below**

Protected Characteristic	Impact type P, N, PN, NI	Nature of impact and any mitigations required
Age 0-18	Ρ	We expect a high number of the jobs to be created at the WM Gigapark to be entry level (including apprenticeships), and that through working in partnership with the Employment & Skills Service, we expect young people to fill a significant number of the jobs and training opportunities emerging at the site. There are also potentially positive health benefits for this cohort that could result – for example the regeneration of brownfield sites would create a safer, healthier space.
Age 19-64	Ρ	We expect a high number of the jobs and training opportunities to be created at the WM Gigapark to be at a range of levels that could be taken by individuals that fall within this age cohort, not least through work with the Employment & Skills Service. We also expect a wide range of businesses to grow and diversify as a result of the regional revenue funding programmes, which would protect businesses and both create and safeguard additional jobs, which would have benefits for this cohort. There are also potentially positive health benefits for



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		this cohort that could result from individuals from these groups accessing the new employment and training opportunities. The regeneration of brownfield sites would also lift property prices, and improve the environment and creates a safer, healthier space for this cohort.
Age 65+	Р	We expect a high number of the jobs and training opportunities to be created at the WM Gigapark to be at a range of levels that could be taken by individuals that fall within this age cohort, not least through work with the Employment & Skills Service. We also expect a wide range of businesses to grow and diversify as a result of the regional revenue funding programmes, which would protect businesses and both create and safeguard additional jobs, which would have benefits for this cohort. There are also potentially positive health benefits for this cohort that could result from individuals from these groups accessing the new employment and training opportunities. The regeneration of brownfield sites would also lift property prices, and improve the environment and creates a safer, healthier space for this cohort.
		Positive impact in that although the activities are not being explicitly directed at disabled people, we expect Coventry residents in this cohort to access job, upskilling and training opportunities as a result of both the direct job creation at the WM Gigapark and wider region revenue funding programmes.
Disability	Ρ	We will work with partners to ensure that wraparound services (especially employment and skills) are delivered in a flexible manner to ensure the successful engagement of disabled beneficiaries and ensure that they complete the courses in question and obtain the qualifications. This will include the delivery of more intensive support to those who require it (e.g. those who may require more time to complete grant application forms). It will also include using buildings that have disabled access, especially for one-to-many support. Where appropriate, we will also liaise with the relevant delivery bodies to signpost both businesses and individuals supported through the regional programmes to other specialist support services that are directed at the disabled (e.g. through CCC's Employment & Skills Service and specialist external agencies) – this will include support to help more people with disabilities into work, and to encourage more businesses to be Disability Confident
		The production of batteries for the electric vehicle industry will also have immediate benefits on the pollution levels which will directly



		reduce the burden of disease from stroke, heart disease, lung cancer,
		and both chronic and acute respiratory diseases, including asthma.
Gender reassignment	NI	Activities have not been designed to explicitly target this cohort of people. Although some individuals from this cohort could positively benefit from the support activities and their outcomes, and will work with prospective occupants at the WM Gigapark to ensure that their recruitment and training practices capture and reflect all social groups across Coventry's population, and employment and training support practices will be designed as flexibly as possible, it is difficult to say with certainty the likely scale of impact.
Marriage and Civil Partnership	NI	Activities have not been designed to explicitly target this cohort of people. Although some individuals from this cohort could positively benefit from the support activities and their outcomes, and will work with prospective occupants at the WM Gigapark to ensure that their recruitment and training practices capture and reflect all social groups across Coventry's population, and employment and training support practices will be designed as flexibly as possible, it is difficult to say with certainty the likely scale of impact.
Pregnancy and maternity	NI	Activities have not been designed to explicitly target this cohort of people. Although some individuals from this cohort could positively benefit from the support activities and their outcomes, and will work with prospective occupants at the WM Gigapark to ensure that their recruitment and training practices capture and reflect all social groups across Coventry's population, and employment and training support practices will be designed as flexibly as possible, it is difficult to say with certainty the likely scale of impact.
Race (Including: colour, nationality, citizenship ethnic or national origins)	Ρ	Given the scale of new jobs and training opportunities that are expected to be created through the WM Gigapark, we expect Coventry residents from Minority ethnic groups will not only positively benefit from accessing the new job and training opportunities that will emerge directly from the WM Gigapark – we will seek to signpost prospective occupiers to the CCC Employer Hub to help ensure that their recruitment practices will be accessible to the full range of Coventry's population. We also expect businesses run by Minority Ethnic people to benefit positively from the region- wide revenue funding programmes.
		We will work in partnership with CCC's Employment & Skills and Migration Services in particular, as well as Community Development, to ensure that these communities are able to benefit directly from new employment and training opportunities that will emerge as impacts. We also have multi-lingual members of staff, and building



		on practice from the Covid-19 grants, we will use these members of staff to communicate with those businesses and individuals where English is not their first language.
Religion and belief NI		Activities have not been designed to incorporate explicit targets for different religions and beliefs. We expect people from all religions and beliefs to benefit from the employment and training opportunities that will result from occupants at the WM Gigapark, but it is difficult to break down with certainty the precise scale of impact. We will also work with the prospective investors to ensure the design of the new buildings is as inclusive as possible, which includes (but not limited to) encouraging the installation of prayer rooms for all faiths.
Sex	NI	Activities have not been designed to incorporate explicit targets for males and females. We expect both males and females to benefit from the employment and training opportunities that will result from occupants at the WM Gigapark, but it is difficult to break down with certainty the precise scale of impact. We will also work in partnership with both prospectus occupants and CCC's Employment & Skills Service to maximise awareness of the new employment and training opportunities emerging at the WM Gigapark – and will consider further tailored promotional activities to encourage women to apply for roles and/or training places, given that they are historically under- represented in manufacturing and engineering professions.
Sexual orientation	NI	Activities have not been designed to incorporate explicit targets for people from different types of sexual orientation. We expect individuals of a range of sexual orientation to benefit from the employment and training opportunities that will result from occupants at the WM Gigapark, but it is difficult to break down with certainty the precise scale of impact. We will also work in partnership with both prospectus occupants and CCC's Employment & Skills Service to maximise awareness of the new employment and training opportunities emerging at the WM Gigapark, especially amongst social groups that have traditionally been under- represented in engineering and manufacturing professions.



SECTION 3 – HEALTH INEQUALITIES - See the health inequalities pre EIA guidance sheet for this section.

3	Further information on heath inequalities is available on the Intranet
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3.1 Please tell us how the proposal you are submitting this EIA form will reduce health inequalities:

Using the Marmot Principles, the WM Gigapark will deliver the following:

- Enable young people and adults to maximise their capabilities and have control over their lives by being offering apprenticeships to young people and employed opportunities within the GigaPark.
- Support a healthy standard of living, by creating fair employment and good work for all. The Gigapark is expected to create almost 10,000 new jobs, the majority of which will be filled by from the Coventry area and wider West Midlands. By increasing employment locally and having a positive impact on the West Midlands supply chain, there will be directly associated benefits in terms of the economy as well as reducing health inequalities as there are well documented links between high levels of employment and health.
- Create and develop healthy and sustainable places and communities and also pursue environmental sustainability and health equity. For example, once prospective occupants make a firm intention to invest in the site, detailed plans will need to be drawn up, and these will need to consider sustainable transport, ways to generate biodiversity net gain, good internal air quality, the climate change specifications of the buildings (which will be new build), and how nearby residents will be protected from noise and dust pollution all factors that will be considered in the detailed Planning Applications that will subsequently need to be submitted. The even uses should also help increase the availability of low emission vehicles, which should also have a wider positive impact on the environment locally.

3.2 What information do you have to show you are going to reduce health inequalities:

"Being in good employment is protective of health. Conversely, unemployment contributes to poor health. Getting people into work is therefore of critical importance for reducing health inequalities." (Source) Through the monitoring data that will be collated for the Investment Zone, we will track the new jobs created within those businesses occupying the sites and benefiting from the regional revenue funding programmes, and also as much information as possible about the jobs (e.g. salary level and indications of whether local residents are filling the roles).

The work will directly deliver against key objectives within the Coventry Skills Strategy, notably <u>Strategic Ambition 2: A skills ecosystem which ensures that all, including those most in need, are</u> <u>able to participate in, progress and achieve success</u> as this will reduce inequalities.



As detailed above, ways of improving active travel and sustainable travel to/from the site would also be explored as part of the process for developing the detailed plans for the site and in detailed Planning Applications. It is also something that could potentially be explored through the reinvestment of business rates.

Longer-term, the eventual uses of the site will help to expand the availability of low emission vehicles, through increased production and R&D (eventually making more vehicles available at potentially affordable prices). These will have a positive impact on reducing pollution, which should also have a positive impact on reducing health inequalities.

3.3 Who/which groups of people might face the biggest health inequalities for your work and why:

Low skilled workers (who generally have low incomes, poor literacy and who may live in deprived areas) who have few qualifications within the city are a big group which would be targeted by the arrival of occupiers at the WM Gigapark. We are also conscious that residents from Coventry's most deprived areas are also more adversely affected by health inequalities. One of the main aims of this project is to upskill the local workforce with relevant, up to date skills that will enable them to thrive in the current economic climate. We expect an influx of graduate-level employees due to the nature of the site but the majority of the intended workforce would naturally be expected to be local residents of all ages and levels of skill.

We will also work with CCC's Employment & Skills Service, Community Development and Migration Team to maximise awareness of the new employment and training opportunities emerging from the WM Gigapark, particularly amongst residents from social groups and/or neighbourhoods that have traditionally been under-represented in manufacturing and engineering professions – we will work with both the prospective occupiers and relevant education and training providers to help ensure that recruitment practices and the structure of relevant education and training courses can successfully provide a pathway of positive career progression and an improved standard of living for people from these groups.

We would expect many of the jobs created at the site to pay significantly more than the real living wage, offer strong promotional prospects and modern working conditions. Given the sheer volume of jobs that we expect to be created at the WM Gigapark and also the range of type of jobs that will be created (e.g. many in production, but also a significant number in ICT, design, management, marketing to name a few), it will be essential to create pathways by which those from groups and neighbourhoods traditionally under-represented in Advanced Manufacturing jobs can access the wide range of jobs that will be created. For this reason, CCC's Employment & Skills Service and the Coventry Job Shop and Employer Hub (and their links with local third sector organisations) will need to work closely with prospective applicants to identify their bespoke training requirements,



publicise the different types of jobs and training opportunities that are likely to become available, and to match local residents with these new jobs and training courses.

3.4 What can be done to improve health equity for the groups of people you have identified?

We expect the arrival of an investor capable of funding a Gigafactory to be paying more than minimum wage and that all employees would be paid a competitive rate which would offer medium to long term stability and good working conditions. Indeed, we would expect many jobs to be created at both the WM Gigafactory and wider WM Gigapark to be in skilled occupations paying significantly more than the real living wage.

We would also expect strong training provision and career progression to be offered. The same principles would apply for other production and R&D activities that we are hoping to secure as occupants at the WM Gigapark.

In turn, this would hopefully allow an acceptable work / life balance which has positive effects on the employees and the local communities.

Through the Account Management approach to support businesses through their growth journey, we will also work with deliverers of the regional revenue funding programmes to make businesses aware of "A Fairer Coventry", where they will be able to access further information on additional measures they could take to reduce health inequalities and the potential benefits for their business of undertaking such actions – these include (but not limited to) investing more in workforce skills, introducing fair working practices, and considering more placement and apprenticeship opportunities.



SECTION 4 - DIGITAL EXCLUSION INEQUALITIES

Please consider the digital exclusion information in the supporting document prior to completing this section.

4.1 Starting point:

Thinking of the main aims of your work area that this EIA is for; does your work area impact digital inequalities or exacerbate? Y/N

- Does your work assume service users have digital access and skills?
- Do outcomes vary across groups, for example digitally excluded people benefit the least compared to those who have digital skills and access?
- Consider what the unintended consequences of your work might be.

Digital exclusion costs the UK £63 billion every year, with digital exclusion considered a key inhibitor to economic growth (<u>House of Lords, 23</u>). Investment in digital inclusion has been shown to demonstrate a £9.48 ROI for every £1 investment, across a number of factors (<u>Cebr, 2022</u>). This included estimations of tackling digital exclusion could fill basic digital skills vacancies generating 2.7 billion for UK businesses, in addition to £586 million for increased worker earning.

In this context, digital inclusion needs to be considered as an enabler for successfully realising the intended outcomes of both the WM Gigapark and wider West Midlands Investment Zone – be it from the standpoint of enabling local residents to successfully fill vacancies or delivery of the regional revenue funding supply chain and Innovation/R&D programmes, some of which are likely to support Coventry and wider West Midlands businesses to improve uptake of digital technologies to assist the development of new products, services and/or processes to position themselves to access growing global market opportunities.

There is a digital skills gap in the workforce nationally, with WMCA sitting below the national levels. Digital exclusion and its associated inequalities will mean those who are most marginalised will have poorer access to skills, education and employment, therefore digital inclusion must be considered from outset. Tackling digital skills at the foundation level enables access to higher skill development across the essential digital skills for life and work, which will under pin wider skill sets.

Digital inclusion motivates skill and career development, where people with the highest digital capability are twice as likely as those with very low digital capability to improve their career/skill opportunities. Additionally, 46% of digitally included people use being online to develop their skill/careers (Lloyds Consumer Digital Index, 22).

The Covid-19 pandemic accelerated the uptake of digital services nationally, whereby people who are digitally enabled have better financial opportunities, can access new information and are better connected to others (Lloyds Consumer Digital Index, 2021). However, for those who are digitally excluded, the digital divide has grown during the last two years, and without intervention people will be left behind with poorer outcomes across employment, health and wellbeing, education and service access.

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When considering SME and sole trader development, digital exclusion and lack of digital confidence and infrastructure will disadvantage and inhibit business growth. Four digital skills for competitive business include maintaining web presence, selling online, using cloud-based technologies and digitising back-office functions (DCMS, 2017). Real examples of this inhibiting growth may include SME websites which do not function on smartphones or have access to secure payment, reduced digital marketing and supporting website functionalities, and resource heavy administration, pay roll and CRM software which impacts staff capacities and efficiencies.

This <u>survey</u> of small businesses nationally highlighted that SMEs are using technologies or web-based software, with 50% using it to manage the business and 23% using it to sell to customers online.

The West Midlands Tech Review of 2023 highlighted that 22% of West Midlands SMEs had low digital capability in 2021, with only Yorkshire and the Humber recording a higher percentage of all English regions. The most common barriers to digital adoption amongst SMEs included insufficient knowledge of appropriate technologies, perceived challenges of retraining staff, concerns of insufficient return on investment, and concerns of threats to cyber security.

There are other barriers that are preventing small businesses from developing their digital skills. These include:

- A lack of confidence at leadership levels that then affects the whole culture of their organisation;
- A perceived lack of time to engage in training;
- Cost, including the perceived need to engage an outside consultant, ongoing maintenance, employing specialist staff, and investing in equipment and staff training;
- Lack of motivation including a perception that an online presence was not relevant to their business, and a perception that developing digital skills was not important for that business' growth;
- Lack of clarity on the benefits of investing in digital;
- Ability to source the right employees with digital competencies;
- Ability to source appropriate training.

The same report although identifies further barriers amongst specific types of business managers:

- Women from Minority Ethnic communities may face increased challenges around self-efficacy and autonomy, which affects their confidence in learning digital skills for business;
- Migrant entrepreneurs face specific challenges when a lack of digital skills are layered upon language barriers that hamper understanding of complex regulation and documentation;
- Disabled adults are disproportionately represented among non-users of the internet more generally, and relevant business advice may not be available in appropriate formats, such as Braille or audio;
- Older business owners may be particularly reluctant to develop new digital behaviours.



Moreover, a national report by Lloyds Bank has highlighted that the West Midlands has the lowest level of foundational digital skills and work based essential digital skills of all English regions.



National research by the <u>Good Things Foundation</u> has identified four digital skills that are essential for a competitive business, as detailed below. As a result, increasing the number of businesses with digital capability (particularly in these core areas) and improving the digital skills of the workforce needs to be a high priority for improving the competitiveness of the region's economy.





It should be noted that digital inclusion cannot just be added to a programme after it starts, and it must be considered from the outset, and positioned as an enabler to allow for meaningful skill development, employability and business growth. Both CCC's Economic Development and Employment & Skills Services will therefore need to work closely with the providers delivering the regional revenue funding programmes (especially Supply Chain, Innovation/R&D and Skills), plus the training providers that will work closely with the future occupants at the WM Gigapark to raise awareness of the importance, relevance and benefits of digitisation and enhancing digital skills. We will also encourage them to attend workshops or 1:1 support more specific to this area. The report highlights the importance of building trust at an early stage of contact with that business, and getting this ongoing relationship right will be important in securing buy-in from the relevant businesses and residents on improved digital adoption. Our expectation is that any future regional Supply Chain, Innovation/R&D and Skills programmes all will most likely have digitisation-focused modules in them.

4.2 Reducing digital exclusion inequalities

Where are the opportunities for your area to reduce digital exclusion inequalities and embed supports/interventions as part of your work?

The breakdown of expected jobs at the WM Gigafactory alone indicates that 9% are likely to be in ICT or Data Management. This is likely to represent over 500 jobs. It is likely that we will need to tackle digital exclusion inequalities if we are to ensure that local residents can successfully fill the new posts emerging at the WM Gigapark. CCC and local/regional partners will therefore need to work with prospective occupants and relevant training providers to ensure that the courses will be structured in appropriate ways that will enable residents to upskill digitally – through CCC's Account Management approach to business support, we will also maintain relationships with occupants at the WM Gigapark to ensure their evolving digital skills requirements and resultant career pathways are being tracked, and that the local employment

EQUALITY IMPACT ASSESSMENT (EIA)



and skills support offer is being updated adequately to reflect this. Engagement of the Employment & Skills and Community Development Services, along with the Coventry Connects initiative, and work with relevant third sector organisations active in those neighbourhoods with highest levels of digital exclusion, will also be important if residents with less developed digital skills are to be successfully reached.

As detailed above, to ensure that Coventry and wider West Midlands businesses can access new growing global supply opportunities, we expect both the regional Supply Chain and Innovation/R&D programmes to have digitisation modules delivered as part of them. Through our Account Management approach to business support more generally, we will also raise awareness of and signpost local businesses to established digitisation support programmes for manufacturers, including Made Smarter West Midlands.

We will use established successful marketing methods to raise awareness of all activities linked to the WM Gigapark and wider West Midlands Investment Zone amongst both local businesses and residents, such as CCC's Business e-newsletter, the Green Business Network, partner communications (e.g. CW Chamber of Commerce Newsletters, CW Growth Hub Newsletters), and direct communication from Economic Development Service staff (particularly to businesses staff have supported in the past, such as through EU Structural Fund programmes and Covid-19 support). However, we will adopt a flexible approach and use additional methods (where needed) to engage types of businesses that have historically had lower levels of engagement with publicly funded business support or employment and skill support programmes and from those businesses and residents in Coventry's more deprived neighbourhoods and/or most disadvantaged social groups – this could include (but not limited to) promotion of the support services through the Go CV app, direct outreach through community venues, direct approaches (e.g. industrial estates and local/district centres), and partnership work with other CCC Services (e.g. Employment & Skills, Migration, Community Development) and relevant community organisations to maximise awareness raising opportunities.

As the WM Gigapark develops, the EIA will be reviewed to ensure digital inequalities are addressed as appropriate.

5.0 Will there be any potential impacts on Council staff from protected groups?

No.

You should only include the following data if this area of work will potentially have an impact on Council staff. This can be obtained from: Nicole.Powell@coventry.gov.uk



Headcount:

Sex:

Female	
Male	

Disability:

Disabled	
Not Disabled	
Prefer not to state	
Unknown	

Ethnicity:

White	
Black, Asian, Minority	
Ethnic	
Prefer not to state	
Unknown	

Sexual Orientation:

Heterosexual	
LGBT+	
Prefer not to state	
Unknown	

Age:

16-24	
25-34	
35-44	
45-54	
55-64	
65+	

Religion:

Any other	
Buddhist	
Christian	
Hindu	
Jewish	
Muslim	
No religion	
Sikh	
Prefer not to state	
Unknown	

6.0 How will you monitor and evaluate the effect of this work?

Both CCC and other partners involved in WM Gigapark activities will collate information on an ongoing basis with regard to output and outcome achievement broken down by for people with protected characteristics, as part of the contractual monitoring processes we will need to undertake for WMCA as part of their Investment Zone obligations with government. We will also seek to work with the developers to establish key impacts and benefits during the construction stage.

We will also participate in any evaluation activities that WMCA commissions in respect of the Investment Zone, or any national commissions on all Investment Zones that government may commission, and we envisage that impacts of the programmes on Diversity, Equality and Inclusion will be one aspect evaluated.



6.1	Action Planning			
Issue Identfied		Planned Action	Timeframe	

7.0 Completion Statement

As the appropriate Head of Service for this area, I confirm that the potential equality impact is as follows:
No impact has been identified for one or more protected groups
Positive impact has been identified for one or more protected groups 🛛 🖾
Negative impact has been identified for one or more protected groups \Box
Both positive and negative impact has been identified for one or more protected groups \Box

8.0 Approval

Signed: Head of Service: Steve Weir	Date: 12/2/2024
Name of Director: Andy Williams	Date sent to Director: 14/2/2024
Name of Lead Elected Member: Cllr Jim O Boyle	Date sent to Councillor: 14/2/2024

Email completed EIA to equality@coventry.gov.uk