

NOTTINGHAM CITY COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

MINUTES of the meeting held in the Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 5 October 2016 from 14.01 - 16.12

Membership

Present

Councillor Brian Parbutt (Chair)
Councillor Glyn Jenkins
Councillor Azad Choudhry
Councillor Gul Nawaz Khan (Vice Chair)
Councillor Neghat Khan
Councillor Anne Peach
Councillor Pat Ferguson
Councillor Leslie Ayoola
Councillor Mohammed Ibrahim
Councillor Patience Uloma Ifediora
Councillor Sue Johnson

Absent

Councillor Georgina Culley
Councillor Ginny Klein
Beverley Frost (3rd Sector Advocate)
Councillor Josh Cook

Colleagues, partners and others in attendance:

Robert Dixon	- Head of Business Growth and International Strategy
Louise Graham	- Voluntary and Community Sector Partnerships Specialist
Rav Kalsi	- Senior Governance Officer
Councillor Nick McDonald	- Portfolio Holder for Business, Growth and Transport
Toni Price	- Head of Community Engagement
Laura Wilson	- Senior Governance Officer

21 APOLOGIES FOR ABSENCE

Councillor Georgina Culley – non Council business
Beverley Frost – other business

22 DECLARATIONS OF INTERESTS

None.

23 MINUTES

The minutes of the meeting held on 7 September 2016 were confirmed and signed by the Chair.

24 DISCUSSION WITH THE PORTFOLIO HOLDER FOR JOBS, GROWTH AND TRANSPORT

Councillor Nick McDonald, Portfolio Holder for Business, Growth and Transport and Robert Dixon, Head of Business Growth and International Strategy delivered a presentation focussing on the priorities and budget challenges within the economic development portfolio. The following information was highlighted:

- (a) In light of significant budget pressures and continued reductions in the amount of government grant, difficult and unpalatable decisions have to be considered in order to support Nottingham's growing economy;
- (b) The objectives for the Economic Development portfolio includes increasing jobs and economic prosperity for Nottingham citizens, a restructured local economy built around the vision of the Nottingham Growth Plan and increased business rate income through growth;
- (c) Support sustained economic growth will be essential to the way the Council funds public services by 2020;
- (d) The agenda for Business Growth and the Council's International Strategy will include a supporting and fostering a vibrant creative industry sector. This involves the Council delivering better support for businesses in the city and building on the work that the Council has achieved by establishing the Growth Hub and looking at the different ways small and medium sized businesses are supported with funding;
- (e) The Council is proactive in securing inward investment and tourism in Nottingham but continues to compete with neighbouring authorities to attract growth;
- (f) There is an ongoing challenge to move increasingly to a model of funding that is cost neutral to the Council, which will involve a transition to self-funded development and growing some of the shared responsibilities in the city with the business sector;
- (g) The Council faces a challenge to managing its finance and resources 'post-Brexit'. This will involve managing resources in the absence of European Regional Development (ERDF) and European Structural Investment funding (ESIF) which poses a significant financial challenge;
- (h) Nottingham's Place Market Organisation cost £740,000 in 2016/17 and in future years it will require more private-sector income. The Council's International Strategy cost £140,000 in 2016/17 plus £150,000 grant income;
- (i) Over the next four years the Council will aim to support the regeneration of the city with businesses filling new factories and offices creating a vibrant city and town centre with an improved retail/leisure offer. The Council will continue to support business growth in Nottingham by supporting local businesses through the Growth Hub (across Derby, Derbyshire, Nottingham and Nottinghamshire), encourage start-ups to blossom in Nottingham as the best

place to start a business in the UK and create high value jobs in the city in sectors such as Life Science, the Creative and Digital sector and the Low Carbon sector;

- (j) The Council Plan 2015-19 includes a commitment to establish Nottingham as one of the UK's top 10 locations for foreign direct investment. This will support a sustained effort to keep Nottingham competitive on the international stage. The Council has pledged to provide high speed broadband for all areas of the city and although improvements are still needed in parts of the Creative Quarter, schemes are in place to support businesses with improvements to their connectivity;
- (k) The Economic Development portfolio has achieved success in the following sectors: the employment rate in the city is 65.2% which is up from 55.4% in 2010; ERDF funding from the Growth Hub has supported 289 small and medium sized businesses in Nottingham; the Council has established a new local funding mechanism which has increased in scale and is now the Midlands Engine Investment Fund, with £250 million to support businesses across East and West Midlands;
- (l) Going forward, the Council will continue to leverage external funding to see that Council funding goes further. There will be a focus on key projects and key targets to ensure that the Council delivers on areas of biggest impact. Key work will continue to take place with external partners to deliver 'the Nottingham agenda' which include vital work with the universities, D2N2 LEP, Intu, Midlands Engine and the wider business community.

Following questions from the Committee, the following information was provided:

- (m) It is not yet clear when European funding will cease but there has been a reassurance that funding commitments with a contractual obligation will continue to go ahead;
- (n) The International Strategy includes a focus on China, India and Germany and has not yet expanded to include emerging markets in the African continent. There is a large Indian population in Nottingham which drives some of the focus on inward investment from the sub-continent. The Council has to focus its capacity on its long-term targets and, whilst there is an acknowledgement that more could be done to attract inward investment from emerging African markets, the Council needs to focus its resources appropriately;
- (o) The Nottingham Skills Fund has provided a range of training sessions but could work with local colleges and FE providers to ensure that the right skills are being taught by local education providers.

RESOLVED to

- (1) thank Councillor Nick McDonald and Robert Dixon for the informative presentation on Business Growth and the International Strategy;**

- (2) review the post-Brexit implications for Nottingham at Overview and Scrutiny on a future Committee date;**
- (3) receive an update from Councillor Nick Donald on his Council Plan priorities in relation to Transport at a future Committee meeting.**

25 VOLUNTARY AND COMMUNITY SECTOR GRANT FUNDING

Louise Graham, Voluntary and Community Sector Partnerships Specialist, delivered a presentation to the Committee on the process for streamlining investment to the voluntary and community sector. The following information was highlighted during the presentation:

- (a) Consultation around the process for Area Based Grant investment took place with a range of stakeholders, including the voluntary and community sector, Area Committee chairs and Portfolio Holders;
- (b) During the process for streamlining the Area Based Grant for 2016-19, instead of looking at what has previously been spent in an area to define grant distribution, the Council used the Indices of Deprivation to help define the areas of most need and realign budgets across the city. As a result of this process, the Council has tried to ensure that each area is given a fair grant distribution;
- (c) The Council's Commissioning and Procurement Sub-Committee endorsed the Area Based Grant distribution for 2016-19 in October 2015 before opening up the process to applications from voluntary organisations to act as Lead Organisations. A number of City Councillors were involved in grant panels that made recommendations prior to appointing Area Leads;
- (d) There are a number of priority areas which form the basis of the services delivered across the city, for example the priority area of youth activity includes universal youth work and targeted youth work. Employment and Skills sessions focus on people ages over 29 years in order to avoid duplicating some of the existing 'steps in work' programmes for 18 – 29 year olds already taking place across the city;
- (e) Infrastructure support, including small group work, funding advice and management support, is a new priority for Area Based Grant funding. It is hoped that this approach will encourage a sustainable approach to local community groups;
- (f) Moving forward, there will be an ongoing emphasis on strengthening the voluntary and community sector in the city in times of growing financial uncertainty. In previous years there has been an over-reliance on Council funding but the focus going forward will be on collaborative community organisation.

Following questions from the Committee, the following information was provided:

- (g) In some areas such as Area 7, Neighbourhood Development Officers have used their considerable local knowledge to determine what can be done to address emerging priorities;
- (h) There are quarterly reports against Service Level Agreement and regular cluster meetings with local councillors to identify emerging needs;
- (i) Efforts have been made with the allocation of funding to ensure that areas across the city are receiving funding that is appropriate to the level of deprivation in the area. During the previous round of allocation, there had been a number of wards which had received particularly large amount of funding. This funding has now been reduced to secure greater parity across the city but more work is required to ensure that a coordinated approach is taken to funding in an area so that groups are working together to deliver targeted work;
- (j) This process has improved transparency in reporting and performance monitoring as officers and councillors will regularly receive updates on new and emerging issues, solutions and innovative ideas.

RESOLVED to thanks Louise Graham, Voluntary and Community Sector Partnerships Specialist, for the informative presentation.

26 WORK PROGRAMME 2016/17

Rav Kalsi, Senior Governance Officer introduced the report setting out the programme of activity for this Committee and the Overview and Scrutiny Review Panels for 2016/17.

RESOLVED to agree the work programme for the Overview and Scrutiny Committee and Review Panels for 2016/17, as summarised in the report.