

THE CITY OF NOTTINGHAM AND NOTTINGHAMSHIRE ECONOMIC PROSPERITY COMMITTEE

MINUTES of the meeting held at Rufford Suite, County Hall, West Bridgford, Nottingham on 16 May 2014 from 10.04 am - 11.17 am

- ✓ Councillor Chris Baron (Ashfield)
- ✓ Councillor Roger Blaney (Newark and Sherwood)
- ✓ Councillor Graham Chapman (Nottingham City) (Chair)
- ✓ Councillor John Clarke (Gedling)
- ✓ Councillor Neil Clarke (Rushcliffe)
- Mayor Tony Egginton (Mansfield) (Vice Chair)
- Councillor Milan Radulovic MBE (Broxtowe)
- ✓ Councillor Simon Greaves (Bassetlaw)
- ✓ Councillor Alan Rhodes (Nottinghamshire)

✓ indicates present at meeting

Colleagues, partners and others in attendance:

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| Councillor Ian Tyler | - Cabinet Member for Arts, Leisure and Culture, Broxtowe Borough Council |
| Ian Curryer | - Chief Executive, Nottingham City Council |
| Glen O'Connell | - Director of Legal and Democratic Services, Nottingham City Council |
| Anthony May | - Corporate Director and Deputy Chief Executive, Nottinghamshire County Council |
| Dan Swain | - Head of Corporate Services, Rushcliffe Borough Council |
| Neil Taylor | - Bassetlaw District Council |
| Ruth Hyde OBE | - Chief Executive, Broxtowe Borough Council |
| John Robinson | - Chief Executive, Gedling Borough Council |
| Ruth Marlow | - Chief Executive, Mansfield District Council |
| Andrew Muter | - Chief Executive, Newark and Sherwood District Council |
| Phillip Marshall | - Chief Executive, Ashfield District Council |
| David Ralph | - Chief Executive, D2N2 |
| Peter Richardson | - Chair of D2N2 |
| Chris Henning | - Director for Economic Development, Nottingham City Council |
| Matthew Lockley | - Economic Development Manager, Nottinghamshire County Council |
| James Schrodel | - Policy Officer, Nottingham City Council |
| Rav Kalsi | - Constitutional Services Officer, Nottingham City Council |
| Rickena Bramwell | - Constitutional Services, Nottingham City Council |

1 APOLOGIES FOR ABSENCE

Mayor Tony Egginton – other Council business.

2 DECLARATIONS OF INTERESTS

None.

3 MINUTES

The minutes of the meeting held on 21 March 2014 were confirmed and signed by the Chair.

4 THE ECONOMIC PROSPERITY COMMITTEE'S PRIORITIES

Ian Curryer, Chief Executive for Nottingham City Council, presented the report, outlining the scope of three short presentations on the Committee's more immediate priorities, including the proposed changes to legislation on combined authorities, European funding and the role of N2 and the effective management of the Committee. Consideration of a report on scrutiny arrangements for the Committee will be deferred to the next meeting.

RESOLVED to note the contents of the report.

5 COMBINED AUTHORITIES - PROPOSED CHANGES TO LEGISLATION

Ian Curryer, Chief Executive of Nottingham City Council, delivered the presentation, informing the Committee on the proposed changes to legislation governing combined authorities, highlighting the following information:

- (a) a combined authority would be a new legal structure created by a statutory instrument. Following its formation, a combined authority can undertake economic development and transport functions for its area and levy its member authorities;
- (b) the Government is advocating the formation of combined authorities in line with Local Enterprise Partnership (LEP) areas. Combined authorities have been established in the following areas: Sheffield City, the north east (which includes Newcastle and Gateshead), Greater Manchester, Liverpool City and West Yorkshire;
- (c) a recent letter from Ed Miliband to all local government Leaders outlined Labour's objectives for a radical devolution of economic power to unlock potential growth across the country. Proposals include strengthening the role of LEPs with a single LEP coterminous with city and county regions and putting in place stronger political governance to drive economic leadership through combined authorities or economic prosperity boards;
- (d) in order to create a combined authority agreement amongst all local authorities would be needed. The process, under current legislation, includes a governance review to establish the following: the exercise of statutory functions relating to transport in the area, the effectiveness and efficiency of transport in the area, the exercise of statutory functions relating to economic development and regeneration in the area, and economic conditions in the area;
- (e) the Government published its consultation on changes to the legislation governing the creation of combined authorities on 30 April which will remain

open until 24 June. The proposed changes would allow for county councils to be members for only part of their geography and for district councils to join a combined authority separately. Proposals also allow for non-contiguous membership;

- (f) in relation to the concurrency of powers under the proposed changes, it is plausible for a range of powers to sit with the combined authority but for a detailed remit to remain at a district or local level. These arrangements would ordinarily form part of a governance review and be submitted to Government for final approval.

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

- (g) Derby has already commissioned a governance review for a Derby and Derbyshire combined authority based on county boundaries;
- (h) at this stage it is not clear what additional powers would be devolved to Nottingham City and Nottinghamshire should they form a combined authority. In light of the general election next year, it would be useful to have early discussions with both the Government and Opposition to clarify what additional powers would be devolved should a combined authority be formed covering the N2 area;
- (i) further research would need to identify any successful practices of the five established combined authorities, what additional powers would be devolved to a combined authority and the potential benefits of its formation.

RESOLVED to

- (1) note the contents of the report and that Nottingham City Council would research the rationale behind establishing a combined authority, with a particular focus on what additional powers could be devolved to a combined authority and report back to the Committee on 20 June 2014.**

6 EUROPEAN FUNDING AND N2 ROLE

Chris Henning, Director of Economic Development at Nottingham City Council, presented the item, updating the Committee on European funding and N2's role in the funding process.

There is €250 million of funding available for 2014 – 20 and the D2N2 LEP is establishing a strategy via LEP processes to secure parts of this. The strategy will look at the allocation of funding for both D2 and N2 and what is needed to secure the right allocation.

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

- (a) in order to ensure that N2 does not miss out of the allocation of European funding, there needs to be a clear decision on the agreed process before the funds become available in December 2014;
- (b) the Government has now agreed the formal submission to the European Union (EU) on the management of the funds. Any D2N2 scheme must be compliant with the code of conduct. There is a paper going to the LEP Board on 3 June 2014 to establish the process, which will then be circulated for wider consultation;
- (c) the Government is expected to release a statement, imminently, outlining what is required in order to be compliant with the code of conduct. The Committee will form part of the process but not the decision making process. N2 Chief Executives will seek to establish a process on how to feed into this and report back to the Committee on 20 June 2014.

RESOLVED to

- (1) note the contents of the update;**
- (2) authorise N2 Chief Executives to present proposals on how the Economic Prosperity Committee can feed into the decision making process on European funding.**

7 EFFECTIVE MANAGEMENT OF THE ECONOMIC PROSPERITY COMMITTEE

Andrew Muter, Chief Executive of Newark and Sherwood District Council, delivered the presentation on the effective management of the Economic Prosperity Committee, highlighting the following:

- (a) the Committee's support systems have been inherited from Nottinghamshire Leaders' Group which no longer seems appropriate in light of the Committee's ability to make recommendations on funding decisions and N2's strategic direction;
- (b) to mitigate the complexities around the current landscape of groups and sub-groups, an officer review will be established to look at the following areas: setting and agreeing agendas, horizon scanning for upcoming issues and ensuring they are allocated to future meetings so members know when key future issues will be discussed, developing an agreed work programme which tracks and implements Committee decisions with clear responsibilities, building in updates to the Committee from other groups;
- (c) an officer review will highlight how the committee engages with a variety of bodies such as, D2N2's Board, LEPOG and N2's Employment and Skills Board.

RESOLVED to

- (1) note the contents of the presentation;**

- (2) **authorise Andrew Muter, John Robinson, Allen Graham and Ruth Hyde to establish an officer review on the processes around the Economic Prosperity Committee, including the level of resources required for it, with a particular focus on the following areas:**
- (a) **setting and agreeing agendas**
 - (b) **horizon scanning for upcoming issues and ensuring they are allocated to future meetings so members know when key future issues will be discussed**
 - (c) **developing an agreed work programme which tracks and implements Committee decisions with clear responsibilities**
 - (d) **building in updates to the Committee from other groups**

and to report back at the next available Committee;

8 ECONOMIC PROSPERITY COMMITTEE - SCRUTINY ARRANGEMENTS

The Chair informed the Committee that this item had been deferred to the next Committee meeting on 20 June 2014.

9 BROADBAND - SUPERFAST EXTENSION PROGRAMME (SEP)

Anthony May, Corporate Director and Deputy Chief Executive of Nottinghamshire County Council presented the report updating the Committee on the delivery of the Superfast Extension Programme (SEP) to broadband delivery which is expected to extend fibre broadband beyond 95% coverage and provide connectivity to the most isolated communities. The Committee previously considered an update on Better Broadband for Nottinghamshire at its meeting on 21 March 2014 (minute 14).

Nottinghamshire's allocation, including the city of Nottingham, is £2.63 million, which will need to be matched from local sources. The deadline for applications to the SEP is 30 June 2014 and a firm match-funding package must be evidenced by this stage.

RESOLVED to

- (1) **defer a decision on whether to under-write the formal submission to the Government for the Superfast Extension Programme for £2.63 million to allow officers to explore further alternative funding avenues;**
- (2) **authorise officers to ascertain whether funding for broadband could be secured via the Local Growth Deal.**

Reasons for decisions

The submission of a formal application to the Government for a superfast extension programme requires Nottinghamshire County Council to provide evidence that match funding commitments are in place. Alternative sources of funding are required for 2015/16 given that funding is not yet assured. In light of this, further clarity is needed on what processes are in place to offset the potential risk in not securing Local Growth Funds for 2015/16.

Other options considered

Whilst the under-write is required for the submission of the application by the 30 June 2014 deadline, every effort will continue to be made to secure the required funds through alternative sources, such as the European Regional Development Fund.

10 CHANGE OF DATE

RESOLVED to change the date of the Committee currently scheduled for 19 September 2014 to 26 September 2014.