



**THE CITY OF NOTTINGHAM AND NOTTINGHAMSHIRE ECONOMIC PROSPERITY
COMMITTEE**

Date: Friday, 16 May 2014

Time: 10.00 am

Place: Rufford Suite - County Hall, West Bridgford, Nottingham, NG2 7QP

Councillors are requested to attend the above meeting to transact the following business

**Glen O'Connell, Director of Legal and Democratic Services, Nottingham City Council
Secretary**

**Constitutional Services Officer: Rav Kalsi
Direct Dial: 0115 8763759**

AGENDA

Pages

- | | | |
|----------|--|--------|
| 1 | APOLOGIES FOR ABSENCE | |
| 2 | DECLARATIONS OF INTERESTS | |
| 3 | MINUTES
Last meeting held on 21 March 2014 for confirmation. | 3 - 8 |
| 4 | THE ECONOMIC PROSPERITY COMMITTEE'S PRIORITIES
Report of Nottingham City Council and Newark and Sherwood District Council | 9 - 10 |
| a | COMBINED AUTHORITIES - PROPOSED CHANGES TO LEGISLATION
Presentation by Ian Curryer, Chief Executive, Nottingham City Council | |
| b | EUROPEAN FUNDING AND N2 ROLE
Presentation by Chris Henning, Director of Economic Development, Nottingham City Council | |

- c EFFECTIVE MANAGEMENT OF THE ECONOMIC PROSPERITY COMMITTEE**
Presentation by Andrew Muter, Chief Executive of Newark and Sherwood District Council
- d ECONOMIC PROSPERITY COMMITTEE - SCRUTINY ARRANGEMENTS** 11 - 16
Report of the Director of Legal and Democratic Services, Nottingham City Council
- e DISCUSSION**
- 5 BROADBAND - SUPERFAST EXTENSION PROGRAMME (SEP)** 17 - 20
Report of Mick Burrows, Chief Executive, Nottinghamshire County Council
- 6 CHANGE OF DATE**
To agree the change of date of the Committee currently scheduled for 19 September 2014 to 26 September 2014.

IF YOU NEED ANY ADVICE ON DECLARING AN INTEREST IN ANY ITEM ON THE AGENDA, PLEASE CONTACT THE CONSTITUTIONAL SERVICES OFFICER SHOWN ABOVE, IF POSSIBLE BEFORE THE DAY OF THE MEETING

PLEASE NOTE THAT THERE WILL BE A PRE-MEETING FOR LEADERS AND CHIEF EXECUTIVES FROM 9.30 AM TO 10 AM IN THE RUFFORD SUITE

THE CITY OF NOTTINGHAM AND NOTTINGHAMSHIRE ECONOMIC PROSPERITY COMMITTEE

MINUTES of the meeting held at the Reception Room, Gedling Borough Council, Civic Centre, on 21 March 2014 from 10.00 - 12.05

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

✓ indicates present at meeting

Colleagues, partners and others in attendance:

- | | |
|--------------------|---|
| Mick Burrows | - Chief Executive, Nottinghamshire County Council |
| Allen Graham | - Chief Executive, 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 |
| David Ralph | - Chief Executive, D2N2 |
| Chris Henning | - Director for Economic Development, Nottingham City Council |
| Andrew Warrington | - Service Director for Highways, Nottinghamshire County Council |
| Nicola McCoy-Brown | - Broadband Programme Manager, Nottinghamshire County Council |
| Matthew Lockley | - Economic Development Manager, Nottinghamshire County Council |
| James Schrodel | - Policy Officer, Nottingham City Council |
| Rav Kalsi | - Constitutional Services Officer, Nottingham City Council |

11 APOLOGIES FOR ABSENCE

None.

12 DECLARATIONS OF INTERESTS

None.

13 MINUTES

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

14 BETTER BROADBAND FOR NOTTINGHAMSHIRE (BBFN) PROGRAMME UPDATE AND SUPERFAST EXTENSION PROGRAMME (SEP)

Mick Burrows, Chief Executive for Nottinghamshire County Council, presented the report updating the Committee on the announcement of an extra £2.63 million available for Nottinghamshire from the Superfast Extension Programme. Broadband Delivery UK (BDUK) announced on 25 February 2014 indicative allocations from the £250 million of government funding for the expansion of superfast broadband. In order to access the grant, a full application is required by 30 June 2014.

Nottinghamshire's allocation, which includes the City of Nottingham, is £2.63 million and will help achieve the ambition of extending fibre-based broadband beyond 95% of coverage across the County by 2017.

RESOLVED to

- (1) note the progress update on the Better Broadband for the Nottinghamshire Programme;**
- (2) consider, in advance of any full application to Broadband Delivery UK (BDUK), the collective ability to provide the conditional match funding from local public money via the existing co-investment Local Authority Partnership;**
- (3) consider, in advance of any full application to BDUK, the collective ability to underwrite the £2.63 million allocation;**
- (4) authorise Nottinghamshire County Council to actively pursue all external and other funding opportunities with a view to sourcing the requisite match funding;**
- (5) authorise Nottinghamshire County Council to establish from BDUK the methodology behind the allocation of £2.63 million and its constraints and report back to the Committee in May;**
- (6) authorise Rushcliffe Borough Council to establish whether broadband connectivity could form part of planning regulations and/or core strategies and to report its findings back to the Committee in May;**
- (7) notify the Broadband Steering Group of communities which are isolated from broadband connectivity.**

Reasons for decisions

The funding being made available to improve broadband speeds across Nottinghamshire could be under threat if the existing co-investment partnership of

Councils cannot afford to match the indicative funding. The Committee will therefore need to consider various funding sources to match the funding allocation in order to realise the opportunity to get Nottingham better connected to faster fibre-based broadband, narrowing the digital divide and boosting local growth.

Other options considered

To do nothing. The existing Better Broadband for Nottinghamshire programme almost achieves the Government targets at this stage. However, this option has been discounted as although the existing programme already delivers close to 95% coverage across the County, there are discrepancies within this figure with some districts receiving coverage between 80 – 85%.

15 EXCLUDING THE PUBLIC

The Chair concluded that the reasons for excluding the public from the meeting for duration of the meeting, in accordance with the Local Government Act 1972, was no longer necessary, on the basis that the Committee's Strategic Economic Development Plan (SEP) did not include commercially sensitive or confidential information.

16 N2'S PRIORITY PROJECTS AND OUR PRIORITIES FOR THE STRATEGIC ECONOMIC DEVELOPMENT PLAN (SEP)

Chris Henning, Director for Economic Development at Nottingham City Council, delivered the presentation, informing the Committee on the proposed Strategic Economic Development Plan (SEP) submission to the D2N2 LEP, highlighting the following:

- (a) the three main elements underpinning the SEP submission are business innovation, employment and skills and housing regeneration. The D2N2 LEP will consider the final draft SEP at its meeting on 25 March 2014 and submit it to Government by 31 March 2014;
- (b) D2N2's SEP submission will focus on the following 8 priority sectors: transport equipment manufacturing, life sciences, construction, food and drink manufacturing, visitor economy, low carbon goods and services, transport and logistics and creative industries. The number of priority sectors is reasonably manageable in comparison to other LEPs, some of whom have included up to 80 priority sectors;
- (c) the submission by the D2N2 LEP will compete with other LEP submissions and the quality of the projects will influence the final scale of the Growth Deal. There is a desire to complete the Growth Deal with the Government before summer recess. Further European Union funding is expected in 2014/15;
- (d) to achieve the LEP's ambitions, the right infrastructure and conditions to support business and employment growth will need to be put in place, including cutting edge R and D which will support product and process innovation. Ultimately, D2N2 will contribute to re-balancing the UK economy via its strategic vision;

Following a discussion, the additional information was provided by the Committee:

- (e) there is a recognition of the strength of cross-border developments within the SEP such as Beeston Park and the Rolls Royce project. There is a feeling that Government has a focus on city-developments and this is reflected in the Committee's submission, as well as D2's submission;
- (f) the wording of the A57 development could be slightly altered to amplify the importance regeneration would provide in the context, in particular with reference to the link the A57 provides to the A1 and M1. There is further scope to link this development to Robin Hood Airport;
- (g) once the SEP has been submitted to Government, a period of further discussions and negotiations is likely. There is a feeling that should a scheme intended for development in 2015/16 not materialise it would not automatically be considered as a top priority for 2016/17 and 'top slice' the funding available for that year;
- (h) following the election in May 2015, it is likely that LEPs all around the country will have to resubmit their Strategic Economic Plans. D2N2 LEP will seek to engage the Committee in the future in establishing what schemes to deliver in the future despite no firm delegation to the Committee being established by the LEP Board;
- (i) negotiations with Government would be necessary in the scenario where the LEP receives half of the funding included within the submission. Another look at the list of priorities would be inevitable to re-prioritise on the deliverability of schemes;
- (j) at the next meeting in May, there would be an opportunity for the LEP to give some feedback to the Committee from the Government and potentially invite a member of the Growth Deal Team for further clarity. Following submission of the bid it would be beneficial for Committee members to engage their local MPs to encourage support for the bid at a ministerial level.

The Committee discussed the strategic aims of the Committee, highlighting the following:

- (k) a press release supporting the accelerated development of the eastern side of HS2 and a station at Toton, should the scheme get approval, will be circulated in the coming days;
- (l) there is the potential to commission the Employment and Skills Board to present a report to the Committee in the future on how to develop skills and innovation within the constituent local authorities. A future strategy would need to have a focus on graduate retention within the area given that there is room for improvement in this regard. Successful schemes on apprenticeships and the development of specific skills would be shared amongst authorities as part of a wider strategy, such as the successful schemes currently in operation at Carlton College and within Mansfield;

- (m) should the Committee wish to designate schemes, D2N2 LEP will consider delegating £20,000 to the Committee to support work in line with the Employability Charter. There is also scope to engage with Nottingham Futures around where to target job growth and develop skills. Chief Executives of all constituent authorities will be tasked with formulating a strategic vision for the Committee.

RESOLVED to

- (1) agree the submission of D2N2 Strategic Economic Development Plan, subject to the slight alteration to the wording of the A57 scheme in order to amplify the importance regeneration provides in context of its link to A1 and M1;**
- (2) encourage Committee members to write to their local MP's encouraging support for the bid;**
- (3) authorise Chief Executives of all constituent authorities to work on an overriding Strategy to form the basis for priorities for future LEP funding and report back to the Committee;**
- (4) circulate a press release regarding HS2 in support of a station at Toton and the positive opportunities available with the acceleration of the eastern development;**
- (5) authorise Nottinghamshire County Council to Commission the Employment and Skills Board to report back to the committee on how to develop skills and innovation within constituent local authorities in order to capture jobs for local citizens.**

This page is intentionally left blank

**CITY OF NOTTINGHAM AND NOTTINGHAMSHIRE ECONOMIC
PROSPERITY COMMITTEE – 16 MAY 2014**

Subject:	THE ECONOMIC PROSPERITY COMMITTEE'S PRIORITIES		
Presenting authority / representative):	Nottingham City Council - Ian Curryer, Chief Executive & Chris Henning, Director for Economic Development Newark and Sherwood District Council – Andrew Muter, Chief Executive		
Report author and contact details:	James Schrodel, Policy Officer, Nottingham City Council (0115 8761040 james.schrodel@nottinghamcity.gov.uk		
Key Decision <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Subject to call-in	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Value of decision: nil		<input type="checkbox"/> Revenue	<input type="checkbox"/> Capital
Authorities affected: Nottinghamshire local authorities	Date of consultation with relevant authorities: N/A		
Summary of issues (including benefits to citizens/constituent authorities):			
<p>The Chair asks that four short presentations are provided on the EPC's more immediate priorities, and that following these presentations a discussion on the EPC's future arrangements occurs which resolves the EPC's aims.</p> <p>a) COMBINED AUTHORITIES - PROPOSED CHANGES TO LEGISLATION: The Government published its consultation on the reform of legislation governing the creation of Combined Authorities on 30 April. This consultation closes on 24 June. The EPC working group recommended that the EPC consider the potential for moving to a Combined Authority, and that this consideration should be a part of the EPC's work programme. This was agreed by the Nottinghamshire Leaders at the meeting of the Nottinghamshire Leaders' Group on 29 November 2013. Ian Curryer will update the EPC on the content of the Combined Authority consultation.</p> <p>b) EUROPEAN FUNDING AND N2 ROLE: Building on Chris Henning's presentation to the EPC at the previous meeting (Item 16, paragraph (c)) on N2's priority projects, the opportunity has arisen to update the EPC further, and to clarify the EPC's potential role with the future European LEP funding in advance of the receipt of funding by D2N2.</p> <p>c) EFFECTIVE MANAGEMENT OF THE EPC: Following the previous EPC meeting and contributions by D2N2's Chief Executive David Ralph, the Chair has asked Andrew Muter to provide a short presentation recommending how the EPC may ensure that it has appropriate management arrangements, and how the EPC's representation on D2N2 and the various LEP sub-groups may be appropriately resourced.</p> <p>d) ECONOMIC PROSPERITY COMMITTEE - SCRUTINY ARRANGEMENTS: The EPC's Secretary has asked Helen Barrington of Gedling Borough Council to brief the EPC on the recommended approach to the EPC's required Scrutiny arrangements as per the resolution at Item 3, paragraph (3) of the EPC meeting of 21 February.</p>			
Exempt information: None			
Recommendation(s):			
a) The Economic Prosperity Committee notes the above presentations and resolves a collective position on the matters at hand.			

1 REASONS FOR RECOMMENDATIONS

1.1 The EPC and the Nottinghamshire Leaders' Group have previously resolved that each of these items is discussed.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

2.1 N/A.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

3.1 N/A

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

4.1 N/A

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

5.1 N/A.

6 SOCIAL VALUE CONSIDERATIONS

6.1 N/A

7 EQUALITY IMPACT ASSESSMENT (EIA)

Has the equality impact been assessed?

- (a) not needed (report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council)
- (b) No
- (c) Yes – Equality Impact Assessment attached

Due regard should be given to the equality implications identified in any attached EIA.

8 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

- The Government's consultation on Proposals to amend legislation relating to combined authorities and economic prosperity boards.

9 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

- [Proposals to amend legislation relating to combined authorities and economic prosperity boards](#)

10 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

None

**CITY OF NOTTINGHAM AND NOTTINGHAMSHIRE ECONOMIC
PROSPERITY COMMITTEE – 16 MAY 2014**

Subject:	Economic Prosperity Committee – Scrutiny Arrangements		
Presenting authority / representative):	Glen O’Connell, Secretary to the Committee and Director, Legal and Democratic Services, Nottingham City Council		
Report author and contact details:	Kim Pocock, Constitutional Services Manager, Nottingham City Council, 0115 8764313 kim.pocock@nottinghamcity.gov.uk		
Key Decision	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Subject to call-in
			<input type="checkbox"/> Yes
			<input checked="" type="checkbox"/> No
Value of decision:	Not applicable		<input type="checkbox"/> Revenue <input type="checkbox"/> Capital
Authorities affected:	All		Date of consultation with relevant authorities: 24/03/2014
Summary of issues (including benefits to citizens/constituent authorities):			
This report clarifies the Committee’s arrangements for carrying out scrutiny, including arrangements to call-in executive decision.			
Exempt information: None			
Recommendation(s):			
1 To note the procedure for Scrutiny Reviews and Call-in, as detailed in Appendix 1 to the report.			

1 REASONS FOR RECOMMENDATIONS

1.1 The Committee’s Constitution, (its terms of reference, membership and procedures), which has been approved by all the constituent authorities was presented at the first meeting of EPC for information only in February 2014. Amendments can be made to the Constitution other than by resolution of the constituent authorities however, this report identifies two aspects of the Committee’s constitutional arrangements which require clarification i.e. scrutiny reviews and call-in procedure.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

2.1 Key Decisions

2.2 The Constitution envisages the taking of key decisions by the Committee and in drafting the terms of reference, there was a presumption that the key decision levels which would apply would be those of Nottingham City Council both as host authority and as the largest authority exercising executive governance arrangements with key decision levels most applicable to the scale of the projects likely to be the subject of consideration by this Committee. In February 2014, Committee was asked to note, that a key decision would be one which would be likely:

a) to result in the Constituent authorities, either jointly or severally, incurring expenditure or making income or savings of £1,000,000 or more revenue, taking account of the overall impact of the decisions; or £1,000,000 or more capital; or

(b) to be significant in terms of its effects on communities living or working in an area consisting of two or more wards or electoral divisions that fall within the boundaries of any of the constituent authorities of the committee.

2.3 Scrutiny

2.4 The process detailed in Appendix 1 dictates that constituent authority members operating executive arrangements may use their own procedures for calling-in a decision of the EPC and enables that authority to require attendance from a member of the EPC who represents that authority. Recommendations arising from any review will be presented to the Executive of the authority carrying out the review who can then decide whether to present these recommendations to the EPC.

2.5 In the event that an executive decision of the Committee is called-in, the procedure detailed in Appendix 1 would be required to efficiently manage the call-in process, particularly ensuring that unnecessary duplication of scrutiny of decisions was avoided across constituent authorities.

3 **OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

None. For the efficient and transparent conduct of the Committee's business clarity is required about call-in and scrutiny reviews.

4 **FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)**

None.

5 **RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)**

As a joint committee established in terms which make it capable of taking decisions involving expenditure and decisions having consequences for localities, it is potentially affected by the rules concerning Key Decisions and Call-in. The report clarifies call-in arrangements.

6 **SOCIAL VALUE CONSIDERATIONS**

Not applicable.

7 **EQUALITY IMPACT ASSESSMENT (EIA)**

Has the equality impact been assessed?

(a) not needed (report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council)

(b) No

(c) Yes – Equality Impact Assessment attached

Due regard should be given to the equality implications identified in any attached EIA.

8 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

None

9 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

Report to Nottingham City Council's Executive Board dated 21 January 2014 - Establishment of the City of Nottingham and Nottinghamshire Economic Prosperity Committee.

Report to Economic Prosperity Committee dated 21 February 2014 - Constitution (Terms of Reference, Membership and Procedures).

10 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

None

Nottingham and Nottinghamshire Economic Prosperity Committee Call-in Procedure

Councils operating executive arrangements are required to operate overview and scrutiny procedures. The Constitution of the Nottingham and Nottinghamshire Economic Prosperity Committee (EPC) states that “*Each constituent authority which operates executive arrangements will be able to scrutinise the decisions of the EPC in accordance with that constituent authority’s overview and scrutiny arrangements*” (paragraph 15). The proposed procedures for carrying out scrutiny in relation to the EPC are detailed below. Any changes to these procedures must be agreed by all of the constituent authorities.

1. Scrutiny Reviews

- (a) Any of the constituent authorities with executive arrangements can choose to carry out a scrutiny review of the work of the EPC.
- (b) If an authority does decide to carry out a scrutiny review the officer responsible for scrutiny in that authority will notify Nottingham City Council (the host authority) by contacting the clerk to the EPC. The clerk will then inform all EPC members of the focus and timescales of the review to ensure that scrutiny review activity is not duplicated.
- (c) The authority which carries out a scrutiny review only has the power to require attendance from the member of the EPC who represents that authority but can invite other members of the EPC to attend.
- (d) Any recommendations arising from a scrutiny review will be presented to the Executive of the authority which has carried out the review and that Executive will decide whether to present these recommendations to the EPC.
- (e) The EPC will consider any recommendations it receives and provide a response to be recorded in the minutes of the relevant meeting.

2. Call-in

Overview and Scrutiny has the right to call-in executive decisions, ie to ask the decision-maker to reconsider its decision. Each constituent authority will have its own agreed procedure for call-in which establishes the criteria for call-in, the process for validation of the call-in and arrangements for hearing the call-in. Those member authorities of the EPC operating executive arrangements may use their own procedures for calling-in a decision of the EPC bearing in mind the following:

- (a) Call-in can only be applied to executive decisions that have been delegated to the EPC by the partner authorities. Any decisions made in relation to functions delegated to the EPC by the Local Enterprise Partnership (LEP) cannot be subject to call-in.
- (b) The call-in period for relevant decisions will be equal to the longest call-in period of the constituent authorities with executive arrangements
- (c) When a decision has been called-in it cannot be implemented until the call-in has been heard and any resulting recommendations considered

- by the relevant constituent authority and the EPC (if recommendations are referred to it).
- (d) If an authority calls-in a decision the officer responsible for scrutiny in that authority will notify the clerk to the EPC. The clerk will then inform all members of the EPC so that they are aware that the decision cannot be implemented.
 - (e) Any authority which calls-in a decision only has the power to require attendance from the member of the EPC who represents that authority but can invite other members of the EPC to attend.
 - (f) If there are no recommendations arising from the call-in the authority which has carried out the call-in will notify the clerk of the EPC who will inform the all EPC members that the decision can be implemented immediately.
 - (g) Any recommendations arising from a scrutiny review will be presented to the Executive of the authority which has carried out the call-in and that Executive will decide whether to present these recommendations to the EPC. If the Executive of the authority agrees that the recommendations will not be forwarded to the EPC then the officer responsible for scrutiny in that authority will notify the clerk to the EPC who will inform EPC members that the decision can be implemented immediately.
 - (h) If the relevant authority Executive agrees to forward recommendations arising from the call-in then the EPC will consider any recommendations it receives and provide a response to be recorded in the minutes of the meeting, and take action accordingly, eg amend the decision before implementation, implement the decision, abandon the decision.
 - (i) In the event that more than one authority calls-in the same decision the decision cannot be implemented until the final call-in has been heard, the Executive of the relevant authority has received any recommendations and has decided whether to refer them to the EPC and the EPC has considered and responded to any recommendations as outlined in (g) and (h) above.

This page is intentionally left blank

**CITY OF NOTTINGHAM AND NOTTINGHAMSHIRE ECONOMIC
PROSPERITY COMMITTEE– 16 MAY 2014**

Subject:	Broadband - Superfast Extension Programme (SEP)		
Presenting authority / representative):	Mick Burrows, Chief Executive, Nottinghamshire County Council		
Report author and contact details:	Matt Lockley & Nicola M ^c Coy-Brown (0115 977 2580 nicola.mccoybrown@nottscc.gov.uk		
Key Decision <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Value of decision: £2.63 million			<input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital
Authorities affected: Nottinghamshire local authorities	Date of consultation with relevant authorities: N/A		
Summary of issues (including benefits to citizens/constituent authorities):			
<p>a) Broadband Delivery UK (BDUK) announced the Superfast Extension Programme on 25 February 2014. The objective of the Superfast Extension Programme (SEP) is to extend fibre broadband beyond 95% which will require additional costs to tackle the most isolated communities.</p> <p>b) As the Economic Prosperity Committee is aware, Nottinghamshire's allocation (which includes the City) is £2.63m. This needs to be matched from local sources, with the money then used to help secure further private sector investment via a telecommunications supplier. SEP funds will come on stream relatively quickly as the Government's ambition is to hit the 95% target by 2017.</p> <p>c) At the March meeting of the Economic Prosperity Committee, in principle support was secured for the submission of an expression of interest for the SEP monies along with an in principle commitment to explore further a potential under-write from the Nottingham and Nottinghamshire local authority community.</p> <p>d) The deadline for applications to the SEP is 30th June 2014. A firm match funding package must be evidenced by this date.</p>			
Exempt information:			
Recommendation(s):			
<p>The Economic Prosperity Committee agrees to:</p> <p>a) continue to lobby D2N2 to secure match funding resources through the Local Growth Deal;</p> <p>b) under-write the formal submission to the Government for the Superfast Extension Programme for the full amount of £2.63 million;</p> <p>c) note that Nottingham City Council's element of the under-write is estimated to be £800,000;</p> <p>d) note that further discussion and negotiation will need to take place in terms of apportioning the remaining under-write once the second Open Market Review has been concluded.</p>			

1 REASONS FOR RECOMMENDATIONS

- 1.1 The submission of a formal application to the Government for Superfast Extension resources requires the County Council to be able to evidence that match funding commitments are in place. The Government will match local resources on a £ for £ basis. Therefore if a commitment to the full £2.63 million cannot be secured, the amount of Government funding available will decrease accordingly.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The Government announced local allocations from its 'Superfast Extension Programme' on 25th February. The objectives of the programme are to extend fibre broadband coverage beyond 95%, which will require additional costs to tackle the most isolated communities. Nottinghamshire's allocation is £2.63 million. Further detail on how this allocation was calculated has been requested but is not forthcoming from the Government. The only additional detail that they have confirmed is that £800,000 of the £2.63 million allocation is predicated on the Nottingham City Council area.
- 2.2 It is therefore proposed that the commitment to under-write will need to recognise this and that should Nottingham City Council wish to proceed, it will need to under-write the £800,000 match required for the Nottingham City Council area.
- 2.3 The remaining £1.63 million will need to be under-written by the County Council and its Borough and District Council partners. The apportionment of this under-write cannot be considered at this stage, as the extent of investment required in each Borough / District Council area is not known. The County Council will shortly be conducting a second 'Open Market Review' which will provide up-to-date and accurate figures in terms of the extent and scope of the Superfast Extension Programme.
- 2.4 The Open Market Review requests information from telecoms providers on their commercial roll-out plans over the next three years and analyses this against likely broadband speed outcomes by postcode. This second Open Market Review will include investment planned through the existing Better Broadband for Nottinghamshire programme and will therefore provide a detailed picture of where the Superfast Extension investment is required.
- 2.5 It is proposed that a separate discussion between Nottinghamshire County Council and all of the Borough and District Councils is convened once the outcomes of the Open Market Review are known. This will inform the individual levels of under-write required.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Do nothing option – at its March meeting, the Economic Prosperity Committee offered in principle support to the Superfast Extension application and to the notion of under-writing the final submission. The do nothing option has therefore been discounted.
- 3.2 Whilst the under-write is required for the submission of the application by the 30th June deadline, every effort will continue to be made to secure the required funds through the D2N2 Local Growth Deal. Should this not be possible, the Economic Prosperity Committee may

wish to consider options relating to top-slicing New Homes Bonus funds or the pooled business rates in terms of meeting the Superfast Extension funding requirements.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

4.1 £2.63m of match funding required. The illustrative total superfast extension programme funding package is expected to be:

BDUK	£2.63m
Local £ for £ Match	£2.63m
Private Sector telecommunications supplier match	£2.63m
TOTAL INVESTMENT IN SUPERFAST EXTENSION	£7.89m

4.2 Any appointed telecommunications supplier will deliver value for money via the BDUK process in addition to various auditing measures to ensure that this is the case.

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

5.1 Nottinghamshire County Council will be leading the tendering and/or extending the existing contract and will be acting as lead authority should the Superfast Extension Programme come to fruition.

5.2 The County Council will be asking partners to sign a collaboration agreement – committing to a proportion of the required grant match.

6 SOCIAL VALUE CONSIDERATIONS

6.1 The County Council is likely to utilise the BDUK Framework for any additional funds secured. This process considers the economic, environmental and social benefits of any approach to procurement.

7 EQUALITY IMPACT ASSESSMENT (EIA)

Has the equality impact been assessed?

- (a) not needed (report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council)
- (b) No
- (c) Yes – Equality Impact Assessment attached

Due regard should be given to the equality implications identified in any attached EIA.

8 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

- BDUK Superfast Extension Programme Funding Guidance

9 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

- Nottinghamshire County Council [Economic Development Committee Report](#) on the Superfast Extension Programme [11 March 2014]

10 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

None.