

NOTTINGHAM CITY COUNCIL

THE CITY OF NOTTINGHAM AND NOTTINGHAMSHIRE ECONOMIC PROSPERITY COMMITTEE

MINUTES of the meeting held at Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 25 July 2014 from 11.17 am - 12.42 pm

Membership

Present

Councillor Chris Baron
Councillor Roger Blaney
Councillor Graham Chapman
Councillor John Clarke
Councillor Neil Clarke
Mayor Tony Egginton (Vice Chair)
Councillor Simon Greaves
Councillor Pat Lally
Councillor Alan Rhodes

Absent

Councillor Milan Radulovic MBE

Colleagues, partners and others in attendance:

Mick Burrows	- Chief Executive, Nottinghamshire County Council
Glen O'Connell	- Director of Legal and Democratic Services, Nottingham City Council
Ian Curryer	- Chief Executive, Nottingham City Council
Allen Graham	- Chief Executive, Rushcliffe Borough Council
Chris Henning	- Director of Economic Development, Nottingham City Council
Liz Jones	- Head of Policy, Nottingham City Council
Rav Kalsi	- Constitutional Services, Nottingham City Council
Mark Kimberley	- Corporate Director, Gedling Borough Council
Mark Ladyman	- Director of Community Services, Bassetlaw District Council
Andrew Muter	- Chief Executive, Newark and Sherwood District Council
David Ralph	- Chief Executive, D2N2
Michael Robinson	- Head of Regeneration, Leisure and Marketing, Mansfield District Council
James Schrodell	- Policy Officer, Nottingham City Council
Trevor Watson	- Service Director of Economy, Ashfield District Council

17 APOLOGIES FOR ABSENCE

Milan Radulovic – non Council business

18 DECLARATIONS OF INTERESTS

None

19 MINUTES

The minutes of the meeting held on 20 June were confirmed and signed by the Chair.

20 ECONOMIC PROSPERITY COMMITTEE - SCRUTINY

The Committee considered the report of Glen O'Connell, Secretary to the Committee, on the Committee's protocol for the operation of Overview and Scrutiny Arrangements for the work of the Committee, including call-in procedures. It is proposed to only apply call-in procedures in relation to decisions of the Committee if more than one Council decides to do so.

RESOLVED to note the protocol for scrutiny arrangements, as detailed in Appendix 1 to the report.

Reasons for decisions:

A protocol is required in the event that an executive decision of the Committee is called-in. A procedure would be required to efficiently manage the call-in process, ensuring the unnecessary duplication of scrutiny decisions across constituent authorities.

Other options considered:

No other options have been considered. For the efficient and transparent conduct of the Committee's business clarity is required about call-in arrangements.

21 GROWTH DEAL OUTCOME

David Ralph, Chief Executive of D2N2 presented the item on the outcomes of the D2N2's local Growth Deal following Government announcements made on 7 July 2014, highlighting the following:

- (a) subject to the satisfactory negotiation of a series of freedoms and flexibilities with Government departments, D2N2 has secured £173.4 million from the Local Growth Fund to support economic growth in the area, with £31.6 million of new funding confirmed for 2015/16 and £69.5 million for 2016/17 to 2021. This funding includes an indicative award of a further £30.4 million for projects starting in 2016 and beyond and £42.8 million funding which the Government has previously committed as part of Local Growth funding to the area;
- (c) by 2021 the Local Growth Deal will deliver at least 18,000 jobs, allow 8,000 homes to be built and support over 147,000 learners. The key projects directly relevant to Nottingham and Nottinghamshire are: the Southern Growth Corridor, Gedling Access Road, A57/A60 Worksop, Bioscience Expansion, Nottingham skills hub, Nottingham Broadmarsh / Southern Gateway, Newark Southern Link Road, Vision University Centre in Mansfield, Harworth Access Road and D2N2 Sustainable Travel Programme;

- (d) the Government also confirmed support to the D2N2 Growth hub (£525,000) and the Superfast Broadband scheme by providing D2N2 with the flexibility to reallocate underspends to enhance the delivery of broadband projects;
- (e) the onus is on local authorities to deliver projects following the release of funding in April 2015, so mobilisation is crucial at this stage.

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

- (f) further clarity is sought from Government ministers to establish the submission deadline for 2016/17 and beyond as there are conflicting reports. D2N2 are working to reports that the 2016/17 submission date is March 2015 which would leave 6 months to identify “stellar” projects and a manageable framework to avoid the time constraints and issues faced with the last submission. There have been other reports, voiced by Councillor Neil Clarke, that projects for 2016/17 will be considered in the next two months;
- (g) prior to identifying “stellar” projects for 2016/17 and committing valuable local resources, Chief Executives and Leaders of all constituent authorities would benefit from seeing the criteria for the reorganisation of the Strategic Economic Plan submitted in March 2014, including who made the decision to reprioritise the submission;
- (h) in terms of the submission of projects for 2016/17, the list would need to be reprioritised and refreshed so that the weaker schemes are replaced with higher quality projects. Any future submissions will need to better reflect the composition of Nottinghamshire County and District areas.

RESOLVED to

- (1) **request D2N2 to circulate to the chief executives and leaders of the constituent authorities:**
 - (a) **the criteria on how the Strategic Economic Plan (SEP) was reorganised and prioritised following submission from the Committee, who made the decision to reprioritise the submission and on what authority the reorganisation was made;**
 - (b) **confirmation that previous schemes were not dead from their perspective;**
 - (c) **a clear process for the next round of bidding;**
 - (d) **establish the date for the submission of the SEP for 2016/17 and report back to the Committee;**
 - (e) **minutes of previous and ongoing D2N2 Board minutes.**

Reasons for decisions:

The Economic Prosperity Committee forms a key pillar of D2N2's governance arrangements and disclosure of the background to Local Growth Deal outcomes enables the Committee to better understand the implications for the funding of projects.

Other options considered:

No other options were considered. Further rounds of Local Growth Funding are expected and there may be opportunities to accelerate delivery if underspends occur elsewhere.

22 EU FUNDING ARRANGEMENTS

22a EUROPEAN STRUCTURAL INVESTMENT FUNDS: ANNUAL IMPLEMENTATION PLAN

Chris Henning, Director of Economic Development at Nottingham City Council, presented the item highlighting the European Structural Investment Fund's (ESIF) Annual Implementation Plan, setting out a medium term programme of activity for the D2N2 allocation of ESIF. The following information was highlighted:

- (a) the purpose of the Annual Implementation Plan is to be a multi-year, annually refreshed, plan that sets out in sharper focus what the D2N2 LEP wishes to purchase with its ESIF and when;
- (b) the ESIF set out a medium term programme of activity which is developed by the LEP reported periodically to the D2N2 ESIF Programme Board and, finally, to the D2N2 Board to sign off. The Annual Implementation Plan will need to be submitted to Government by the end of October 2014;
- (c) it is anticipated that the ESIF will not only set out key activities and outputs that the LEP wishes to see funded through its allocation, but also a schedule of commissioning, open call, opt-in and other approaches by which those activities and outputs will be procured.

RESOLVED to

- (1) agree the establishment of an officer sub-group of the EPC to draw up recommendations on the ESIF implementation plan for the EPC sign off by written procedures before 11 September 2014 D2N2 Board;**
- (2) authorise D2N2 Board members to present this at the Board as the Nottingham and Nottinghamshire position to fellow D2N2 Board members;**
- (3) authorise an officer sub-group to focus on the identification and prioritisation of potential projects to be put forward for ESIF resources and thereafter the development of agreed priority projects;**

- (4) **agree liaison via LEPOG, with D2N2, to ensure a clear understanding of critical success factors to give projects the greatest change of success;**
- (5) **to agree the principle that commissioning is more effective if done closer to the (local) point of delivery – however, there may be occasions when economies of scale (in commissioning, management or delivery) mean that commissioning at D2N2-level is more appropriate;**
- (6) **agree that D2N2 officers should set out a rationale for why they believe specific activities (within each of the 19 key activities) should be commissioned on a LEP-wide basis;**
- (7) **agree that the Economic Prosperity Committee (through the LEP Board) should push for a specific agreement with D2N2 which sets out the substantive role played by N2 at each stage of the process.**

Reasons for decisions:

The Annual Implementation Plan needs to be submitted to Government at the end of October 2014 and the Committee will need to be in a position to both shape and respond to a consultation document to be issued in July 2014 by D2N2.

Other options considered:

No other options have been considered. It is considered important to shape the Implementation Plan to enable priority projects that deliver both jobs and growth to the N2 area to be delivered through the programme.

22b NOTTINGHAM SUSTAINABLE URBAN DEVELOPMENT PLAN

Chris Henning, Director of Economic Development at Nottingham City Council, presented the item on the Nottingham Sustainable Urban Development Plan for members' information.

RESOLVED to note the Nottingham Sustainable Urban Development Plan.

22c LEADER RURAL DEVELOPMENT PROGRAMMES 2014 - 20

Mick Burrows, Chief Executive of Nottinghamshire County Council, presented the item on the LEADER rural development programmes for 2014-20, highlighting the following information:

- (a) as part of the European Commission's approach to funding rural development through the Common Agricultural Policy, £138 million is to be made available in England from 2014-20 to support Liaison Entre Actions de Développement de l'Économie Rurale (LEADER) which will support economic growth and job creation in rural communities;

- (b) in Nottinghamshire, two LEADER programmes are being developed for the 2014-20 programme period but face competition with up to 86 programmes being developed nationally;
- (c) preparatory funding of approximately £60,000 has been secured to support the development of the two Nottinghamshire programmes with a submission deadline of 5 September 2014. Successful programmes are expected to go live in January 2015;
- (d) the first of the two programmes being developed build on the existing North Nottinghamshire programme, but is extended to include rural parts of Mansfield. If successful, the programme can expect to receive funding of between £1.77 million and £2.4 million. The second programme area covers eligible rural parts of Gedling and Rushcliffe, including Bingham and larger settlements such as Keyworth, Cotgrave, Ravenshead and Burton Joyce. This programme has a value between £1.47 million and £1.92 million. Allocations are based on population coverage.

Councillor Pat Lally queried the non-inclusions of rural areas in Broxtowe in the relevant programme area.

RESOLVED to

- (1) support the submission of the two LEADER Local Development Strategies for North and South Nottinghamshire, subject to the inclusion of references to Broxtowe's rural areas;**
- (2) receive a further update on the outcome of the submissions and development of projects pipelines in the autumn of 2014.**

Reasons for decisions:

Whilst not a formal requirement of the Department for Environment, Food and Rural Affairs (Defra), support from the Economic Prosperity Committee for the submissions and programme development will be an important factor in their success.

Other options considered:

The option to do nothing was considered. This option was discounted as Defra encourages applications from existing and new areas in an attempt to secure wider LEADER coverage for the 2014-20 programme period.

23 N2 STRATEGY

Andrew Muter, Chief Executive of Newark and Sherwood District Council delivered a presentation, identifying growth hubs for Nottingham and Nottinghamshire, highlighting the following points:

- (a) in order to highlight growth hubs for the N2 area, the Committee would need to establish the following: what concentration of business do we have, what is

growing and will continue to grow, what specialisms do we have in particular locations and how do they compare with D2N2 sector priorities;

- (b) background research into growth hubs included Nottingham Trent University research based on the Business Register and Employment Survey (BRES) 2012. The research identified that 14.8% of N2 employment was based on life sciences and health and social care, with a local concentration in Ashfield, Broxtowe and Rushcliffe. 7.6% of N2 employment is based on the visitor economy with a concentration in Newark and Sherwood and Rushcliffe;
- (c) within the N2 area, Ashfield's areas of economic focus include the manufacture of air and related spacecraft, the construction of roads and other civil engineering projects and freight transport (by road). Bassetlaw's sector details include an economic focus on freight transport and the operation of warehousing / storage facilities. Broxtowe specialises in the manufacture of bread, fresh pastry goods and the manufacture of pharmaceutical preparations;
- (d) Gedling has a focus on electrical installation (construction), postal activities and passenger land transport. Mansfield's economic focus is on the construction of domestic building whereas Newark and Sherwood has an economic focus on the manufacture of fresh pastry goods and holiday centres / villages. Nottingham's economic focus is on hospital activities, the production of meat and poultry and the construction of roads / motorways. Rushcliffe's area of economic focus centres on freight transport (by road), event catering and the operation of sport facilities;
- (e) each constituent authority will need to establish whether the specific sector priorities are accurate and a growth priority or decide whether there are more specific location priorities. If there are smaller, less visible growth priorities constituent authorities would need to establish how they would justify including them as an overall growth priority. All feedback on growth priorities will need to be submitted by 5 September 2014 to the Chief Executive's Office at Newark and Sherwood District Council in advance of the Committee meeting on 26 September 2014 where agreement will be sought on geographically specific growth sector priorities.

RESOLVED to

- (1) thank Andrew Muter for the informative presentation and note its content;**
- (2) action all constituent authority members to establish whether the specific sector priorities are accurate and represent a growth priority or decide whether more specific location priorities exist by 5 September 2014;**
- (3) consider a report by Newark and Sherwood District Council on geographically specific growth sector priorities at the Committee meeting on 26 September 2014.**

Reasons for the decision:

By establishing the concentration and location of sector priorities, the Committee will be better placed to agree a series of strategic sectoral and geographic priorities.

Other options considered:

No other options were considered.

24 MANAGING THE BUSINESS OF THE ECONOMIC PROSPERITY COMMITTEE

Mick Burrows, Chief Executive of Nottinghamshire County Council, presented the report proposing a number of practical steps to aid the smooth running of the Committee and to ensure that its business is well organised.

RESOLVED to

- (1) to structure future meetings around the consideration of a strategic theme, including oversight of key projects and initiatives within that theme and feedback from and into D2N2;**
- (2) devote the first part of Committee business to one of the following thematic areas:**
 - **Employment and skills;**
 - **Business growth;**
 - **Place marketing;**
 - **Infrastructure and assets;**
- (3) devote the second part of each meeting to include a small number of standing items, including regular updates on Growth Deal projects, European Structural Infrastructure Funding and a six-monthly performance report on the state of the economy;**
- (4) recommend to D2N2 the inclusion of a District/Borough representative on the Employment and Skills Commission;**
- (5) nominate a District/Borough representative to the Nottingham Growth Board and to Nottinghamshire Business Engagement Group;**
- (6) invite business representatives, including other relevant stakeholders, to attend meetings of the Committee as and when appropriate to the business before the Committee.**

Reasons for the decisions:

To improve the administration of the Economic Prosperity Committee and maximise its impact.

Other options considered:

To do nothing. This option is discounted as it is not in the best interests of the Committee.

25 BROADBAND - D2N2 GROWTH DEAL

Mick Burrows, Chief Executive of Nottinghamshire County Council, presented the report outlining the Government's Superfast Extension Programme (SEP), aiming to extend the reach of fibre broadband coverage across Nottingham City and Nottingham County beyond 95%.

RESOLVED to note the recent publication of the Growth Deal and the specific signals of the Government's intention to:

- (1) provide the flexibility for D2N2 LEP to reallocate underspends on other projects in 2015-16 to enhance delivery of the D2N2 broadband projects amounting to £4.8 million, retaining the overall allocation to projects which have slipped;**
- (2) provide further funding up to £4.8 million to ensure that the additional superfast broadband is delivered in the event that there are no underspends of Local Growth Fund in 2015-16.**

Reasons for decisions:

The Superfast Extension Programme is positive news for Nottinghamshire and will help achieve the ambition of providing as much fibre-based broadband as possible across the region.

Other options considered:

To do nothing. This option was discounted in light of the Government's stated intention to allocate the mandatory full match funding allocation to the SEP through Local Growth Funds.

