

THE CITY OF NOTTINGHAM AND NOTTINGHAMSHIRE ECONOMIC PROSPERITY COMMITTEE

MINUTES of the meeting held at Carriage Court, Kelham Hall, Newark and Sherwood District Council on 21 February 2014 from 10.00 am to 11.55 am

- ✓ Councillor Chris Baron (Ashfield)
 - ✓ Councillor Roger Blaney (Newark and Sherwood)
 - ✓ Councillor Graham Chapman (Nottingham) (Chair)
 - ✓ Councillor John Clarke (Gedling)
 - ✓ Councillor J Neil 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 Alan Rhodes (Nottinghamshire)
- ✓ indicates present at meeting

Colleagues, partners and others in attendance:

- Councillor Simon Greaves - Leader of Bassetlaw District Council
- Philip Marshall - Chief Executive, Ashfield District Council
- Neil Taylor - Chief Executive, Bassetlaw District Council
- Ruth Hyde OBE - Chief Executive, Broxtowe Borough Council
- Ruth Marlow - Managing Director, Mansfield District Council
- John Robinson - Chief Executive, Gedling Borough Council
- Kirsty Cole - Deputy Chief Executive, Newark and Sherwood District Council
- Mick Burrows - Chief Executive, Nottinghamshire County Council
- Allen Graham - Chief Executive, Rushcliffe Borough Council
- David Bishop - Corporate Director for Development, Nottingham City Council
- Glen O'Connell - Director of Legal and Democratic Service, Nottingham City Council
- David Ralph - Chief Executive, D2N2
- Rav Kalsi - Constitutional Services Officer, Nottingham City Council

1 APPOINTMENT OF CHAIR

RESOLVED to appoint Councillor Graham Chapman as Chair until May 2015.

2 APPOINTMENT OF VICE-CHAIR

RESOLVED to appoint Mayor Tony Egginton as Vice-Chair until May 2015.

3 WELCOME AND APOLOGIES FOR ABSENCE

The Chair welcomed everyone to the meeting. No apologies were submitted.

4 DECLARATIONS OF INTERESTS

None.

5 CONSTITUTION (TERMS OF REFERENCE, MEMBERSHIP AND PROCEDURES)

Glen O'Connell, Director of Legal and Democratic Services, Nottingham City Council, presented the report clarifying key decision levels and proposing a further report on scrutiny arrangements for the Committee.

RESOLVED to

- (1) note the Committee's constitution (Terms of Reference, Membership and Procedures);**
- (2) agree that a key decision should be defined for the purposes of the conduct of the business of the Economic Prosperity Committee as a decision which is 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 with the boundaries of any of the constituent authorities of the Committee;**
- (3) agree that, at the next scheduled meeting, the Secretary submit for approval a call-in procedure to underpin item 15 of the constitution in relation to scrutiny of executive decisions taken by the Committee.**

Reasons for decisions

The Committee's terms of reference, although formally approved by constituent authorities is a live document and alterations can only be achieved by resolution of all constituent authorities. There are two aspects of the Committee's constitutional arrangements, key decision levels and scrutiny arrangements, which require clarification.

There is a presumption that Nottingham City Council's key decision levels would apply both as the host authority and as the largest authority exercising executive governance arrangements.

Each constituent authority exercising executive arrangements will be able to scrutinise the decisions of the Committee in accordance with the constituent

authority's overview and scrutiny arrangements. In the event that an executive decision of the Committee was called-in, a procedure would be required to underpin this within the Constitution to efficiently manage the call-in process ensuring the unnecessary duplication of the scrutiny of decisions.

Other options considered

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

6 ECONOMIC PROSPERITY COMMITTEE - WORK PROGRAMME

Mick Burrows, Chief Executive for Nottinghamshire County Council and David Bishop, Corporate Director for Development, Nottingham City Council, delivered a presentation on the role of the N2 Economic Prosperity Committee in shaping the Strategic Economic Development Plan (SEP), highlighting the following:

- (a) the purpose of the Committee is to deliver the SEP and support economic growth in the N2 area. The D2N2 Local Enterprise Partnership (LEP) has submitted a draft Strategic Economic Plan (SEP) to Government and will consider its final draft at the LEP meeting on 25 March 2014. The final draft will be submitted by 31 March 2014;
- (b) the D2N2 LEP's submission will be in competition with other LEP submissions and the overall deliverability and quality will influence the final scale of the Growth Deal, which will be agreed between the Government and the LEP in the summer;
- (c) the Committee might want to consider its status and whether to become an Economic Prosperity Board which will provide greater power and responsibility;
- (d) negotiations are ongoing in terms of what the Committee should seek to 'control' and what it should 'influence' – the Committee will seek to control the local work programme in terms of employment, skills and apprenticeships. The Committee will also provide intensive business support for the growth of businesses and site preparation in terms of economic infrastructure;
- (e) the Committee will seek to use its influence to negotiate 'Opt-ins' with SFA, DWP and Big Lottery. The Committee will also influence 'pan-LEP' loan schemes and major transport programmes where it can with the help of industry collaboration;
- (f) N2 will play a critical role at each stage of delivery of programmes under their control and the Committee will coordinate proposals from N2 councils and organisations, prioritising and agreeing projects. The Committee will make recommendations to D2N2 on priorities for inclusion in the SEP and influence the outcome of the Growth Deal. Where possible, the Committee will seek to drive programme delivery and review performance delivery;

- (g) there are demands emerging for funds in each of the programme areas, for example within Economic Infrastructure there is a demand for major transport programmes and access to and preparation of housing and employment sites;
- (h) capital and revenue funds potentially available within the SEP for 2015/16 – 2017/18 identifies £150m for Economic Infrastructure, £55m for Business Support and A2F, £44m for Innovation and £123m for Employment and Skills. There is potentially, a total of £124m equivalent funding per annum available within D2N2 and based on a 50% allocation per annum, there is potentially £62m available to meet the Committee's emerging demands;
- (i) work has already started with officers in assessing potential projects. The proposed assessment criteria includes:- the deliverability and impact of schemes, the contribution to unlocking economic growth and additional funding and the track record of the organisation of both delivering and spending allocated money;
- (j) on 25 March, the LEP Board will sign off the Strategic Economic Development Plan (SEP) and submit it to Government on 31 March. The Committee will then input into Growth Deals as negotiations formally begin on 1 April;
- (k) officers from constituent authorities will now work to pull together a list of initial priorities. It would, therefore, be beneficial for the Committee to meet before the March LEP meeting.

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

- (l) Within the LEP, to secure funding and, to achieve the best outcome from N2 this Committee must find a consensus before competing for funds nationwide;
- (m) officers are working at the N2 constituent authorities to present detailed proposals to the Committee to identify 5 or 6 major projects for 2015/16. Andrew Muter, Chief Executive of Newark and Sherwood District Council, has offered to lead on a list of district projects;
- (n) Nottingham City Council is working in parallel with Nottinghamshire County Council in prioritising a list of large scale projects that are likely to be both deliverable outside of N2 and win the approval of the LEP and Government. Nottingham City Council will continue to engage with the business sector, the Growth Board and representatives on the LEP to deliver a consensus.

RESOLVED to

- (1) thank Mick Burrows and David Bishop for their informative presentation and note the contents;**
- (2) agree to hold an informal working session on 14 March 2014 in advance of the Economic Prosperity Committee meeting on 21 March 2014.**

7 D2N2'S STRATEGIC ECONOMIC PLAN (SEP)

David Ralph, Chief Executive of D2N2, delivered the presentation on the role and objectives of D2N2, highlighting the following:

- (a) the Committee is faced with two tasks - firstly, producing a business case for a number of projects for 2015/16. If schemes are not ready for submission by 31 March they will not be considered. Secondly, in the next 10 years the public sector will spend £2.1 billion on economic development in D2N2 and there will need to be a drive to devolve funding to the local level;
- (b) the objectives of the LEP include a step change in skills across the area and a growth in the business base. A further objective of creating an extra 55,000 jobs in the area by 2023 is proposed to be stretched to 77,000, to reflect greater ambition;
- (c) D2N2's vision is for a more prosperous, better connected, increasingly resilient and competitive economy. To achieve this vision, D2N2 will invest in the following four strategic priorities: infrastructure for economic growth, business support and access to finance, innovation and employment and skills;
- (d) D2N2's priority sectors include, transport, equipment and manufacturing, medicine / bio-science, construction, food and drink manufacturing, visitor economy and low carbon goods and services;
- (e) LEP funding includes the Local Growth Fund, mostly via the Department for Transport, EU Structural and Investment Funds – with £104.4m from the European Regional Development Fund (ERDF) and £97.7m from the European Social Fund (ESF), all available from Autumn 2014. Additional funding will be provided via improved performance with Enterprise Zones (EZ);
- (f) there is a focus on the following four areas within the D2N2 Growth Deal: skills deal, leveraging key Original Equipment Manufacturers (OEMs) and key sectors, accelerating delivery of stalled development and High Speed 2 Rail (HS2) at Toton. There are a further two issues connected to the implementation of HS2. Firstly, how to get there, both in terms of light and heavy rail and secondly, ensuring that development opportunities are maximised around a major rail hub. Work will continue with Roxhill Developments and East Midlands Airport (EMA) with a view to maximising development opportunities there;
- (g) there is an increasing expectation to address the challenge of providing adequate and affordable housing. This will form part of the focus for D2N2. Other priorities include business support for D2N2 Growth Hubs, access to finance programmes, a rural programme, social inclusion schemes (with Big Lottery) and improvements to broadband connectivity. Projects will go live in January 2015 and will oversee a move from plan making to scheme implementation.

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

- (h) the projects that will form part of the submission to the LEP will be well known to authorities and progressed to a good degree. The 15 or 16 schemes put forward will be strong and deliverable;
- (i) if there is a scheme not already included in the list which is considered appropriate for inclusion then Newark and Sherwood District Council's Chief Executive, Andrew Muter, will coordinate this;
- (j) improvements to transport infrastructure is needed to facilitate housing regeneration on a large scale. Given the timescales involved in submitting schemes for 2015/16, projects on other infrastructure such as energy and sewage would probably not join the list of approved schemes for 2015/16.

RESOLVED to thank David Ralph from D2N2 for his informative presentation and note the contents.

8 BUSINESS AND THIRD SECTOR ENGAGEMENT WITH THE EPC

Mick Burrows, Chief Executive of Nottinghamshire County Council, presented the report seeking approval to secure business and third sector advisors to the Economic Prosperity Committee. David Ralph from D2N2 was invited to comment on the options and supported the use of existing D2N2 representation.

RESOLVED to

- (1) invite existing D2N2 Board members, Trevor Fletcher and Peter Gadsby, representing the Nottingham and Nottinghamshire business community, as advisors to the Economic Prosperity Committee, or nominate one business representative each;**
- (2) approve that Network Action for Voluntary Organisations be asked to nominate a third sector advisor to the Committee.**

Reasons for decisions

Under the Committee's Constitution co-options are not permitted; however, feedback from the Department for Communities and Local Government (DCLG) and the Department for Business, Innovation and Skills (BIS) suggest that business and third sector input into the work of the Committee should be secured.

Other options considered

Two other options were considered. Firstly, the representative model – whereby a nominated advisor would be requested from either the Chamber of Commerce and

the Federation of Small Businesses or Nottingham Growth Board and Nottinghamshire Business Engagement Group.

The second option considered was the selective model where Committee members are asked to consider and nominate a business leader from their networks who could be invited to act as advisor to the Committee however, further consideration of a short-list would be required with this option.

9 FREQUENCY OF CITY OF NOTTINGHAM AND NOTTINGHAMSHIRE ECONOMIC PROSPERITY COMMITTEE MEETINGS

Councillor Graham Chapman, Deputy Leader of Nottingham City Council, presented the report seeking to establish how frequently the Committee would like to meet and whether to continue with existing joint working arrangements such as the meeting of the Nottinghamshire Leaders' Group.

RESOLVED to

(1) meet at 10.00 am on the following dates:

2014

**14 March (informal working session)
21 March
16 May
20 June
25 July
19 September
21 November
19 December**

2015

**20 February
20 March**

(2) precede each meeting of the Economic Prosperity Committee with a 30 minute pre-meeting.

Reasons for decisions

In light of the Committee's work programme and its ambitious set of actions, eight formal meetings a year would allow sufficient time for members to fully and regularly consider developments. To allow members of the Committee to stay abreast of latest economic developments a short pre-meeting will provide necessary updates.

Other options considered

No other options were considered.

10 RESOURCING THE ECONOMIC PROSPERITY COMMITTEE

Councillor Graham Chapman, Deputy Leader of Nottingham City Council updated the Committee on proposals to resource the Economic Prosperity Committee.

RESOLVED to

- (1) present a viable solution to resource the Economic Prosperity Committee and present it to a future Committee;**
- (2) distribute a cross party press-release highlighting the scope of the Committee's work programme, with particular reference to jobs, growth and housing regeneration.**