

Appendix A – Update on Standing Items

This report to the City of Nottingham and Nottinghamshire Economic Prosperity Committee sets out concise updates on the following subjects:

1. Midlands Engine
2. Midlands Connect
3. HS2
4. D2N2 LEP
5. Derby-Nottingham Metro Strategy
6. Nottinghamshire County Council's Place Departmental Strategy
7. D2N2 Charge Point Network
8. Air Quality

1. Midlands Engine

The Midlands Engine priorities were set out in the Vision for Growth report, published in September 2017. Since the publication of Vision for Growth, the Midlands Engine has been working to progress these priorities, with a focus on:

- Connecting the Midlands
- Investing in strategic infrastructure
- Growing international trade and investment
- Increasing innovation and enterprise
- Shaping great places

Theme groups within the Midlands Engine are aligned to these priorities, with an additional theme group focused on skills. There is additional work underway in respect of 5G, establishing an Economic Observatory, the Midlands Engine Investment Fund and the establishment of the national element of the Defence and National Rehabilitation Centre (DNRC). Increasingly, the Midlands Engine is being used by Government as a conduit for the dispersal of funds such as for ESOL and for tackling mental health at work.

In recent weeks, there have been some major announcements either directly related to the Engine or within the region, including:

- A new, locally-led development body for the area around Toton's development, with £2m of funding for the Midlands Engine to develop the body;
- The Midlands Engine has been assured that its constituent parts would receive a share of the £30m of funding allocated to the *Be The Business* campaign;
- The Midlands Engine was put at the centre of a Government commitment to work on future infrastructure plans as part of the Spending Review;
- Up to £70m will be allocated to build the national element of the DNRC in Nottinghamshire;
- Derby, Nottingham, Leicester and Stoke-on-Trent have all been short-listed for a share of the £440m Transforming Cities Fund with further £71.5m of additional money going to the WMCA as part of a second phase of the fund;
- A Midlands digital asset map, with £1.5m to develop this new initiative to map the region's major assets, linked to the new Economic Observatory.

The Midlands Engine has also been busy developing a pipeline of investable projects, with business cases in train for a large scale internationalisation strategy, a cutting edge space facility at Leicester, a medical technology innovation accelerator in Birmingham, Leicester and Nottingham, a ceramics park in

Staffordshire and a future food facility in Lincolnshire. Discussions are ongoing with Treasury about these projects.

The Midlands Engine has also organised trade and investment missions in India and China, and taken a full delegation to Cannes for MIPIM 2018.

Moving forward, the Government has announced its intentions to refresh the Midlands Engine Strategy in 2019.

2. Midlands Connect

The Midlands Connect Annual Report *Our Routes to Growth* (available [here](#) on the Midlands Connect website) was launched in July and sets out the main Midlands Connect workstreams, including:

- Midland Rail Hub
- Midlands Motorway Hub
- A46 Growth Corridor
- Accelerating the East Midlands Hub at Toton
- Major Road Network
- A5 Growth Corridor

The initial A46 Study Report has now been published describing the economic impact and role of the A46 corridor from the Severn to the Humber Estuary, and sets out proposals for further work on:

- Options to improve the connectivity to the Humber Ports north of Lincoln;
- Options to support growth around Leicester;
- Further evidence to support the delivery of the A46 Newark northern Bypass.

Any detailed schemes emerging from this work will then need to be taken through the Road Investment Strategy process by Highways England, and be subject to public consultation in the normal way.

Work is also progressing on proposals to establish a statutory sub-national transport body for the Midlands.

3. HS2

The East Midlands HS2 Growth Strategy was published at the end of September 2017 and the press launch took place on 3rd October 2017. The Strategy sets out proposals to use HS2 to deliver an additional 74,000 jobs and £4bn of GVA by 2043. It covers the HS2 Hub Station at Toton, proposals for classic compatible services at Chesterfield and an Infrastructure Maintenance Depot at Staveley. The full document is available on the East Midlands Councils' website ([click here](#)).

The Strategic Board last met on 23rd July 2018 chaired by Cllr Jon Collins. The Board agreed the details of a revised governance structure, including the establishment of an Executive Board to better co-ordinate delivery activity, and a Skills and Supply Chain Board.

The new governance structure is now being implemented. The new HS2 Executive Board chaired by Cllr Jon Collins met for the first time on 15th October 2018. The revamped Hub Station Delivery Board chaired by Cllr Kay Cutts met on 8th October 2018. The Mitigation Board chaired by Cllr Simon Spencer has been established and the Chesterfield & Staveley Delivery Board chaired by Cllr Trish Gilby has been meeting regularly for some time. The establishment of a Skills & Supply Chain Board remains outstanding but is the subject of discussion with the new leadership at D2N2.

Since the EMC AGM in July 2018 there have been a number of further developments:

- The Government has confirmed additional funding of up to £1.8m over two years to support the development of the Toton proposition, in particular transport connectivity, land assembly and delivery capacity;
- The Government has confirmed that Sir Terry Morgan, until recently Chair of Crossrail, will take over as Chair of HS2 Ltd from early October 2018, succeeding Sir David Higgins;
- The MHCLG Secretary of State and Midlands Engine 'Champion' James Brokenshire MP visited the site at Toton with Cllr Jon Collins, Cllr Kay Cutts, Cllr Richard Jackson, Sir John Peace and Stuart Young in early August 2018;
- The Government has indicated that the submission of the Phase 2b Hybrid Bill to Parliament will be delayed from late 2019 to mid-2020 to accommodate further work on connectivity with the existing rail network. Whilst the construction target of 2033 is unaffected, it will mean that Hybrid Bill Royal Assent will take place after the next General Election;
- Despite the Hybrid Bill delay, the consultation on the draft Environmental Statement opened in October 2018 and will close in December.

Whilst the delay to the Hybrid Bill submission is understandable and in some ways helpful, it sends a negative public message about the project at a time of national political uncertainty, particularly following recent announcements about the 12 month delay to Crossrail.

Although the Eastern leg of HS2 from Birmingham connecting with the East Coast Main Line south of York via the East Midlands and Leeds has the best economic case of any part of the proposed network, it is the last part to be built and therefore most vulnerable to decisions made by a future Government.

At the HS2 East event in Newcastle on 12th October 2018, key speakers including the new Chair of HS2 Ltd, Sir Terry Morgan, the Chair of the Transport Select Committee Lilian Greenwood MP and LGA President Lord Kerslake made strong public statements in support of the Eastern Leg of HS2. However, further collective action is likely to be required over the coming months.

The draft Environmental Statement consultation runs to many thousands of pages. Whilst each individual council will need to respond to the issues within their locality there will be a need to produce a regional response highlighting key issues of common concern

4. D2N2 LEP

Strategic Economic Plan (SEP)

Over the course of 2018, D2N2 has continued to work on a refreshing of its SEP. The refreshed SEP builds upon the original version, but whereas the 2013-2023 SEP focused on the creation of private sector jobs and house building, the refresh proposes a focus on productivity and inclusive growth. A consultation draft has now been published and the consultation closes on 16th November.

The SEP sets out a strategic framework as the first stage in developing a D2N2 Local Industrial Strategy (LIS). The LIS will be the basis for agreeing funding and flexibilities from Government, including the new UK Shared Prosperity Fund.

It is anticipated that the LIS will focus in greater depth on a narrower range of issues, including a key focus on how D2N2 will harness its significant science and innovation assets to address the four Grand Challenges (artificial intelligence, the future of mobility, clean growth and the ageing society) identified by the Government in the UK Industrial Strategy.

Ministerial Review

The Government published its review of LEPs, *Strengthened Local Enterprise Partnerships*, just before the summer recess. Its key recommendations were in regard of LEP geography and strengthening LEP governance. The Government asked LEPs to come forward with proposals by the end of September on geographies which 'best reflect real functional economic areas and remove overlaps'. The ability of LEPs to access future funding would be adversely affected if they were not to remove overlap areas.

Geography

The D2N2 Board met in September to consider its response to the Ministerial Review. The Board noted how D2N2 showed statistically that it operated currently as one of the highest economically self-contained areas of all LEPs, functioning well along administrative boundaries in a way that also aligned with structures like the Midlands Engine. Whilst acknowledging that the five overlapping northern districts had some synergy with Sheffield City Region, evidence demonstrated that these areas nevertheless identified themselves much more strongly as part of Derbyshire or Nottinghamshire than Yorkshire.

Board was informed ahead of discussion that all five overlap districts had responded prior to the meeting to confirm their preference to retain the overlap in contradiction to the recommendations in the LEP review. Likewise, initial contact made by D2N2 with Sheffield City Region had shown that they also preferred to leave the overlap in place. D2N2 would therefore seek further guidance from Government on how to move forward if Board accepted and agreed the recommendation to remove the overlap.

The Board acknowledged the need to continue to engage strongly with all districts, particularly those in the north of D2N2's area, to demonstrate how growth for all would result from retaining the five overlap areas within D2N2.

The Board agreed to:

- (i) Reiterate the current geographic footprint of D2N2;
- (ii) Agree the option to remove the overlap with Sheffield City Region, recognising in so doing that from this will follow consequences and actions; and,
- (iii) Welcome increased cross-boundary collaboration with surrounding LEPs.

Governance

The Ministerial Review stated that the Government will 'support all LEPs to have a legal personality, such as incorporation as companies, or mayoral combined authorities or combined authorities where they exist.' To further strengthen governance and delivery, all LEPs are expected to identify a single Accountable Body (AB) within in each area that is responsible for all LEP funding. The LEP currently engages Derby City, Derbyshire County and Nottingham City Councils as ABs for its various funding streams. It is set to rationalise this arrangement by tendering for a single AB before the end of 2018.

Board and staff changes

Peter Richardson stepped down as Chair of D2N2 in July 2018, as was replaced by Elizabeth Fagan (Boots). Elizabeth has been invited to attend EPC to set out her thinking on the LEP's future priorities, and although she is unable to attend this meeting due to longstanding diary commitments, she welcomes the opportunity to attend a future EPC meeting.

D2N2 is yet to recruit a permanent Chief Executive as successor to David Ralph. Sajeeda Rose has succeeded Matthew Wheatley on an interim basis.

5. Derby-Nottingham Metro Strategy

In 2015, the D2N2 LEP set out the need for three interlocking economic development strategies to cover the urban area, market towns and the rural area. In response to the LEP's challenge, the Derby-Nottingham Metro Strategy was developed as the urban element of this three-pronged approach.

Following consultation in later 2016, the Metro Strategy was launched in April 2017. A Strategic Advisory Group of key stakeholders drawn from business and education leaders in the two cities was established, and this group challenged the local authorities to be more ambitious. Independent consultants were engaged to examine the potential of the Nottingham Derby economy, and explore the economic case for strengthening the relationship between the two Cities. The subsequent report, *The Economic Case for the Derby-Nottingham Metro*, was published in November 2017.

In January 2018, the first Metro Summit brought together over 100 key stakeholders from local businesses, education and local authorities to examine and discuss *The Economic Case for the Derby-Nottingham Metro*. Consequently, a private sector led Metro Growth Board was established to oversee and lead the further development of the Metro Strategy. A comprehensive Metro Economic Plan was subsequently developed as both a standalone plan and as the Metro area's contribution to the emerging D2N2 refreshed SEP. The Metro Economic Plan outlines economic development priorities under five themes (enterprise, innovation, infrastructure, skills and place) and was presented to MPs at Westminster in June 2018.

At the same time, the Metro Delivery Board has continued to meet. The Delivery Board was established at the end of 2016, originally comprising Councillors from Derby and Nottingham Cities, to steer the delivery of the Metro Strategy. This included the extending of local services (such as gym membership and library lending) to citizens of both cities and joint service initiatives, culminating in the successful launch of a Metro Commercial Waste service in April 2018.

Gedling Borough Council formally joined the Metro Strategy 'coalition of the willing' in March 2018, and now sits on the Delivery Board. In September 2018, the Delivery Board welcomed representatives from Rushcliffe, Amber Valley, Erewash and Derbyshire County to its meeting as observers. The next Delivery Board meeting is scheduled for 28th November and in keeping with the principles of openness and inclusivity, local authority leaders from the Metro area are welcome to attend future Delivery Board meetings.

6. Nottinghamshire County Council's Place Departmental Strategy

Nottinghamshire County Council's Place Department brings together a range of services in order to meet the needs and aspirations of the people of Nottinghamshire. Policy Committee approved the Place Departmental Strategy on 24th January 2018.

Significant progress has been made in the 10 months since the launch of the Strategy, as illustrated below:

A great place to bring up your family		
	Homes England Local Authority Accelerated Construction Fund	For Council-owned development sites which has secured a substantial offer of grant funding of approximately £11m which will enable the delivery of more than 1,800 new homes
	Delivery of Phase 1 of the Lindhurst / Berry Hill Scheme	Up to 1,700 individually designed properties, ranging from affordable homes and stylish apartments to welcoming family homes and stunning detached town houses are being built. Sales completion of Phase One has concluded, with all the residential plots sold to house builders

	<p>Investment in schools, nurseries, a day centre, secure children's home and County Hall</p>	<p>£20m in the replacement and expansion of both 315-place Bestwood Village Hawthorne Primary with a 39-place nursery, and 140-place Orchard Special School in Newark and a brand new day centre. In additions:</p> <ul style="list-style-type: none"> • Construction began in October of a new 210-place primary school with a 26-place nursery at the former Rolls-Royce site in Hucknall • Work began on a new accommodation block, demolition of the existing accommodation block and provision of a new vocational block at Clayfields House secure children's home in Stapleford • The co-ordination of planned and responsive maintenance works began at County Hall
	<p>Employability provision for young people</p>	<p>The £1.5m Award-winning programme, has secured a further £250k of EU funding. Over 50 grants have been awarded to Nottinghamshire schools bringing over £500k of additional funding into the County, and benefitting over 2000 Nottinghamshire young people</p>
<p>A great place to fulfil your ambition</p>		
	<p>Visitor Economy Strategy</p>	<p>A strategy to grow Nottinghamshire's Visitor Economy, valued at £1.814b, by volume and value and to attract further private and public investment to deliver a unique, defined and sustainable tourism offer for the County</p>
 <p style="font-size: small;">Tour of Britain</p>	<p>Hosting the penultimate stage of Tour of Britain</p>	<p>The Tour of Britain boosted the Nottinghamshire local economy by £4m. 250,000 spectators with 62% inspired to cycle more</p>
	<p>From Miner to Major: The Real Sherwood Forest</p>	<p>£2.4m National Lottery grant award which will see local communities being given the skills and knowledge to look after the landscape through restoring vital heathland, protection and conservation of ancient trees</p>
	<p>County's first electric buses generating benefits for residents</p>	<p>£910k project resulting in bus passengers benefitting from quieter, smoother, greener buses on 510 and 511 routes running between Beeston, Toton and Stapleford connecting with the tram network at Toton Lane Park and Ride and Beeston Bus and Tram Interchange</p>
	<p>Enhanced levels of Flood Protection</p>	<p>542 households protected by flood mitigation measures. 30% of local levy from Trent Regional Flood and Coastal Committee secured worth £2.5m. 18 Significant Flood Alleviation live Schemes - £15m value. £5m+ external funds secured this year. 500+ Planning Applications responded to. 400 Flood investigations undertaken. 50+ Land Drainage Consents investigated and issued this year. 2000+ entry's on the Asset Register. 1613 miles of ordinary water courses in the county – 520 miles in Bassetlaw.</p>
<p>A great place to enjoy later life</p>		
	<p>New Sherwood Forest visitor centre</p>	<p>£5m investment with RSPB in new facilities including a shop, café, outside terrace, amphitheatre and new play area</p>
	<p>Trading Standards</p>	<p>£1.24m worth of fake tobacco products seized this year – 81 inspections of shops, homes, vehicles and storage facilities have taken place in the County</p>

A great place to start and grow a business		
	Toton High Speed 2 the future backbone of the national rail network	By 2043, up to 74,000 new jobs are anticipated to be created, boosting the regional economy by £4 billion. This transformational project is moving forward with delivery. The County Council has entered into a Memorandum of Understanding with London & Continental Railways as work progresses towards the establishment of a formal locally led development body in the future, the development of which will receive £2m of funds as announced by the Chancellor. £1.8m of additional resources secured from DFT to improve transport infrastructure around Toton HS2 site
	A614 / A6097 Major Infrastructure Improvement Scheme	Government has signalled their intent to award £18m of funding to support major infrastructure improvement schemes from the Lowdham Roundabout up to Ollerton Roundabout
	Corporate Property Strategy	The Council occupies over 1,100 sites with a total value of in excess of £700m. Sitting at the heart of the Council's growth and prosperity agenda and setting out how the Council estate, the Corporate Property Strategy will support the delivery of the Council and Place targets
	Better Broadband for Nottinghamshire	This year marks 5 th anniversary of the project. 81,364 premises are now able to access superfast broadband. Adoption by customers (homes and businesses) that have chosen to sign up with a superfast broadband network continues to rise above 52% The project has been shortlisted for the coveted Public/Private Partnerships LCG Awards 2019 in recognition of the excellent collaboration with DCMS, BT, Openreach and D2N2 LEP
	Shortlist	
	Continued delivery of a future-proofed digital network	Nottinghamshire has been announced as the first place in the East Midlands to be included in Openreach's 'Fibre First' programme. This ensures the County remains at the forefront of digital infrastructure, with all the economic and social benefits that provides
	Rural Business Growth Programme	£1.56m grant investment contracted. 28 enterprises supported financially. 77 new jobs to be created as a direct result of the investment. 135,000 new visitors to the county generated by LEADER investment in the sector. £3.9m of private sector match funding invested in the county's rural economy. 12 farms supported to improve productivity, utilising 24 new techniques. £1.7m increase in salaries paid for jobs created within rural Nottinghamshire
	Digital Business Growth Programme	475 SME enrolments. 52 Nottinghamshire SMEs have claimed grants equal to £558k
	Investment in the Turbine Innovation Centre	The Centre underwent a £270,000 facelift , the focal point of which was a new café. The investment also funded a larger conference room, and increased to 58 the number of serviced office spaces for growing and start-up businesses

A refreshed Strategy is currently underway and expected to be launched by Spring 2019.

7. D2N2 Charge Point Network

The BP Chargemaster electric vehicle charge point concession commenced in January 2018 following a competitive procurement. After a period of mobilisation the first charge points were installed in the City area over the summer. 53 charge points are now live and operational at car parks and other locations, with the tram park and ride sites being scheduled for construction in early 2019. Quotations have been received for locations in the County and other D2N2 authority areas. These are currently being programmed and are subject to legal agreements with the relevant land owners. It is envisaged construction will commence in 2019. Since the network has opened, over 900 charging sessions have been recorded.

8. Air Quality

Nottingham City is under Ministerial Direction to develop a plan to reduce concentrations of nitrogen dioxide to within legal limits as soon as possible. This plan was submitted to Government in September and is awaiting Ministerial sign off.

Nottingham has for many years been promoting sustainable transport with the aim of supporting economic growth, reducing congestion and improving air quality. Significant investment has been made to improve public transport and the local cycle network, together with incentivising the use of cleaner vehicles. These measures have already gone a long way to achieve a cleaner city, but further measures are needed to reduce pollution levels to within legal limits.

Government funding to retrofit buses operating in both the City and County areas with cleaner exhaust technology has been secured. The City's Taxi and Private Hire Strategy requires all Hackney Carriage licensed by the Council to be Euro VI compliant by 2020. In addition the City Council is also modernising its own fleet to Ultra Low Emission Vehicles (ULEV's). The modelling predicts that with these measures in place, air quality in Nottingham will be compliant with legal limits.

To align the outcome of local modelling with existing local air quality monitoring it is also proposed to vary one of the existing Air Quality Management Areas, expanding it to cover the whole of the Nottingham City Council's administrative area, and at the same time to seek legal powers to tackle engine idling.

Many of the measures being implemented will also benefit areas beyond the City boundary.