



Nottingham Sustainable Urban Development Plan

• **Brief description of the wider sustainable urban development strategy and core city region targeted**

Nottingham is the Core City in the D2N2 LEP which covers Nottinghamshire and Derbyshire. We propose to use the definition of the Nottingham urban area that covers the whole of Nottingham City LA area, plus connected urban parts of the surrounding districts of Ashfield, Broxtowe, Gedling and Rushcliffe including the proposed urban extensions in the Rushcliffe spatial plan. The LAs have already aligned core strategies, such as land use, planning, housing and employment allocations, so it makes perfect sense to build on this and develop aligned economic and growth plans. Population for this area is roughly 620,000 based on the ONS estimates for 2012. The lead urban authority will be Nottingham City Council. The Nottingham Growth Plan and the D2N2 Strategic Economic Plan form the basis of and are integral to, this Sustainable Urban Plan and aligns to the D2N2 ESIF priorities. There is a strong focus on elements of the City Deal agreed with government in this SUD, particularly on development of the creative and digital industries and clean technology sectors. Not exclusively however, where locally significant sectors exist, such as manufacturing in Ashfield, these will be included in the SUD's model. Total ERDF funding in the D2N2 ESIF amounts to £104.4m, so 10% of this would correspond to £10.4m. With match funding the SUD supports activities up to £20.8m.

• **Brief description of proposed integrated actions to support sustainable urban development in the area targeted**

Programme Model : We propose addressing the SUD Priority Axis through a model by providing support for both hard and soft infrastructure for SMEs, along with extensive networking across the Nottingham Urban Area. It will be capable of connecting activities and support within specific hubs, building on existing structures, including heritage buildings and, importantly, reflecting the growth potential within these structures and across to clusters of SMEs and activity in the urban parts of the surrounding districts. The model will develop and deliver an integrated programme of capital and infrastructure works and business support activities in specific hubs within the Core City urban area of Nottingham and surrounding districts. It will be sector specific building on strengths in the Core City and within clusters of SMEs in the district areas.

Sector Approach

1. Sustainable Growth for the Creative and Digital Industries Sector and investment and extension of the Nottingham Creative Quarter model.

An integrated programme of capital and infrastructure works and business support activities to increase GVA in D2N2 creative and digital industries through the development of the Creative Quarter as a hub for creative and digital media business with engagement in the districts across the urban area.

The Creative Quarter (CQ) is an innovative business district in the centre of Nottingham and the flagship project for economic growth in Nottingham's City Deal, developing job creation and economic growth in the city and the wider D2N2 area. In order to achieve this, the area needs to provide high-quality infrastructure and creative workspace and grow on space for businesses as well as creating attractions with a compelling offer for visitors.

A CQ Creative Workspace Programme has been developed to:

- Meet need and demand for a specific type of accommodation for the creative and digital industries
- Create and enhance a number of key visitor attractions in the Nottingham Urban Area
- Address issues of market failure in bringing heritage buildings into use for commercial purposes

The programme will deliver a CQ Office Refurbishment Scheme; Create sector specific hubs and innovation space including incubation and managed space, linked to areas of high demand across the urban area such as Broxtowe, Rushcliffe and Ashfield where 40% of those employed in the sector work,



and mentoring that reaches out to the sector across the Nottingham Urban Area. The programme will enable the transformation of existing floorspace into commercial spaces attractive to digital, tech and creative industries companies and entrepreneurs.

The programme would address the D2N2 ESIF through:

- Support for the D2N2 priority sector of Creative Industries;
- Support for the D2N2 strategic priorities, particularly of Business Support and Infrastructure
- Support for specific Strategic Activities in the D2N2 ESIF:
 - SA5: Helping Business Grow
 - SA6: Key Sector Support

2 Sustainable Growth for the Manufacturing and Clean Technology Sector

Delivery of sustainable economic growth across the D2N2 area through the creation of Manufacturing and Clean Technology facilities and sector-specific support in the Nottingham urban area, particularly around the strengths in the energy generation and management fields .

In order to support the growth of the sector, increase jobs, promote energy efficiencies in SMEs and bring forward innovative technologies, Nottingham will replicate the significant success of the BioCity incubator for life sciences by creating wrap-around support for SMEs in the Manufacturing and Low Carbon sector.

This support will include:-

- Infrastructure – managed workspace, incubator units.
- Business Support – including IP, Growth Programmes, such as the highly successful Growth 100.
- Access to Technology Based Grants (TSB and Horizon 2020)
- Access to specialist equipment to advance commercialisation of innovative ideas and products.
- Networks – National and International

Based on the Pan European CLOE model for successful cluster management and learning from the provision at BioCity, Nottingham aspires to develop an iconic, zero carbon incubator base for Low Carbon SMEs in the urban area, not necessarily in the city and to secure the provision of the support needed for growth. As well as this iconic, incubator base there will be smaller incubator and grow on spaces across the Nottingham Urban Area that will benefit from full connectivity to the main incubator and the network across the sector. Examples would be grow-on space in Gedling and the potential for more bespoke provision in specific areas such as for manufacturing in Ashfield.

This programme would address the D2N2 ESIF through:

- Support for the priority sector of Low Carbon Goods and Services
- Support for D2N2 strategic priorities of Business Support, Innovation and Infrastructure
- Support for specific Strategic Activities in the ESIF:
 - SA5: Helping Business Grow
 - SA6: Key Sector Support
 - SA7: Low Carbon Markets and Technologies
 - SA8: Energy Efficiency for SMEs

3.Sustainable Growth for SMEs in Nottingham's outer urban areas

Specifically, Nottingham's outer urban areas require a degree of specialist support to ensure they receive the benefits deriving from the development of these sectors and other ESIF priority sectors. How this will be delivered will be subject to the development of detailed arrangements between Nottingham, Ashfield, Broxtowe, Gedling and Rushcliffe and include bespoke activity to reflect local needs and clusters of SMEs. Specialist start-up support for technology driven companies to enable them to benefit from their innovative products will be key as will progression to growth programmes as they develop. However, one model for this could be through the development of iNet type activity supporting the development of innovation, knowledge exchange and research expertise in these sectors. The two broad areas of activity proposed above could include iNet-type support based on learning brought forward from these models, encouraging business to business collaboration and interactions with the knowledge base. This could include a specialist unit (s) working with businesses in the outer urban areas.



Funding, outputs and links to thematic objectives and D2N2 ESIF strategic activities

Indicative ERDF based on these activities:

Thematic Objective 3 - SA5/6: £5.2m

Thematic Objective 4 - SA7/8: £5.2m

Thematic Objective 3: Strategic Activity 5: Helping Business Grow: £4m

Strategic Activity 6: Key Sector Support: £1.2m

Outputs

	SA5	SA6	TO3 total
Number of enterprises receiving support.	169	51	220
Number of new enterprises supported.	13	4	17
Employment increase in supported enterprises.	150	45	195
Number of enterprises supported to introduce new-to-the-market products.	17	5	22
Number of enterprises supported to introduce new-to-the-firm products.	25	8	33
Private investment matching public support to enterprises. (£m)	2.51	0.67	3.18

Results:

- Increase in SME productivity.
- Increase in SME jobs created.
- Increase in business start ups.

Thematic Objective 4: Strategic Activity 7: Low Carbon Markets & Technologies: £4m

Strategic Activity 8: Energy Efficiency for SMEs: £1.2m

Outputs

	SA7	SA8	TO4 total
Number of enterprises receiving support.	381	114	495
Number of new enterprises supported.	38	11	49
Employment increase in supported enterprises.	183	55	238
Number of enterprises cooperating with research bodies	95	29	124
Enterprises supported to introduce new-to-the-market products.	37	11	48
Enterprises supported to introduce new-to-the-firm products.	76	23	99
Private investment matching public support to enterprises.	2.57	0.77	3.34
Estimated greenhouse gas reductions (tonnes of CO2eq)	44,253	13,276	57,529

Results:

- Energy efficiency increase of companies, buildings and transport.
- An increase in companies deploying low carbon practices, processes, service or products.

All results will be quantified once the definitions of the indicators are agreed by the Commission

- **Brief description of innovative nature or added value resulting from proposed SUD activity including explanation of how proposed activity is of national / international significance.**

Creative and Digital Industries: The vision for The Creative Quarter is that it will be the premier environment for the creative and digital industries in the East Midlands, with a strong national and international reputation as well as strong links to smaller clusters in Broxtowe, Rushcliffe and Ashfield. The area is already positioning itself as one of the premier creative economic clusters in Europe and internationally through its membership of the International MediaCities Network and its relationships with other economic clusters in Barcelona, Karlsruhe, Helsinki and Eastern Europe. In Dec 2012, Antonio Tajani, vice-president of the European Commission, visited the Creative Quarter describing it as "a good model....a pilot project for other cities in Europe for the third industrial revolution of entrepreneurship".

The Creative & Digital sector has huge potential for growth and is a significant employer and creator of GVA across the Nottingham Urban Area. Creative sectors want to locate in clusters where innovation prospers and in a lively social environment. They also seek out spaces which were formerly industrial like those in The Lace Market and across the conurbation and often restore them with impressive design flair. However, the market is currently failing to develop sufficiently attractive workspace to meet demand:

1)The existing office fabric is not what the market wants

2)The listed buildings in the area are often semi-derelict and require public intervention to bring them back into use.



As a result of this, a significant proportion of property in The CQ area has been on the market for over a year and, in the case of many office spaces, has been vacant for much longer – despite active demand as the economy is starting to grow. Research tells us that strong demand exists in the CQ area in those buildings where flexible well-designed office space with high-level connectivity is supported by a strong wrap-around business support, mentoring and networking / events offer. These spaces have long waiting lists from creative industries businesses not prepared to compromise on the quality of their location and workspace. This CQ Creative Workspace programme is an integrated package developed to respond to this clear evidenced need and demand, intervene to address the market failure on both count and unlock the potential of The Creative Quarter as a thriving innovation and enterprise district in the D2N2 area. The best practice approach to capital investment and refurbishment will be extended across the wider urban area through the SUD programme, including a number of heritage buildings.

Employment and business growth are key urban challenges in Nottingham, and are being addressed through the roll-out of the Nottingham Growth Plan. Initial research on the development of the Creative Quarter Creative Workspace shows that it will support:

- Over 500 FTE jobs on a net basis over a three-year period
- Net GVA uplift of more than £7m p.a.
- 10 year Cost Benefit Ratio of 1:3.78
- Leverage of £15m.

The Clean Technology sector will play a vital role in the EU's Low Carbon strategy. The sector is at an embryonic stage in the D2N2 area and requires support now to make a step change. The D2N2 LEP has a vision to create a Sector Support Hub for businesses / social enterprises and those aspiring to be better informed on the Low Carbon and sustainability agenda, or those wanting to access support on how to reduce carbon emissions. The focus will be on jobs and growth for D2N2 and will be an integral element of the D2N2 Business Growth Hub.

The Low Carbon Goods and Services sector is one of the key sectors of the D2N2 Strategic Economic Plan and ESIF strategy. This aligns to Nottingham's aspirations for the Low Carbon / CleanTech sector, as outlined in the Nottingham Growth Plan – with CleanTech one of the emerging growth sectors; Nottingham's energy and waste strategies; and designation by DECC as a Low Carbon Beacon City. Low Carbon activities through the development of clean technologies will be one of the most important drivers of sustainable economic growth locally, nationally and throughout Europe in the coming decades.

All urban areas face challenges to develop new forms of industrial production that benefit local economies and address issues of carbon reduction and ultimately climate change. Nottingham's Future Cities Feasibility Study, which supported a bid for the city to be a Future Cities Demonstrator in 2012, brought a number of key challenges together, including how to integrate and use technological developments to drive clean technology, energy, transport and data capture. Support for the development of the CleanTech sector across the Nottingham urban area will use learning developed from the discussions that informed this study to drive forward these connections.

• **Brief description of Partnership and Governance Arrangements / processes envisaged.**

Nottingham City Council will be the lead urban authority for the SUD. It will work with the District and County Councils to commission projects fitting the outline of the SUD given above to bring forward sustainable urban development in the Nottingham core city area.

Outline Applications will go to the N2 (Nottingham and Nottinghamshire) Economic Prosperity Committee who will assess for strategic fit with the Nottingham SUD Plan and the D2N2 ESIF; and to the Managing Authority (MA) who will undertake a technical assessment against gateway and project criteria. If the Outline Application is agreed by both bodies, it will be recommended for support by the LEP Area Partnership for progress to Full Application stage. where it will undergo further checks by the MA.