

Economic Development Committee

Tuesday, 16 September 2014 at 14:00

County Hall, County Hall, West Bridgford, Nottingham, NG2 7QP

AGENDA

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|---|--|---------|
| 1 | Minutes of the last meeting held on 1 July 2014 | 3 - 6 |
| 2 | Apologies for Absence | |
| 3 | Declarations of Interests by Members and Officers:- (see note below)
(a) Disclosable Pecuniary Interests
(b) Private Interests (pecuniary and non-pecuniary) | |
| 4 | D2N2 Priorities and Growth Deal | 7 - 8 |
| 5 | A Place Marketing Organisation for Nottingham and Nottinghamshire - Progress Update | 9 - 12 |
| 6 | Nottinghamshire Economic Development Capital Fund | 13 - 18 |
| 7 | Better Broadband for Nottinghamshire - Additional Staffing Resource | 19 - 22 |
| 8 | Regional Growth Fund - Round 6 | 23 - 26 |
| 9 | Work Programme | 27 - 30 |

Notes

- (1) Councillors are advised to contact their Research Officer for details of any Group Meetings which are planned for this meeting.
- (2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

Customer Services Centre 0300 500 80 80

- (3) Persons making a declaration of interest should have regard to the Code of Conduct and the Council's Procedure Rules. Those declaring must indicate the nature of their interest and the reasons for the declaration.

Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact Martin Gately (Tel. 0115 977 2826) or a colleague in Democratic Services prior to the meeting.

- (4) Councillors are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.
- (5) This agenda and its associated reports are available to view online via an online calendar - <http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>

minutes

Meeting	ECONOMIC DEVELOPMENT COMMITTEE
Date	1 July 2014 (commencing at 2.00 pm)

Membership

Persons absent are marked with `A`

COUNCILLORS

Diana Meale (Chairman)
Roy Allan (Vice-Chairman)

John Knight
Michael Payne
Keith Walker
Gordon Wheeler

John Ogle
Ken Rigby
John Wilmott

A Alan Rhodes (Ex-Officio)

CO-OPTED MEMBERS

Mr M Chivers – (Alliance Boots)
Ms N Gasson - (Federation of Small Businesses)

OTHER COUNCILLORS IN ATTENDANCE

Richard Butler (for item 4 only)
Mrs Kay Cutts (for item 4 only)
John Peck

OFFICERS IN ATTENDANCE

Celia Morris	- Policy, Planning and Corporate Services
Matt Lockley	- Policy, Planning and Corporate Services
Nicola McCoy-Brown	- Policy, Planning and Corporate Services
Fiona Anderson	- Policy, Planning and Corporate Services
Geoff George	- Policy, Planning and Corporate Services
Martin Gately	- Policy, Planning and Corporate Services

CHANGE IN MEMBERSHIP

The following changes of membership for this meeting were noted: Councillor John Wilmott replaced Councillor Ian Campbell on a permanent basis. Councillor Ken Rigby replaced Councillor Jason Zadrozny for this meeting only.

MINUTES

The minutes of the last meeting held on 3rd June 2014 were confirmed and signed by the Chairman subject to a typographical amendment.

APOLOGIES FOR ABSENCE

None.

DECLARATIONS OF INTEREST

None.

BETTER BROADBAND FOR NOTTINGHAMSHIRE – UPDATE ON THE ROLLOUT AND PHASE TWO EXPECTED EXCHANGE LOCATIONS

Nicola McCoy-Brown Programme Manager for NCC and Steve Poole from BT updated the committee on the rollout and expected Phase Two BT Exchange area locations for the Better Broadband for Nottinghamshire (BBfN) programme; as well as the notification of the submission of a funding bid by Derbyshire County Council (including the Nottinghamshire area) to the Government's recently launched Women and Broadband Challenge Fund; and finally, introduced an appraisal of the progress made to date in relation to the £2.63m allocation from Government for Superfast Extension Programme resources.

RESOLVED 2014/036

- 1) That the report be noted
- 2) That the submission by Derbyshire County Council of the combined bid on behalf of both County Councils to the Women and Broadband Challenge Fund be noted.

UPDATE ON THE D2N2 STRATEGIC ECONOMIC PLAN AND LOCAL GROWTH DEAL

RESOLVED 2014/037

- 1) That the latest information in relation to the D2N2 Strategic Economic Plan and the Local Growth Deal be noted.
- 2) That the attendance of Members of the Committee at the D2N2 Annual Conference be approved

- 3) That the Chief Executive of D2N2, David Ralph, be invited to attend the September meeting of this Committee to provide a further update

SECTOR WORKING – OUTLINING OUR APPROACH

RESOLVED 2014/038

- 1) That the Council's approach to working with sectors in collaboration with D2N2 LEP and the Nottinghamshire Skills and Employment Board be noted and agreed
- 2) That the County Council's production of a separate sector development plan for social care be approved, given the Council's broad role and statutory responsibilities

LARGE SCALE REDUNDANCIES IN NOTTINGHAMSHIRE

RESOLVED 2014/039

- 1) That the continued liaison with the key agencies and the two companies concerned be maintained to ensure that the most effective support is offered to those sadly affected.
- 2) That the inclusion of information regarding the impact of the redundancies on the local economy in the County Council's future communications with Government and the D2N2 LEP, in respect of plans and allocations of resources, be endorsed.

CALL FOR EVIDENCE RESPONSE SUBMITTED UNDER THE URGENCY PROCEDURE: NON-METROPOLITAN COMMISSION ON ECONOMIC GROWTH AND PUBLIC SERVICES

RESOLVED 2014/40

That the report be noted.

WORK PROGRAMME

RESOLVED 2014/035

That the work programme be noted.

The meeting closed at 16:05 pm

CHAIR

16th September 2014**Agenda Item: 4****REPORT OF THE GROUP MANAGER, CORPORATE STRATEGY
D2N2 PRIORITIES AND GROWTH DEAL****Purpose of the Report**

1. To update Members on the D2N2 Strategic Economic Plan and Growth Deal.

Information and advice

2. At its meetings in May and July, Committee considered reports on the D2N2 Strategic Economic Plan and the Growth Deal, announced by the Government on 7th July. Members requested that the Chief Executive of the D2N2 LEP, David Ralph, be invited to the next Committee to present an update on D2N2 priorities and on the outcome of the Growth Deal process.
3. Since the July Committee meeting, the County Council has been working closely with D2N2 and Government departments (principally transport and business, innovation and skills) on the schemes that have funds committed to them in 2015-16. For Nottinghamshire, these are the superfast broadband programme, Newark Southern Relief Road and Harworth-Bircotes access. Funds for the Rolls Royce, Hucknall scheme are earmarked for 2016-17.
4. Members have previously expressed interest in the Growth Deal process. There will be the opportunity to discuss this with David Ralph during the Committee meeting.
5. Members may also wish to reflect on the D2N2 Annual Conference which was held on 18th July at Medicity on the Enterprise Zone site in Beeston.

Reason(s) for Recommendations

6. At its July meeting, Committee agreed to invite David Ralph, Chief Executive of the D2N2 LEP, to its next meeting.

Statutory and Policy Implications

7. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial implications

8. There are no direct financial implications arising from this report.

RECOMMENDATIONS

9. It is recommended that Committee notes this report as an introduction to the presentation from David Ralph.

Report of the Group Manager, Corporate Strategy, Celia Morris

For any enquiries about this report please contact: Matt Lockley, 72446

Constitutional Comments

This report is for noting only.

Financial Comments

This report is for noting only.

Background Papers

Growth Deal Guidance issued July 2013.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/224776/13-1056-growth-deals-initial-guidance-for-local-enterprise-partnerships.pdf

Report to Economic Development Committee, 19 November 2013 – Development of the D2N2 EU Funding Strategy 2014-20

Report to Full Council, 16 January 2014 – Establishment of the City of Nottingham and Nottinghamshire Economic Prosperity Committee

D2N2 Strategic Economic Plan

http://www.d2n2lep.org/write/Documents/D2N2_SEP_March_31st.pdf

Report to Economic Development Committee, 6 May 2014 – D2N2 Strategic Economic Plan and implications for Nottinghamshire

Report to Economic Development Committee, 1 July 2014 – update on D2N2 Strategic Economic Plan and Local Growth Deal

Electoral Division(s) and Member(s) Affected

ALL

16th September 2014**Agenda Item: 5****REPORT OF THE GROUP MANAGER, CORPORATE STRATEGY****A PLACE MARKETING ORGANISATION FOR NOTTINGHAM AND NOTTINGHAMSHIRE – PROGRESS UPDATE****Purpose of Report**

1. This report updates Committee on progress in establishing a Place Marketing Organisation (PMO) for Nottingham and Nottinghamshire.

Information and Advice

2. As Committee members are aware Nottingham and Nottinghamshire are currently marketed separately as destinations for inward investment and for visitors. They are marketed both to an international and a UK audience and to businesses and individuals. This marketing is currently done in the main by two separate bodies Experience Nottinghamshire (EN) and the Invest in Nottingham (IIN) service run as part of the City Council. If a PMO were established this would undertake the work currently done by both EN and IIN.
3. This Council has maintained a consistent and active role in both inward investment and tourism marketing activity for many years. Both IIN and EN's core funding is primarily provided by the City and County Councils with additional support from other public and private sector organisations.
4. At the Economic Development Committee (EDC) meeting on 1 April 2014 in principle agreement to the establishment of a PMO for Nottingham and Nottinghamshire and approval of a £10,000 contribution towards project management support for the establishment of the PMO were agreed.
5. This report provides an update on progress and specifically on the development of the vision and operating model for the PMO and work in engaging partners.

Progress to Date

6. Consultants were appointed in June to support the PMO work - David Wallace of Wallace Fife Consultancy (Project Manager) and Adam Breeze of Breeze Strategy (good practice and benchmarking).

7. As previously discussed at Committee creating a PMO has particular challenges. There are a range of stakeholders/funders involved in both EN and IIN and their engagement and buy in to the benefits of the creation of a new PMO is sought. In addition several of the District/Borough Councils also fund and deliver tourism and inward investment marketing activities in their areas.
8. The County Council held a meeting in July with District and Borough Councils to seek their views on future approaches to inward investment and visitor economy marketing activity and how to secure the best outcomes for Nottinghamshire through this work. All councils agreed on the importance of this activity and the need to work together on this agenda to secure jobs and growth for Nottinghamshire. The discussion highlighted the need for any future organisational arrangements to have:
 - transparency of operation and enquiry handling
 - better shared intelligence and information
 - improved communication between local authorities particularly the IIN service and district colleagues
 - the need to move to a proactive rather than reactive service in our approach to inward investmentFurther discussions will be held with District and Borough colleagues as this work develops.
9. The PMO Steering Group, which oversees the project and includes public and private sector representatives (including the Chair of this Committee), have considered common success factors in place marketing activity, these include having the right product, the right people and the right processes. Emerging issues for Nottinghamshire to address, which mirrors some of those raised by District and Borough Councils, are that processes are lacking in terms of communication between partners; clear reporting lines; optimum funding arrangements and shared vision and common goals.
10. Some guiding principles for developing the new approach have been agreed by the Steering Group. These include:
 - Adding significant value, primarily measured by more inward investment, more visitor spending and more jobs
 - Putting the needs of customers (businesses and visitors) first, ensuring continuity of service in the transition to the new approach, and recognising that investors and visitors are very different markets with different needs
 - Aiming for excellence in people, product and processes
 - Ensuring that the entire area benefits
11. The Steering Group have also agreed a Vision and Objectives for place marketing for Nottingham and Nottinghamshire and this is attached as an Appendix. Work is also been done developing targets for place marketing.
12. The most appropriate delivery model for place marketing has also been considered in more detail by the consultants with three broad options – no or minimal change; closer working arrangements and a single organisation – proposed to the PMO Steering Group. A single organisation was the favoured option of the Steering Group but benchmarking and good practice from other areas; governance structures; the phasing and implementation of organisational change and future funding arrangements and

opportunities all require further consideration and discussion with partners before a proposal can be finalised.

13. In addition the County Council needs to give further consideration to its future relationship with the PMO. There are a number of options including whether to commission activity to be delivered by the company on the council's behalf or to be a core partner and funder which may include being a member of the single organisation.
14. A further report will therefore be brought to EDC on the establishment of a place marketing organisation once the work outlined in paragraphs 12 and 13 is finalised.
15. Place Marketing will be discussed and new organisational arrangements formally considered at a future meeting of the N2 Economic Prosperity Committee.

Statutory and Policy Implications

16. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATIONS

It is recommended that Committee notes the content of this report.

Report of the Group Manager, Corporate Strategy

For any enquiries about this report please contact Celia Morris, ext 72043

Constitutional Comments

This report is for noting only.

Financial Comments

This report is for noting only.

Background Papers

Report to Economic Development Committee 2 April 2014 – A Place Marketing Organisation for Nottingham and Nottinghamshire.

Electoral Division(s) and Member(s) Affected

All

16th September 2014**Agenda Item: 6****REPORT OF THE GROUP MANAGER, CORPORATE STRATEGY****NOTTINGHAMSHIRE ECONOMIC DEVELOPMENT CAPITAL FUND****Purpose of the Report**

1. To advise the Committee of the results of the first round of the Nottinghamshire Economic Development Capital Fund (NEDCF) and to seek approval to its future operation.

Background

2. This Committee initially approved broad criteria and management arrangements for the NEDCF on 12th December 2013, and subsequently approved detailed arrangements for the first round on 11th February 2014.

Preliminary Results of First Round

3. In accordance with previous decisions of the Committee, the NEDCF was opened with a fixed deadline of 23 May 2014. 26 applications were received by the deadline requesting total NEDCF grant of £2.67m. Following an initial review for eligibility, 21 were assessed in accordance with the Assessment Framework approved by the Committee on 11 February. Those deemed ineligible at this stage were requests seeking revenue support and others not identifying growth and specifically those failing to create private sector jobs.
4. The Stage 1 process involved paired scoring and quality assurance checks. The paired scoring process meant that two individuals independently assessed each application and then met to moderate the results, when a score for each element of the application was agreed between the pair. The pairs were variable, all drawn from a panel of trained scorers. Following this process, the 21 applications were ranked in accordance with the Red / Amber / Green system as follows:
 - 4 red applications (being those which failed to reach quality threshold of 20 points OR which failed the credit check) which were not invited to submit a Stage 2 application. All of these applications received detailed feedback to outline the reasons for their score and were offered information to assist them should a further application be made at a future date.
 - 7 amber applications (scoring between 20 and 26 points) which were invited to Stage 2 of the process. 3 of these applicants decided not to proceed.
 - 10 green applications (scoring above 27 points) invited to Stage 2 and all have submitted Stage 2 applications).

5. The geographical spread of the applications was as follows:

District area	No of eligible bids at Stage 1	No of eligible bids at Stage 2
Ashfield	0	0
Bassetlaw	4	2
Broxtowe	2	1
Gedling	2	2
Mansfield	3	0
Newark and Sherwood	4	4
Rushcliffe	6	4

6. The process allowed for local Members to be informed of applications within their Electoral Divisions at Stage 2 and details were circulated to relevant Members in early August.
7. Out of the 17 applicants invited to bid at Stage 2, 14 applications were received. One Stage 2 application received was found to be non-compliant with State aid rules and a letter was sent to the applicant explaining that the County Council would not be able to make any grants that do not comply with State aid law. The remaining 13 had a total value of £1.56m NEDCF grant – around 50% of the total resources available - and projected outputs as follows:

KPIs	Scheme Targets	Outputs projected for Round 1
Jobs created	200	189
Jobs safeguarded	150	371
Leverage £	£6m	£12.5m
Business sites improved	20ha	1.66 ha
Businesses assisted	40	13

8. The output figures are based on the information stated by applicants. The leverage and business assists figures are likely to be accurate but the jobs figures should be treated with some caution at this stage as they will most likely be revised as a result of the detailed Stage 2 appraisal. For example, currently included within the 189 projected jobs created figure are 30 apprenticeship places, which may not be classed as permanently created jobs. It merits repeating that with only just over half of the available resources committed, there is scope for the enhancement of the above projected achievements. The KPI on business sites improved merit reference in terms of potential changes to the parameters of the Fund and this will be reflected in the next section of this report.
9. Further appraisal has commenced on the 13 eligible Stage 2 applications following the previously approved Assessment Framework. This approach reviewed the overall fit with NEDCF aims, objectives and targets, strategic fit, deliverability and risk. As Members will recall from the February Committee report, a small amount of resources were agreed to allow for the appointment of third party organisations to provide external and independent expert input on project financial viability and deliverability, and overall value for money. The pairs of assessments will be examined to ensure both are satisfactory before final authorisation to award is sought from the Corporate Director for

Planning, Policy and Corporate Services in consultation with the Chair of the Economic Development Committee, all in accordance with decisions of the Economic Development Committee on 11 February 2014.

10. Each approved grant will be subject to preparation of a Legal Agreement which also defines the agreed targets, outputs and expenditure profile for each project. This agreement will form the basis for ongoing monitoring until the project concludes. Payment schedules will be individually defined for each project, but will always involve holding back the last 5% of grant until the project is complete and evidence of achievement of outputs and expenditure has been provided.

Proposals for the Future Operation of the Fund

11. Members will recall from the previous report that as a new Fund, a review of the first round was proposed which may assist in making amendments going forward. The key issues may be summarised as follows, alongside the proposals made as a consequence :
12. *Overview of demand* The results of the assessments so far indicate that about half of the available resources will be committed by the end of the first round. Since the bidding round closed, there have been 15 enquiries received about future availability of funding. A minority of these have been from partner organisations such as District Councils but most have come directly from businesses. This suggests that a further opening of the Fund will attract interest but should be accompanied by further publicity as previously.
13. *Changes requested to the Assessment Framework:* An amendment is proposed to the Assessment Framework to more explicitly reference how applications are requested to support the Council's objective of promoting the living wage.
14. *Changes requested to the Guidance:* the Guidance for applicants was written with support from Legal and Finance Services and overall was successful and clear with only a few request for clarification received. All of these were referenced and responded to on the Council's website to support applicants. However, as the process was followed, some minor amendments are suggested as a result of feedback, including changing the wording on the requested evidence in support of project viability; an additional reiteration that to be State aid compliant, projects must not have commenced prior to approval and a further additional explanation of the role of the credit check and financial test. Finally, while the Fund is self-evidently open to applications related to inward investment from businesses, this might usefully be stressed within the Guidance.
15. *Notes on State aid changes.* The Fund was notified under the previous General Block Exemption Regulation (GBER) in April 2014. A new GBER regulation has been put in place with effect from 1 July 2014 and the scheme must be re-notified. This process is underway. Changes to the GBER regulation affecting the NEDCF relate to the assisted areas that define what level of grant may be offered under the GBER exemption. It should be noted that only two of the Stage 2 applications are seeking support via the GBER exemption, with the remainder seeking grant below the de minimis level of €200,000 over a rolling three year period.

16. *Rolling Programme versus Fixed Call* The fixed deadline was helpful in establishing initial processes and allowing a review of operations to be undertaken at a fixed point. Having taken this learning into account, the Fund could now be opened on a rolling basis, with the aim to achieve full commitment of the remaining Funds whilst meeting remaining targets. On balance and subject to Members' consideration of whether to continue with the Fund, it is proposed that the Committee adopts a rolling programme approach going forward.
17. *Balance of types of scheme.* Nine of the Stage 2 applications are for investments in individual business properties ie for the expansion of property for direct use by the applicant. The remainder are for capital machinery and equipment to support expansion, particularly in the manufacturing sector. Only two applications were received regarding wider property and land development projects but both were subsequently withdrawn. Neither of these applications was from the private sector. The Committee may wish to continue to seek applications for employment property and/or land developments, and if so, this may benefit from a healthy degree of pro-active engagement with the likes of developers and agents to achieve a greater balance related to the original targets. On the other hand, the Committee could decide to invest predominantly in individual companies to support their expansion and growth needs and in which case a downward adjustment to the target of hectares of land and premises improved might be necessary. It is suggested on balance that the Fund remains open to both these types of applications and a dialogue is re-opened with developers but that the matter will be kept under review.
18. Overall, the first round has been successful in bringing forward proposals which, if all are approved, will commit 50% of the available funding, make a better than proportionate contribution towards overall targets on jobs created and safeguarded, and generate two times the leverage originally envisaged.

Other Options Considered

19. The Committee may choose not to seek to commit the remainder of the Fund. However, these proposals take account of the identified budget and the original targets set for the Fund. If the Fund is not reopened to applications, neither total budget commitment nor outputs will be achieved.

Reason(s) for Recommendations

20. The Economic Development Committee was assigned the future management of the Economic Development Capital Fund by Policy Committee. Economic Development Committee agreed to receive a further report on operations of the NEDCF and recommendations for the future at its meeting on 11 February 2014.

Statutory and Policy Implications

21. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material

they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required. In respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described in the report.

RECOMMENDATIONS

22. It is recommended that Committee:

- (a) Notes the outcome of the first round of the Nottinghamshire Economic Development Capital Fund;
- (b) approves the requested changes to the Assessment Framework and bidding process;
- (c) agrees to open the NEDCF on a rolling call until the resources are all committed;
- (d) agrees to review progress in 6 months with a further report on awards made under the NEDCF.

Report of the Group Manager, Corporate Strategy, Celia Morris

For any enquiries about this report please contact: Geoff George, 72046

Constitutional Comments [SLB 03/09/2014]

Economic Development Committee is the appropriate body to consider the content of this report.

Financial Comments [GB – 27/08/2014]

The Economic Development Capital Fund is fully funded as part of the approved County Council Capital Programme.

Background Papers

Notts Economic Development Capital Fund Guidance Notes published at <http://www.nottinghamshire.gov.uk/EasySiteWeb/GatewayLink.aspx?alld=401427>

Notts Economic Development Capital Fund General Terms and Conditions published at <http://www.nottinghamshire.gov.uk/EasySiteWeb/GatewayLink.aspx?alld=401431>

Electoral Division(s) and Member(s) Affected

All

16th September 2014**Agenda Item: 7****REPORT OF THE GROUP MANAGER, CORPORATE STRATEGY****BETTER BROADBAND FOR NOTTINGHAMSHIRE – ADDITIONAL
STAFFING RESOURCE****Purpose of the Report**

1. To seek approval for the establishment of one additional post to support delivery of the Better Broadband for Nottinghamshire programme.

Information and advice

2. Economic Development Committee receives quarterly updates on the Better Broadband for Nottinghamshire (BBfN) programme. Recent reports have highlighted progress with the infrastructure build and the fact that superfast broadband delivered through the programme is now going 'live' at various locations across the County.
3. At its meeting in March, Committee approved the delivery plan and budget for the Economic Development service, in line with the previously approved (at Policy Committee) corporate Economic Development Strategy. The delivery plan and budget included a £50,000 allocation to support demand stimulation activities linked to the BBfN programme.
4. In July of this year, Nottinghamshire County Council secured an additional £50,000 of revenue funding to support demand stimulation activity from the D2N2 Local Enterprise Partnership. Proposals have now been developed for the total demand stimulation funding package, which include the establishment of a new post to support this activity.

Demand stimulation package

5. As Members are aware, the capital element of the BBfN programme will see a combined investment of over £15 million in new fibre infrastructure in Nottinghamshire over the next two years. £3.3 million of this will be provided by County Council, City Council and Borough and District Councils. Over 50,000 premises will have access to superfast broadband as a result of this investment. Community and business awareness of the programme is targeted through a joint communication plan with the supplier, BT / Openreach. However, community and business appreciation of the benefits of superfast broadband needs to be enhanced, as does awareness of how residents and businesses will be able to access new superfast services. For example, upgrades to superfast are not automatic and customers will have to request an

upgrade (at a cost) and have new router equipment installed in their homes and businesses.

6. There are three key drivers behind the Council's proposed demand stimulation package:
 - Business growth and connectivity, ensuring that the full benefits to business of the £15 million capital investment are secured. Access to fibre broadband services is recognised as the 'fourth utility' and is particularly important for businesses operating in a global marketplace;
 - Transformation of services. Public sector organisations, businesses and the third sector are increasingly looking for ways to deliver their services online – be this transactional (i.e. applying for licenses / permits; online banking; library services) or more fundamental service redesign (i.e. tele-health appointments; self-assessments for home care provision). Ensuring that local residents understand these future changes and are enabled to benefit from them is a key priority;
 - Return on investment. The Council and its public sector partners who are investing in the new fibre infrastructure need to be confident that it will bring the benefits outlined above and others to their residents and businesses. In addition, there is a revenue sharing mechanism within the contract with BT, which will see funds recouped by the County Council should take-up through the new fibre infrastructure exceed a threshold (set nationally at 20%). The amount of revenue that can be shared increases proportionately with the take-up rate achieved through the programme, but it must be reinvested in digital-based projects
7. Given the above, the BBfN team have designed a demand stimulation package with a community outreach focus. Activity will be targeted at locations as their fibre infrastructure becomes live, thus maximising the opportunities for positive PR for the programme and capturing potential customers' interest from the outset.
8. Activities will include events/seminars, which will be aimed at both households and local businesses and will be tailored as such, raising awareness of the benefits of fibre broadband and how to access the new network. Innovative projects will also be delivered to engage local communities, such as 'App' competitions and school-based activities.
9. Alongside this, more structured engagement will take place with key stakeholders within the targeted communities, particularly with our Parish Council partners and other local support networks, which will be able to help us raise awareness within their areas.
10. A further key element to the demand stimulation package will be the development of the Digital Champions network. This will provide a network of local hubs and willing volunteers, which will provide support for those looking to do more online. Work has already begun in recruiting Digital Champions and the demand stimulation work will take this on to the next stage.

11. Although some activity is already underway, a detailed plan for the demand stimulation package is being devised and will be shared with the Economic Development Committee at a future meeting.

Staffing proposal

12. In order to deliver the demand stimulation package, it is proposed to establish one new post of Broadband Engagement Officer. Core activities of the post-holder will include:
 - Working with the broadband team to drive up the demand for broadband amongst citizens and businesses, and to follow up leads generated
 - Generating and stimulating interest in the programme within rural settlements and the catchment area;
 - Undertaking outreach work within villages and with Parish Councils to inform communities about the programme, the aspirations, and the opportunities to become engaged with the delivery of the programme;
 - Encouraging the development of community groups with shared objectives within each community;
 - Establishing a Local Community Champion Network for all groups to meet and exchange experience and ideas to support their projects with regular network events;
 - Executing target plans that will meet or exceed the take-up targets provided by project management
 - Building relationships with service providers and businesses to help overcome any difficulties experienced with take up of broadband
 - Organising and running events designed to drive the take-up, and use of, broadband services
 - Delivering presentations to businesses and other interested groups, and managing Q&A sessions
 - Designing innovative interventions with the aim of stimulating take-up of broadband services, such as designing cabinet sticker competitions with local schools
 - Preparing reports showing activity each month including contacts, number of sign ups, all relevant business data and individual target achievement
13. The post will be full-time, fixed term until March 2016 initially, with the potential for it to be extended to March 2017 subject to delivery timescales associated with the Superfast Extension Programme. The post has been indicatively graded by the JE team at Band A (£24,892 – £28,922).
14. Subject to Committee approval, the post will be advertised at the end of September. Allowing for recruitment timescales and possible notice periods, it is anticipated that a post-holder would start this work in the early part of 2015.

Reason(s) for Recommendations

15. The creation of new posts within the Economic Development Service requires this Committee's consideration and approval.

Statutory and Policy Implications

16. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described in the report.

Financial implications

17. The demand stimulation budget currently stands at £100,000 (£50,000 previously approved by this Committee and £50,000 from D2N2 Local Enterprise Partnership). The estimated costs of this post in 2014-15 (assuming a January start) are £8,607, rising to £34,427 for the full financial year 2015-16. Total costs, therefore, of £43,034.
18. The remaining budget for demand stimulation will be allocated against activity as outlined in points 7 to 11 above.
19. Further resource requirements for the demand stimulation programme will be assessed ahead of Committee's consideration of its delivery plan and budget for 2015-16 in March 2015.

RECOMMENDATIONS

20. It is recommended that Committee approves the establishment of the Broadband Engagement Officer post as outlined in this report.

Report of the Group Manager, Corporate Strategy, Celia Morris

For any enquiries about this report please contact: James Mann, 72686

Constitutional Comments [SLB 02/09/2014]

Economic Development Committee is the appropriate body to consider the content of this report. The Council's Employment Procedure Rules require changes to staffing structure to be subject to HR advice and consultation with the recognised trade unions.

Financial Comments [SEM 28.8.14.]

The financial implications are set out in the report.

Background Papers

Report to Economic Development Committee, 11th March 2011 – Economic Development Strategy: Delivery Plan and Budget 2014-15
Quarterly reports to Economic Development Committee on Better Broadband for Nottinghamshire programme

Electoral Division(s) and Member(s) Affected

ALL

16th September 2014**Agenda Item: 8****REPORT OF GROUP MANAGER, CORPORATE STRATEGY****REGIONAL GROWTH FUND – ROUND 6****Purpose of the Report**

1. To consider the announcement regarding Round 6 of the Government's Regional Growth Fund (RGF6) and the potential to offer support to a programme bid being developed by local partners by the 30th September deadline.

Background

2. The RGF is now a long-established fund developed and run by the Government, seeking bids either directly from individual businesses meeting certain terms and conditions for +£1M levels of grant investment, designed to support businesses grow and create jobs or bids from private sector led partners seeking to secure a set amount of RGF investment into a local programme of support targeted upon a specific geographical area and / or particular local growth opportunities, usually with lower levels of intervention to support small or medium sized businesses.
3. Overall the Government has allocated £3.2Bn towards the RGF and Rounds 1 to 5 have supported over 400 projects and programmes across England – allocating £2.9Bn of support, which is projected to deliver 573,000 jobs and £16Bn of private investment between now and the mid- 2020's. To date, around £750M of this support has actually been drawn down by companies, delivering 90,000 jobs and £1.8Bn of private investment.

RGF's Operation Locally and RGF6

4. Round 6 opened on the 19th June 2014 with £200M of RGF support being made available. Round 6 remains focused on the private sector and bids will only be accepted from private organisations, such as limited companies and universities. Generally, the availability of RGF for individual applications has been publicised through national and local press and business intermediary organisations. The Economic Development Team has done the same through its partnership activity and relationships with individual businesses and groups.
5. Currently there are a number of RGF sponsored programmes from previous rounds in operation within and / or impacting on the County which may be summarised as follows:
 - Unlocking Investment for Growth (UI4G) run by EMB Ltd on behalf of the D2N2 Local Enterprise Partnership (LEP). Operational across the LEP area. Minimum grant level of £50,000 with a maximum of £500,000 but with a maximum intervention of 25% of

the total costs. Sector focused in line with the LEP's 6 key sectors. The programme is financially operational until March 2015.

- N'Tech Funding, run by Nottingham City Council and operational across the Nottingham Travel-to-Work Area. Minimum grant level of £20,000 with a maximum of £1M. Sector focused on life sciences, digital content and clean technology. Financially operational until March 2015.
 - Unlocking Business Investment, run by the Sheffield City Region (SCR) LEP and operational across the SCR area and hence within the Bassetlaw District. Minimum grant level of £25,000 with a maximum of £2M. Similar to the above schemes but with no specific sector focus. Financially operational until March 2015.
6. All of the above funds are required to operate within the context of State aid, thus the level of eligible investment varies depending upon the size of the company (be it a small, medium or large enterprise) the type of business and whether it is located within an Assisted Area. Operationally, all funds' decisions are based on the number of new sustainable and private sector jobs created; the level of private sector leverage involved; additionality and impact ie growth and not displacement; deliverability and an ability to have an immediate impact and appropriate risk profile as well as offering value for (public) money.
7. RGF's impact on Nottinghamshire to date may be summarised as follows. Since its inception, two individual large scale awards have been made to companies in the County with a total of 7 awards offered via the 3 programmes referenced in paragraph 6 above.
8. Generally, as finance directed towards growth businesses, RGF has an important place in the range of other support available and arguably the smaller scale, locally flexible programme schemes offer more ready and appropriate access to finance to the County's burgeoning smaller and medium sized enterprises. It will be noted that the above programme schemes are due to cease by March next year; in effect, many of the above Funds are unlikely to be taking on new applications after the end of this calendar year, given the due process required to be undertaken in assessing new applications.
9. Further, as referenced at paragraph 4, applications for programme submissions under RGF6 – be they for extensions or new activity – may only be received from the private sector. Given this position, a series of informal discussions are taking place with established partners and those operating existing programmes to explore possibilities for new / extended operations.

Draft RGF6 Proposal

10. At the time of drafting this report, the discussions continue and an update will be offered at the Committee meeting but as it stands, it is anticipated that a private sector partnership bid is developed that will cover Nottingham and Nottinghamshire. The leadership of the bid will be undertaken by the University of Nottingham, who would be the accountable body for a programme with EMB Ltd being the delivery partner. A bid of circa £10M - £12M is being prepared with a potential focus on business sectors and drivers for economic growth in the City and County. The wider parameters are as broadly referenced in paragraph 6 above which are standard to RGF programmes.

11. Through the Economic Development team, encouragement has been offered to the private sector lead partners to develop a submission which may benefit the County's business development and growth. The team has also liaised with other partners including the District Councils to explore linkages and secure consensus alongside the influencing of any proposed criteria. Given the private sector focus, liaison with business sector partners principally via the Nottinghamshire Business Engagement Group is being undertaken, seeking indications of potential demand and their members' likely ambitions for expansion. Again, an update will be offered to members at the Committee meeting.
12. The RGF process has in the past few years introduced "eRGF" essentially being emergency RGF for sudden economic shocks. Given the position regarding recent large scale redundancies in the Nottinghamshire area (as reported to the previous Committee meeting) it may be appropriate to ensure there is a cross-reference to this in any submission made. A previous RGF programme in the Derby area was agreed in part as a response to the problems at Bombardier.
13. Comparing RGF 6 and the Nottinghamshire County Council Economic Development Capital Fund, the levels of grant differ. Awards from the NEDCF are between £20,000 and £160,000 (typically) whereas RGF 6 is between £50,000 and £1million. RGF 6 is only open to applications from the private sector whereas NEDCF is open to both public and private sector organisations as long as the outcome is the creation of private sector jobs. It is important to note that both funds are subject to state aid rules and can't be combined.
14. During these on-going discussions, it has been proposed that letters of support be offered by the key partners and it is proposed that this Council writes in support of the application for programme resources from RGF6. At the time of writing this report, there is clearly further detail to be developed but this Committee's views in principle are sought. It is likely that the finalisation of the bid to Government will only be achieved close to the September 30th deadline and, subject to members' agreement in principle to offer a letter of support, it is proposed this Committee therefore authorises the Corporate Director for Policy, Planning & Corporate Services to finalise a letter of support, in consultation with the Chair of the Committee.

Other Options Considered

15. The Committee may choose not to support the development of the RGF6 submission and hence not write in support of the submission.

Conclusions

16. RGF6 represents an opportunity to secure an investment pot for supporting Nottingham and Nottinghamshire businesses to expand and grow. The involvement of the private sector and of higher education with experience of running and managing business investment programmes, especially those previously securing RGF offers an opportunity to build a new programme built on solid and credible foundations. While not a formal partner in the submission, this Council can offer a supportive role, facilitating business engagement and supporting its area of focus and operation.

Statutory and Policy Implications

17. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

18. There are no direct financial implications associated with this report.

RECOMMENDATION/S

19. It is recommended that :

- a) the Economic Development Committee welcomes the development of a collaborative RGF6 submission and agrees that the Economic Development team continues to support its development with partners;
- b) a letter of support be provided and this Committee authorises the Corporate Director for Policy, Planning & Corporate Services to finalise its content, in consultation with the Chair of the Committee.

Report of the Group Manager, Corporate Strategy, Celia Morris

For any enquiries about this report please contact Geoff George extension 72046

Constitutional Comments [SLB 03/09/2014]

Economic Development Committee is the appropriate body to consider the content of this report.

Financial Comments [GB – 27/08/2014]

There are no specific financial implications arising directly from this report.

Background Papers and Published Documents

Further details of the RGF6 are available at <https://www.gov.uk/understanding-the-regional-growth-fund>

Electoral Division(s) and Member(s) Affected

All

16 September 2014**Agenda Item: 9****REPORT OF CORPORATE DIRECTOR, POLICY, PLANNING AND
CORPORATE SERVICES****WORK PROGRAMME****Purpose of the Report**

1. To consider the Committee's work programme for 2014/15.

Information and Advice

2. The County Council requires each committee to maintain a work programme. The work programme will assist the management of the committee's agenda, the scheduling of the committee's business and forward planning. The work programme will be updated and reviewed at each pre-agenda meeting and committee meeting. Any member of the committee is able to suggest items for possible inclusion.
3. The attached work programme has been drafted in consultation with the Chairman and Vice-Chairman, and includes items which can be anticipated at the present time. Other items will be added to the programme as they are identified.
4. As part of the transparency introduced by the new committee arrangements, committees are expected to review day to day operational decisions made by officers using their delegated powers. It is anticipated that the committee will wish to commission periodic reports on such decisions. The committee is therefore requested to identify activities on which it would like to receive reports for inclusion in the work programme. It may be that the presentations about activities in the committee's remit will help to inform this.
5. The work programme already includes a number of reports on items suggested by the committee.

Other Options Considered

6. None.

Reason/s for Recommendation/s

7. To assist the committee in preparing its work programme.

Statutory and Policy Implications

8. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That the committee's work programme be noted, and consideration be given to any changes which the Committee wishes to make.

Jayne Francis-Ward
Corporate Director, Policy, Planning and Corporate Services

For any enquiries about this report please contact: Martin Gately x 72826

Constitutional Comments (HD)

1. The Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

Financial Comments (PS)

2. There are no direct financial implications arising from the contents of this report. Any future reports to Committee on operational activities and officer working groups, will contain relevant financial information and comments.

Background Papers

None.

Electoral Division(s) and Member(s) Affected

All

ECONOMIC DEVELOPMENT COMMITTEE - WORK PROGRAMME

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>For Decision or Information ?</u>	<u>Lead Officer</u>	<u>Report Author</u>
14 October 2014				
Meeting cancelled				
18 November 2014				
Key account management – performance update	To consider the annual performance report for the Key Account Management approach to business engagement.	Information (possible decision)	Matt Lockley	Mandy Ramm
NBV business start-up project	Opportunity for Members to meet some of the start-up businesses who have been supported through the NBV contract.	Information	Fiona Anderson	Fiona Anderson
N2 Skills and Employment Board	To receive a progress update on the recently established N2 Skills and Employment Board and its future priorities.	Information	Celia Morris	Celia Morris
Nottinghamshire LEADER programmes	To update Committee on the two bids for LEADER programmes in Nottinghamshire.	Information (possible decision)	Mandy Ramm	Mandy Ramm
Place Marketing	To consider proposals for the future of Place Marketing	Decision	Celia Morris	Celia Morris
Better Broadband for Nottinghamshire – progress update	Update on the roll-out and phase two / three of the programme and on the outcome of the Superfast Extension application.	Information	Nicola McCoy Brown	Nicola McCoy Brown
Economic Development Strategy – delivery plan and budget 2014-15	To consider performance against the delivery plan and budget for 2014-15.	Information (possible decision)	Celia Morris	Matt Lockley
Youth Employment Strategy – progress update	To receive a progress update on the two projects funded through the Council's Youth Employment Strategy budget	Information	Fiona Anderson	Trish Adams
SPARK Nottinghamshire evaluation	To receive the evaluation of the SPARK Nottinghamshire programme, funded through the Economic Development Committee.	Information	Hilary Porter	Hilary Porter
6 January 2015				
Nottinghamshire Business Investment Zones		Information	Geoff George	Hilary Porter

