

1st July 2014**Agenda Item: 5****REPORT OF THE GROUP MANAGER, CORPORATE STRATEGY****UPDATE ON D2N2 STRATEGIC ECONOMIC PLAN AND LOCAL GROWTH
DEAL****Purpose of the Report**

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

Information and advice

2. At its meeting in May, Committee considered a report on the D2N2 Strategic Economic Plan and capital schemes that had been put forward for investment in 2015-16 and 2016-17. Members were subsequently provided a copy of the detailed D2N2 'Deal Sheet' which outlined 28 priority schemes from across D2N2 which will form the basis of the Local Growth Deal. A copy of the Deal Sheet is appended to this report for information.
3. Since the Committee meeting in May, intensive negotiations have continued between D2N2, scheme sponsors and the Government. Scheme sponsors have been asked to provide much more detailed information to support business cases for investment, particularly where deliverability, value for money and the impact of investment (i.e. acceleration of schemes) is concerned. These negotiations continue to shape the Local Growth Deal, which is expected to be announced on 7th July.
4. The City of Nottingham and Nottinghamshire Economic Prosperity Committee met on 23rd May and discussed the Strategic Economic Plan and Deal Sheet. The Chair and Chief Executive of the D2N2 Local Enterprise Partnership attended. The Leader of the County Council and Leaders from Nottinghamshire's Borough and District Councils raised a number of concerns with the Chair of D2N2 in terms of how the prioritisation of schemes had been managed, given that the emphasis in the Deal Sheet had shifted from the priority list of schemes previously agreed by the Economic Prosperity Committee. It was agreed that whilst the process had been imperfect, the Deal Sheet reflected significant input from private sector D2N2 board members.
5. The Leader of the County Council continues to press the D2N2 board on the transparency of the decision-making processes and the perceived city bias of much of D2N2's work. These points were emphasised again at the D2N2 board on 3rd June.

6. Nottinghamshire schemes which feature in the Deal Sheet remain as previously outlined to Committee:
 - Newark Southern Link Road
 - Vision University Centre, Mansfield
 - Sherwood Growth Corridor (Mansfield—Ashfield Regeneration Route) / Lindhurst
 - Harworth access improvements
 - A46 Corridor
 - Rolls Royce, Hucknall
 - Nottingham – Lincoln Rail Service Improvements
7. In addition to these projects, contributions towards the broadband ‘Superfast Extension Programme’ for both Derbyshire and Nottinghamshire are proposed should there be sufficient Local Growth Deal resources. Existing D2N2 commitments to the Gedling Access Road and A57/A60 improvements are confirmed, alongside cross-cutting priorities such as the electrification of Midland Mainline.
8. Beyond 2016-17, a longer list of potential infrastructure schemes is referenced in the D2N2 Strategic Economic Plan. These cover housing and transport infrastructure projects up to 2020.

Next steps

9. As noted above, the Government’s intention is to announce Local Growth Deals for all 39 Local Enterprise Partnerships on 7th July. D2N2 is hosting an annual conference at the Nottingham Enterprise Zone on 18th July, which would enable the formal launch of the D2N2 Growth Deal to take place, should the Government meet its 7th July target date.
10. Members of this Committee are encouraged to attend the D2N2 annual conference. Places are free and can be booked through the Derbyshire and Nottinghamshire Chamber of Commerce website: <http://www.dncc.co.uk/events/4774/d2n2-local-enterprise-partnership-annual-conference>.
11. A further update on the D2N2 Strategic Economic Plan and Local Growth Deal is scheduled for the September meeting of Economic Development Committee. Members may wish to consider whether to invite the Chief Executive of the D2N2 Local Enterprise Partnership to attend.

Reason(s) for Recommendations

12. At its June meeting, Committee requested an update on the D2N2 Strategic Economic Plan and Local Growth Deal.

Statutory and Policy Implications

13. 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

14. There are no direct financial implications arising from this report, although Committee may wish to note that major transport infrastructure schemes prioritised by the Council may attract investment through the D2N2 Strategic Economic Plan. In addition, there will be further opportunities to bid for funds through the Local Growth Deal and EU funding streams once these come on line in 2015.

RECOMMENDATIONS

15. It is recommended that Committee:
- (i) notes the latest information in relation to the D2N2 Strategic Economic Plan and Local Growth Deal;
 - (ii) approves the attendance of Members of the Committee at the D2N2 Annual Conference;
 - (iii) invites the Chief Executive of D2N2, David Ralph, to attend the September meeting of Committee for a further update

Report of the Group Manager, Corporate Strategy, Celia Morris

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

Constitutional Comments [SLB 18.06.2014]

This report is for noting only.

Financial Comments [SEM 19/06/2014]

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

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

Electoral Division(s) and Member(s) Affected

ALL