

## **Economic Development Committee**

**Tuesday, 03 November 2015 at 14:00**

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

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### **AGENDA**

- |   |  |         |
|---|--|---------|
| 1 | Minutes of the last meeting held on 8 September 2015   | 3 - 6   |
| 2 | Apologies for Absence  |         |
| 3 | Declarations of Interests by Members and Officers:- (see note below)<br>(a) Disclosable Pecuniary Interests<br>(b) Private Interests (pecuniary and non-pecuniary) |         |
| 4 | The Proposed Robin Hood Enterprise Zone  | 7 - 12  |
| 5 | Better Broadband for Nottinghamshire Update on the Rollout   | 13 - 26 |
| 6 | The D2N2 Growth Hub  | 27 - 30 |
| 7 | European Structural and Investment Fund Support for Technical Assistance Bid   | 31 - 34 |
| 8 | European Structural and Investment Fund Update   | 35 - 40 |
| 9 | Work Programme   | 41 - 44 |

### **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	8 September 2015 (commencing at 2.00 pm)

### Membership

Persons absent are marked with `A`

### COUNCILLORS

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

A	Stan Heptinstall	John Knight
	John Ogle	Michael Payne
A	Keith Walker	John Wilmott
	Gordon Wheeler	
A	Alan Rhodes (Ex-Officio)	

### CO-OPTED MEMBERS

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

### OFFICERS IN ATTENDANCE

Celia Morris	- Place
Geoff George	- Place
Mandy Ramm	- Place
Fiona Anderson	- Place
Nicola McCoy-Brown	- Place
Martin Gately	- Resources
Craig Edson	- Place

### OTHER ATTENDEES

Holly Campbell – Work Placement

## **CHANGES IN MEMBERSHIP**

None.

## **MINUTES**

The minutes of the last meeting held on 7 July 2015 were confirmed and signed by the Chairman.

## **APOLOGIES FOR ABSENCE**

Apologies had been received from Councillor Keith Walker.

## **DECLARATIONS OF INTEREST**

None.

## **NOTTINGHAMSHIRE LEADER PROGRAMME – STATUS UPDATE**

Mandy Ramm introduced the status update on the Nottinghamshire LEADER Programme.

### **RESOLVED 2015/035**

That the report be noted.

## **EUROPEAN STRUCTURAL INVESTMENT FUND: ERDF ICT FUNDING CALL**

Nicola McCoy-Brown introduced the report on the European Structural Investment Fund.

### **RESOLVED 2015/036**

- 1) That the submission of an outline application under the D2N2 ERDF ICT Call be approved.
- 2) That a contribution to the required match funding package be approved in principle.

## **NOTTINGHAMSHIRE ECONOMIC DEVELOPMENT CAPITAL FUND**

Trish Adams introduced the report on the Economic Development Capital Fund.

### **RESOLVED 2015/037**

That the report be noted.

## **MANSFIELD TOWNSCAPE HERITAGE PROJECT**

Celia Morris introduced the report on the Mansfield Townscape Heritage Project.

### **RESOLVED 2015/038**

That the application to the Heritage Lottery Fund and match funding contribution of £45,000 towards project costs be supported.

### **FINANCIAL SUPPORT FOR NOTTINGHAM AND NOTTINGHAMSHIRE SKILLS AND EMPLOYMENT BOARD**

Celia Morris introduced the report on Financial Support for Nottingham and Nottinghamshire Skills and Employment Board.

### **RESOLVED 2015/039**

That support of the N2 Skills and Employment Board be approved, along with a financial contribution of £20,000 in 2016-17.

### **MARKETING NOTTINGHAM AND NOTTINGHAMSHIRE - FUNDING**

Celia Morris introduced the report on the funding of Marketing Nottingham and Nottinghamshire.

### **RESOLVED 2015/040**

- 1) That a three year funding arrangement with Marketing Nottingham and Nottinghamshire from 1<sup>st</sup> October 2015 to 31<sup>st</sup> September 2018 be entered into with a contribution of £200k per year
- 2) That six monthly reports detailing the progress being made against the outcomes and the delivery of the Place Marketing Strategy be considered by the Economic Development Committee.

### **RENEWAL OF BEESTON BUSINESS IMPROVEMENT DISTRICT (BID) FOR 2016-2020**

Celia Morris introduced the report on the Renewal of Beeston Business Improvement District (BID) for 2016-2020.

### **RESOLVED 2015/041**

That the continuation of the Beeston BID be supported and the County Council's vote cast in favour of a second 5 year period in the renew ballot.

### **WORK PROGRAMME**

### **RESOLVED 2015/042**

That the work programme be noted.

The meeting closed at 15:00 pm [Page 5 of 44](#)

**CHAIR**

**3<sup>rd</sup> November 2015****Agenda Item: 4**

## **REPORT OF THE CORPORATE DIRECTOR, PLACE THE PROPOSED ROBIN HOOD ENTERPRISE ZONE**

### **Purpose of the Report**

1. To offer Committee an overview of a submission to Government by the D2N2 Local Enterprise Partnership (LEP) seeking the establishment of a further 3 Enterprise Zones (EZ) within the LEP area, one of which is for the Robin Hood EZ in Nottinghamshire.

### **New Call for Enterprise Zones**

2. Committee has previously considered reports on the Nottinghamshire and Derbyshire EZ, most recently at its June meeting. These reports have included details of the benefits of EZs and the general policy approach so this has not been repeated here. This report confirms that a submission has been made for a new EZ, called the Robin Hood EZ alongside two others in Derbyshire and at the time of writing, a decision is awaited from Government. A verbal update will be offered to Members on the day of the meeting.
3. Within the June 2015 Budget Statement, the Chancellor announced a new wave of Enterprise Zones (EZ) in England, being a competitive process nationally but on this occasion, focussed on a site or a number of sites within rural or small town areas. Local Enterprise Partnerships (LEP) were asked to co-ordinate the process at a local level with the Department of Communities and Local Government (DCLG) and initial submissions were invited to the D2N2 LEP by the 14<sup>th</sup> August.
4. In order to explore this opportunity, early discussions were held with potential partners including private sector developers, site owners and District Councils. The County Council's Economic Development Team took on the role of co-ordinating and drafting a submission to the LEP, comprising a set of 4 sites, namely Summit Park, Berry Hill, the former Thoresby Colliery and Sherwood Energy Village. This submission was made by the Council on behalf of the three District Councils (Ashfield, Mansfield and Newark & Sherwood) and the respective private sector partners of the sites under the title of the Robin Hood Enterprise Zone.
5. At its Board meeting on the 14<sup>th</sup> September, the D2N2 LEP prioritised the EZ submission alongside two others (both in Derbyshire) for further development and thence for inclusion within its submission to the DCLG by the 18<sup>th</sup>

September deadline. This submission has now been made and a decision is currently anticipated around the time of the Autumn Statement on the 25<sup>th</sup> November. A copy of the completed submission is available under Background Papers, with the exception of Section G of the application form which contains commercially sensitive information on the costs and related aspects of each individual site. A map of the Robin Hood EZ is attached as an Appendix to this report; the following section draws out some of the key aspects of the submission.

## Summary of the Robin Hood EZ

6. As referenced in paragraph 4, a total of four sites were agreed by the partners for inclusion within a proposed EZ and they may be summarised as follows:

Site (Developers / Owners)	EZ Size and Details
Summit Park (Sladen Estates)	Serviced site of just over 18 hectares for employment use. Located along the Mansfield / Ashfield Regeneration Route with excellent access to the M1 having great potential for logistic and general industrial uses. Summit Park is a site ready for immediate promotion and occupation with EZ status potentially available from 2016 if approved.
Berry Hill (Lindhurst Partnership)	Just under 24 hectares of employment land, part of a wider sustainable development to the south of Mansfield comprising in addition, housing, commercial centre, open space and community facilities. The EZ aspects can be brought forward in 2017.
Former Thoresby Colliery (Harworth Estates)	The former colliery has a gross size of 186 hectares, of which at this stage, just over 10 hectares is proposed as employment land. The wider site is currently the subject of master planning including proposed housing and community space. Given planning requirements and above referenced conditions of the site, this is a site for development over the longer term, with development from 2020; though some elements of employment land could be progressed more quickly.
Sherwood Energy Village (Nottinghamshire County Council)	The former Ollerton Colliery has experienced a range of issues in recent years but is partially successfully developed. The remainder of the site, subject to remediation and servicing (as well as the location of a new station for the reopened rail line) offers c.10ha for employment development from around 2019.

7. On review with the respective developers and District Councils, the EZ aspects of the sites are proposed to have business rate reductions as the incentive for employment development. Each site has its own potential for sector growth, others have opportunities or restrictions which may limit the density of development but overall, a minimum job potential of over 4,000 looks to be



appropriate, with over 10,000 jobs potentially achievable if all the sites are fully developed in time.

8. Business rates growth will be secured for the LEP for re-investment in the sites as required to further stimulate growth or to address infrastructure / service investment where required. It will be noted from the above sites that the phasing allows for certain sites to come forward quicker than others with the rates growth potentially rolling forward for investment in sites where significant remediation and servicing may be required.
9. The EZ submission to Government was set within a wider strategic economic context, reflecting on its potential contribution to support the D2N2 LEP's Strategic Economic Plan and how the EZ formed part of a wider set of plans and projects for the economic renewal of the wider area.
10. Perhaps of most significance is the relationship with the proposed reopening of the Robin Hood Line from Shirebrook junction through Warsop, Edwinstowe and Ollerton. While not the subject of the bid for the EZ, the submission made strong reference to the proposed re-opening of the line to passenger traffic, reinforcing the mutually supportive economic impact. A report on this issue was taken to the Council's Transport and Highways Committee in October which reflected on the case-building for the reopening of the rail line and the capital and revenue implications, alongside potential sources of finance. At its meeting in July 2015, this Committee agreed a minimum of £40,000 from its budget towards the development of Growth Deal and other potential submissions. Discussions continue with Transport and Highways about how best to support the economic impact assessment of the rail project should a Growth Deal submission be made.
11. More generally, the EZ submission made reference to the following as part of the wider strategic economic context:
  - The potential EZ and Robin Hood Line reopening together offer a significant economic catalyst to an area making positive economic progress following traditional industrial decline and specifically, given the legacy of coal-mining related issues;
  - The above referenced EZ sites plus others along the corridor offer an opportunity to bring forward mixed use residential and employment opportunities;
  - The direct rail access to the sites at Thoresby and Sherwood Energy Village may offer inward investment opportunities to particular companies seeking such transportation requirements;
  - Based on local intelligence and evidence from key sector growth patterns, demand for employment space looks positive and the case for the EZ status reflects this;
  - The rail line reopening offers an opportunity for inward commuting to support access to employment opportunities and increase sustainable travel options to the wider tourism and visitor economy offer – including to the new Sherwood Forest Visitor Centre;

- The Line would also offer an opportunity of residents along the route to access employment opportunities within the conurbations in Mansfield, Nottingham and Sheffield;
  - The capital investment offered by both the EZ sites and the extended Robin Hood Line directly could usefully be exploited to offer related skills training and employment packages to directly benefit the local communities, many of whom continue to experience unemployment rates and skills deficits above Nottinghamshire averages;
  - In the longer term, the development of the freight link from Kirkby to Toton potentially affords the area a possible direct rail link to the HS2 Hub.
12. It should be noted that of the 3 EZ submissions made to Government by the D2N2 LEP, the Board ranked the Robin Hood EZ as third of three and wider, EZ submissions were made by other LEPs across England. It is therefore a highly competitive process but the development partners feel however that they have a strong case and a decision is awaited.

### **Reason(s) for Recommendations**

13. This report is offered to support the Committee's understanding of the submission made for an EZ which is a key part of the Government's growth policy and of importance to the D2N2 LEP and its partners in delivering jobs and investment.

### **Statutory and Policy Implications**

14. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, 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 within the body of the report.

## **RECOMMENDATIONS**

15. It is recommended that Committee notes the contents of the report.

**Tim Gregory**  
**Corporate Director, Place**

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

**Constitutional Comments**  
 This report is for noting only.

**Financial Comments [SES 20.10.20.15]**  
 There are no specific financial implications arising directly from this report

**Background Papers**  
 The Robin Hood Enterprise Zone – A Submission to Government (September 2015)

**Electoral Division(s) and Member(s) Affected**

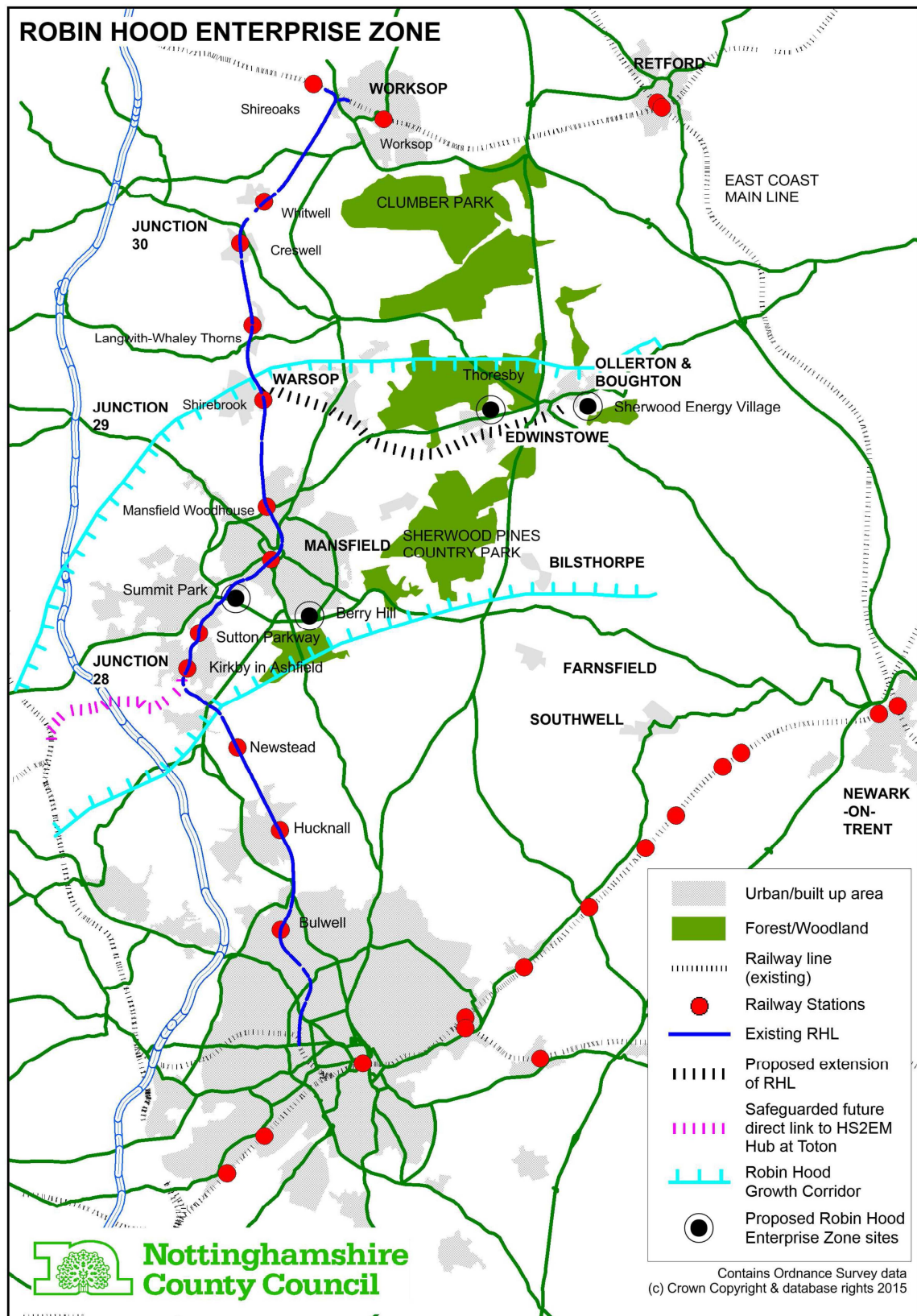
Summit Park – Sutton-in-Ashfield East Division

Berry Hill – South Mansfield and East Mansfield Divisions

Thoresby – Rufford Division

Sherwood Energy Village – Ollerton Division

## Appendix



**3<sup>rd</sup> November 2015****Agenda Item: 5****REPORT OF THE CORPORATE DIRECTOR, PLACE****BETTER BROADBAND FOR NOTTINGHAMSHIRE – QUARTERLY  
UPDATE ON THE ROLLOUT****Purpose of the Report**

1. This report provides the regular quarterly update for Economic Development Committee on the Better Broadband for Nottinghamshire programme (BBfN) covering:
  - a) progress to date (technology deployed, take-up and value for money);
  - b) the Ministerial commitment to have universal availability of basic broadband by the end of the year;
  - c) contract 2 update and an indicative view of reaching 100% coverage;
  - d) an update on the Business Broadband Connection Scheme, the Nottinghamshire Digital Champion Network and the Stakeholder Engagement Strategy.
2. This report also provides details on a response submitted under the urgency procedure to the Culture, Media and Sport Select Committee's inquiry into world-class connectivity in the UK.

**Information and advice***Progress to date*

3. Nottinghamshire recently came in the top three counties for superfast broadband, according to a league table created by the Country Land and Business Association (CLA)<sup>1</sup>. The CLA, which represents landowners, farmers and rural businesses, scored counties on digital connectivity – broken down into scores for superfast broadband and 3G coverage – for its Rural Business County League Table. Nottinghamshire neared the top of the table for superfast broadband, scoring 11.9 out of 15 alongside West Sussex, with just Hertfordshire and Surrey scoring higher.

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<sup>1</sup> <https://www.cable.co.uk/news/rural-businesses-losing-out-in-broadband-and-mobile-postcode-lottery-700001029/>

4. Since the first cabinet was set up in June last year, engineers from BT's local network business, Openreach, have been working very hard on rolling out the technology at a very high pace, reaching more premises every week. It's worth remembering that without the multi-million pound public and private sector investment in this programme, people living and working in these areas would not have access to superfast broadband services – leaving major chunks of the county behind.
5. More than 57,000 homes and businesses are now able to access a fibre broadband network - thanks to the incredible progress of the Better Broadband for Nottinghamshire programme (BBfN). This milestone marks a significant achievement within the first stage of this ambitious programme, led by Nottinghamshire County Council in partnership with BT.
6. This report is being published at a time when Contract 1 of BBfN is set to complete, as planned, by the end of March 2016. Meanwhile for Contract 2, advanced discussions are underway with BT to bring forward the delivery to commence in April 2016.
7. So far, more than 320 green roadside fibre cabinets have been installed, connected and switched on and by September 2015 more than 300km of optical fibre cable had been rolled out – almost enough to stretch from Nottinghamshire to Edinburgh.
8. When this major fibre roll out is complete in 2018 (alongside the private sector's commercial rollout), over 98% of premises in the county will be able to take up superfast broadband services. The benefits to families and businesses will be transformational.
9. To access the benefits of superfast broadband, residents and businesses should contact their internet service provider and enquire about an upgrade - it will not happen automatically.

*Technology deployed - All in One Cabinets – the Onesie*

10. On the programme's first anniversary in August, the first 'All in One' fibre broadband cabinet in the market town of Warsop was switched on. The 'Warsop onesie' (pictured below) combines the existing copper service with the new fibre technology into one cabinet and helps reduce the number of street cabinets, as well as being less expensive to maintain.



Photograph of Warsop Exchange  
(All In One) Cabinet 15

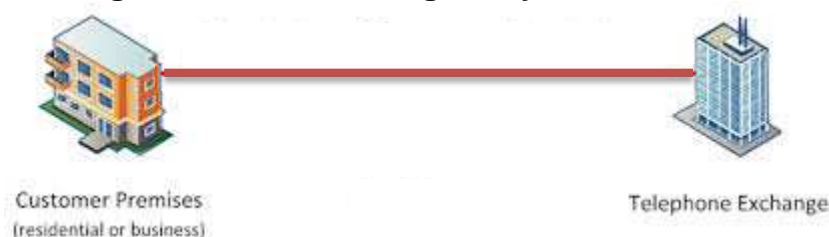


11. Further 'onesie' cabinets are planned for the following exchange areas: Arkwright, Bawtry, Beeston, Caunton, Dunham on Trent, East Bridgford, East Stoke, Edwalton, Hucknall, Mansfield, Misterton, New Ollerton, Newark, Plumtree, Radcliffe on Trent, Retford, Saxilby, Tuxford, Warsop, Whatton and Worksop.

Technology deployed - Exchange Only Lines (EOLs)

12. Lately, BBfN has started to tackle premises served by an Exchange Only Line (EOL). In an EOL setup, the copper phone line for a home or business is connected directly to a telephone exchange and does not go through a local street cabinet.
13. Regrettably, EOLs are common in rural as well as some urban areas. Upgrading EOLs can be very expensive because BT Openreach needs to reconstruct part of the local infrastructure and build new street cabinets from scratch, which is a lot more work than their usual approach of upgrading existing cabinets with a new 'up to' 80Mbps<sup>2</sup> capable Fibre to the Cabinet (FTTC) twin. In the future it is possible that Fibre-to-the-Basement (FTTB) and Fibre-to-the-Remote-Node (FTTrN) may provide for a cheaper fix, but those are still going through trials.
14. Following months of planning, EOL work has completed on the following Exchange areas of: Arkwright, Arnold, Basford, Bawtry, Beeston, Bilsthorpe, Bingham, Bleasby, Blyth, Burton Joyce, Caunton, Collingham, Cotgrave, Dunham on Trent, East Bridgford, East Leake, East Stoke, Edwalton, Edwinstowe, Farnsfield, Gedling, Gotham, Hathern, Hucknall, Kimberley, Kinoulton, Kirkby in Ashfield, Lowdham, Mansfield, Misterton, New Ollerton, Newark, North Carlton, Nottingham Longbow, Plumtree, Radcliffe on Trent, Ranskill, Retford, Ruddington, Sandiacre, Saunby, Saxilby, Southwell, Sutton in Ashfield, Sutton on Trent, Trentside, Tuxford, Warsop, Whatton, Woodborough and Worksop.

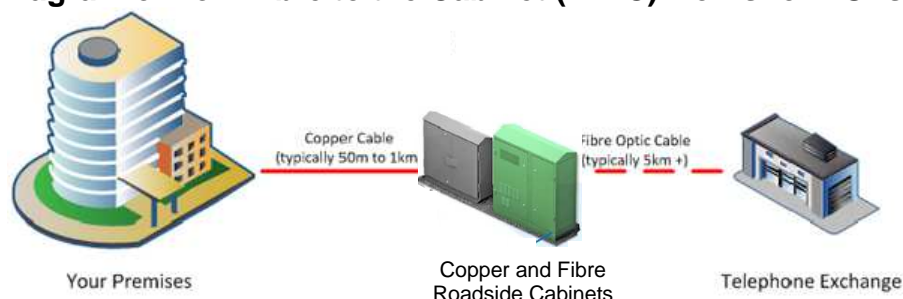
**Diagram of how Exchange Only Lines work<sup>3</sup>**



<sup>2</sup> Note: Megabit per second (Mbps) refers to the amount of information transferred through the broadband connection in a second. This is sometimes referred to as the download or upload speed.

<sup>3</sup> Adapted from [www.thinkbroadband.com](http://www.thinkbroadband.com)

### Diagram of how Fibre to the Cabinet (FTTC) works for EOLs<sup>4</sup>



#### Take-up

15. Understanding take-up is important because it links into a key gain share (clawback) clause in the contract, which requires BT to return part of the investment when adoption of the new service passes beyond the 20% mark across the investment area.
16. This could trigger a return of some of the original investment, which can then be used to extend coverage or improve service performance. This means that both BT and Nottinghamshire County Council will share the benefits of any extra profit resulting from higher take-up for the first 7 years after rollout, through the contract's gain share clause. After these 7 years, BT will keep all of the extra wholesale profit.
17. In July 2015, Broadband Delivery UK (BDUK – the government arm administering national broadband policies) confirmed take-up nationally of superfast broadband so far has been significantly faster than forecast by BT in Contract 1. As a result, the gain share mechanism has been activated in order to reinvest up to £129m across the UK.
18. The appointment of the Broadband Engagement Officer and the promotional activities undertaken by the County Council are clearly working. When placed in the national ranking<sup>5</sup>, between March and June 2015, BBfN had the biggest jump at 4.5% in take-up over that three month period which excludes any uptake achieved through purely commercial deployments.
19. Between 800 and 1,000 people every month are signing up for fibre broadband in areas where BBfN has been rolled out. Latest take-up figures published to the end of September 2015 shows that BBfN has achieved 18.56% and is edging ever closer to the crucial 20% threshold. This is significantly earlier than originally planned and as a result should mean that funds from the above-mentioned £129m pot could be made available to further extend the reach of fibre broadband across Nottinghamshire.

<sup>4</sup> Adapted from [www.onesourcecommunications.co.uk](http://www.onesourcecommunications.co.uk) and [www.ispreview.co.uk](http://www.ispreview.co.uk)

<sup>5</sup> Source: <http://www.ispreview.co.uk/index.php/2015/08/the-q2-2015-bduk-and-bt-uk-fibre-broadband-take-up-figures.html>



20. Clarifying how to make the most of such funding is a key issue for the BBfN Programme Delivery Board, particularly as Nottinghamshire County Council approaches the completion of Contract 1 and reconciles the capital expenditure.
21. Take-up performance varies across the County and there are number of reasons behind this, including: demographics, how long cabinets have been 'live' and the speed uplift delivered by the fibre solution. The table below shows take-up by district to the end of September for cabinets delivered through BBfN.

Area	Take-up
Ashfield	13.20%
Bassetlaw	23.30%
Broxtowe	9.40%
Gedling	14.90%

Area	Take-up
Mansfield	14.90%
Newark and Sherwood	19.50%
Nottingham City	10.70%
Rushcliffe	23.30%

Ministerial commitment to have universal availability of basic broadband by the end of the year

22. Unfortunately bringing coverage into some areas can be fraught with difficulty, such as the high cost of building new infrastructure and capacity. Members will recall that funds have been set aside in the contract with BT to address those premises which are unable to receive basic broadband speeds of 2Mbps and will not be brought high-speed connectivity by either commercial rollouts or the existing publicly-funded BBfN programme. This is referred to as the 'infill' commitment.
23. Two pilots for the Universal Service Commitment (USC) got underway on 28 September in West Yorkshire and Suffolk. These ran for a period of one month, during which they were scaled-up to test the process end-to-end. An evaluation and any necessary adjustments to the processes has started as BDUK want to go live with all other projects (BBfN included) who have an Infill commitment in their contract with BT by mid-December, so that the Ministerial commitment to have universal availability by the end of the year is met.
24. BBfN will be pursuing the satellite scheme and will be supported by BDUK's Project Director for Nottinghamshire to ensure that the Council is business ready to deliver the scheme to meet this timetable. BDUK will provide supporting guidance and templates to help with this.
25. Some key facts about the scheme:
- It will run for two years from December 2015
  - The initial subsidy will be £350 [covering the cost of the kit and initial connection – although it must be stressed that there will be ongoing rental costs in line with 'standard' broadband]. This will allow a first year cost to the customer for a basic satellite broadband package of not more that £400.
  - Eligible customers will be able to select the package that suits them, taking account of the service they want and the price they are willing to pay.

- Eligible premises will be those that only have access to speeds of below 2Mbps and, for those premises in the Council's deployment plan, where they have not reached the Survey and Planning stage.
- Access to the scheme is intended to be straightforward. A customer self-certifies and the County Council checks their availability and issues a subsidy code. Applicants select a retail service provider and choose a package, contacting the supplier to book an installation.

*Contract 2 update and an indicative view of reaching 100% coverage*

26. The table overleaf confirms that by the end of Contract 1, Bassetlaw, Newark and Sherwood and Rushcliffe would not have achieved 95% superfast coverage. The welcome introduction of the superfast extension programme (which we refer to as Contract 2), whilst beneficial to Rushcliffe in terms of raising its coverage to above 95%, would have meant that even with further investment, Bassetlaw and Newark & Sherwood would have been trailing behind.
27. Accordingly, additional monies were secured from BDUK, which the County Council agreed to match, to ensure that these two areas achieved 95% superfast coverage (referred to as Contract 2 phase 2). To reiterate, this money was additional to the original money identified to fund the Contract 2 build.

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
	<b>District</b>	<b>Total prems</b>	<b>Contract 1 % NGA</b>	<b>Contract 2 [excl. Phase 2 extra monies]</b>	<b>Contract 2 [incl. Phase 2 extra monies]</b>	<b>100% variance [no of premises]</b>
1	Ashfield	55,706	97%	97.98%	97.98%	1,124
2	Bassetlaw	52,864	<b>88%</b>	<b>93.19%</b>	<b>95.00%</b>	2,642
3	Broxtowe	51,601	98%	99.20%	99.20%	415
4	Gedling	53,152	99%	99.61%	99.61%	207
5	Mansfield	50,216	98%	98.73%	98.73%	637
6	Newark and Sherwood	54,470	<b>89%</b>	<b>93.19%</b>	<b>96.07%</b>	2,142
7	Nttm City Council (excl. City Centre)	129,056	97%	99.49%	99.49%	664
8	Rushcliffe	49,409	<b>92%</b>	<b>95.64%</b>	95.64%	2,153
9		<b>496,474</b>			<b>98%</b>	<b>9,983</b>

28. Residents and businesses alike can visit the council's online 'where and when' checker<sup>6</sup> to see whether their postcode is eligible for this additional funding. Unfortunately BDUK are yet to agree the mechanism for incorporating these funds.

<sup>6</sup> <http://www.nottinghamshire.gov.uk/business-employment-and-benefits/better-broadband-for-nottinghamshire-programme/where-and-when>

29. As things currently stand, the Contract 2 build is scheduled to take place between October 2016 to March 2018 so we are working hard behind the scenes to accelerate all timelines and bring forward the entire Contract 2 rollout.

#### *Business Broadband Connection Scheme*

30. The £40m national funding pot available to the Connection Vouchers Scheme is close to being fully committed and BDUK have suspended the Scheme with immediate effect. A notification has been sent to all registered suppliers.
31. In excess of 330 businesses in the County and City benefited from the scheme which provided up to £3,000 grant funding to pay for costs such as new routers and connection fees.

#### *Nottinghamshire Digital Champions Network*

32. The Nottinghamshire Digital Champions Network (NDCN) continues to gain momentum with 44 registered Digital Champions as at the end of September. The contract with Digital Unite remains on track to exceed the expected profile of the recruitment of 60 Digital Champions (DC's) by March 2016.
33. Recently the network has undergone a quality exercise to further build the relationships with the registered DC's to understand how they are feeling as a Champion and identify what further support needs they may have and also to encourage them to fully utilise the Network's courses and resources. Results from this exercise were extremely positive, with 30 Champions already working through the courses available, many of whom have already completed and are actively seeking their own learners.
34. Feedback remains positive about the Network and what it offers and as a result 2 extra events have been organised to encourage further engagement with both new and existing DCs.
35. National Get Online Week is a national campaign that took place during 12<sup>th</sup> to 18<sup>th</sup> October. To support this initiative and to further promote the network, DU organised a press release which highlighted the great work one of the Digital Champions was achieving in his community.

#### *BBfN Stakeholder Engagement Strategy*

36. Over the lifetime of the BBfN programme many individuals, businesses and groups, with an interest or involvement with the programme, will be affected by its activities and outcomes. It is essential that the stakeholders are effectively communicated within order to create positive relationships and to manage expectations.
37. A stakeholder engagement strategy has been developed to consult, collaborate and inform key groups and individuals about the benefits and opportunities being created by the BBfN programme, in particular the adoption of digital technologies. This strategy aims to engage with internal and external stakeholders to:

- Deliver relevant and consistent messages in order to increase the understanding of the BBfN programme;
- Inform and encourage consumers to take advantage of the benefits and opportunities generated by a fibre broadband network;
- Encourage public sector organisations to utilise digital technologies to transform the delivery of public services;
- Encourage digital inclusion by inspiring consumers to seek digital skills training;
- Drive superfast broadband uptake amongst consumers in order to activate the contractual claw-back mechanism thus enabling re-investment into the network;
- Enable stakeholders to engage with the BBfN programme.

38. As a result of the strategy, a number of stakeholder engagement projects will be established, which will be outlined to the Committee in future reports.

*Culture, Media and Sport Select Committee's inquiry into world-class connectivity in the UK*

39. The Culture, Media and Sport Select Committee launched an inquiry into world-class digital and telecommunications connectivity in the UK on 27<sup>th</sup> July 2015. The closing date for responses to this inquiry was 30<sup>th</sup> September 2015. Officers discussed the inquiry with the Chair of Economic Development Committee in early September and it was agreed that the County Council should submit a response.

40. A copy of the launch note for the inquiry is attached to this report (Appendix A). It outlines the key questions that the Committee will consider in developing proposals for future policy around connectivity in the UK.

41. A response was prepared and submitted by the deadline. A copy of the response is attached (Appendix B). The Leader, Chair of Economic Development Committee and the Leader of the opposition group were consulted. It was signed off through the provisions for urgent decisions by the Chief Executive (Option C, Part C of the Constitution – decision by the Chief Executive) due to the submission deadlines being outside of the Committee cycle.

### **Reasons for recommendation(s)**

42. Economic Development Committee receives a quarterly update on the Council's Better Broadband for Nottinghamshire programme and is responsible for agreeing revenue resources and staffing requirements for the programme.

### **Statutory and Policy implications**

43. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, 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 in the body of the report.

## **Financial implications**

44. Where material these are noted in the report.

## **RECOMMENDATIONS**

45. That Economic Development Committee:

- a) notes the progress of the BBfN programme and in particular the prospect of achieving 98% superfast coverage by 2018
- b) notes the Ministerial commitment to have universal availability of basic broadband by the end of the year and notes that the BBfN programme Delivery Board will consider the appropriateness of pursuing the satellite scheme
- c) welcomes the prospect of Nottinghamshire benefiting from the national gain share announcement
- d) notes the Council's response to the Culture, Media and Sport Select Committee inquiry into establishing world-class connectivity throughout the United Kingdom, which was taken as an urgent decision due to the deadlines involved.

## **Report of the Corporate Director, Place, Tim Gregory**

For any enquiries about this report please contact: Nicola M<sup>c</sup>Coy-Brown, 72580

## **Constitutional Comments [SLB 19.10.2015]**

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

## **Financial Comments [SES 20.10.2015]**

The financial implications are set out in the report.

## **Background Papers and Published Reports**

- Nottinghamshire Local Broadband Plan ([www.nottinghamshire.gov.uk/broadband](http://www.nottinghamshire.gov.uk/broadband))
- *Nottinghamshire Local Broadband Plan* – report to Full Council, 15-12-2011, published
- *Update on Nottinghamshire Local Broadband Plan* – report to Policy Committee, 20-06-2012, published
- *Response to Petitions presented to Economic Development Committee* – report to Economic Development Committee, 20-09-2012, published
- *Nottinghamshire Local Broadband Plan* – report to Full Council, 28-02-2013, published
- ERDF Funding Agreement, 14-05-2013
- Investing in Britain's future – Presented to Parliament by the Chief Secretary to the Treasury by Command of Her Majesty, 6-2013  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209279/PU1524\\_IUK\\_new\\_template.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209279/PU1524_IUK_new_template.pdf)

- *Superfast Broadband for Nottinghamshire* – report to Policy Committee 17-07-2013, published
- *Superfast Broadband for Nottinghamshire* – report to Economic Development Committee 09-07-2013, published
- UK Broadband Impact Study – Impact Report, SQW, 11-2013  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/257006/UK\\_Broadband\\_Impact\\_Study\\_-\\_Impact\\_Report\\_-\\_Nov\\_2013\\_-\\_Final.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/257006/UK_Broadband_Impact_Study_-_Impact_Report_-_Nov_2013_-_Final.pdf)
- *Better Broadband for Nottinghamshire – Resource Requirements for Delivery Phase* – report to Economic Development Committee, 12-12-2013, published
- *Better Broadband for Nottinghamshire* – report to Economic Development Committee 14-01-2014, published
- Superfast Extension Programme indicative funding allocation letter – BDUK on behalf of the Department for Culture Media and Sports, 25-2-2014, published
- *Better Broadband for Nottinghamshire – Superfast Extension Programme* – report To Economic Development Committee, 11-03-2014, published
- *Better Broadband for Nottinghamshire – Phase One* – report to Economic Development Committee, 1-4-2014, published
- *Better Broadband for Nottinghamshire Superfast Extension Programme* – report to Policy Committee, 4-6-2014, published
- *Update on D2N2 Strategic Economic Plan and Local Growth Deal* – report to Economic Development Committee, 1-7-2014, published
- *Better Broadband for Nottinghamshire – Additional Staffing Resource* – report to Economic Development Committee, 16-09-2014, published
- *Better Broadband for Nottinghamshire – quarterly update on the rollout* – report to Economic Development Committee, 18-11-2014, published
- *Better Broadband for Nottinghamshire Contract 2* – report to Policy Committee, 07-01-2015, published
- *Better Broadband for Nottinghamshire: authorisation for contract 2* – report to Economic Development Committee, 31-03-2015, published
- *Nottinghamshire Digital Champions Network* – report to Economic Development Committee, 31-03-2015, published
- *Broadband Petitions* – report to the Economic Development Committee, 31-03-2015, published
- *Better Broadband for Nottinghamshire – quarterly update on the rollout* – report to Economic Development Committee, 07-07-2015, published
- *Broadband Petition* – report to Economic Development Committee, 07-07-2015, published

#### **Electoral Division(s) and Member(s) Affected**

All



## **Appendix A**

### **Culture, Media and Sport Select Committee**

#### **Inquiry into establishing world-class connectivity throughout the UK announced**

27 July 2015

A key function of the Department of Culture, Media and Sport is to manage the delivery of the superfast broadband programme and improve digital connectivity. It is widely acknowledged that proper digital connectivity plays an essential role in people's family, social and business lives, and in their access to public services.

The Government aims to ensure that superfast broadband is available to 95% of UK premises by the end of 2017. Earlier this year the National Audit Office reported that the Government's programme was on track to meet the revised targets, with superfast broadband likely to reach 90% coverage of premises ahead of December 2016.

The Government has also intervened to improve coverage of mobile networks and Ofcom, the communications regulator, has attached coverage obligations to mobile network operators' licences. Under an agreement last year all four of the main mobile network operators agreed to a £5 billion investment programme to improve mobile infrastructure by 2017.

#### **Extending broadband coverage**

The challenge now is extending broadband coverage, including to the hardest-to-reach rural areas and pockets of poor connectivity in inner cities. The remaining 5% (approximately 1.5 million of premises) is dispersed across 70% of the UK's landmass. Approximately 1% (i.e. 20% of the final 5%) is in urban areas. Problems of connectivity and lack of access are frequently made worse by poor mobile services in the affected areas.

There is marked concern both in Parliament and among the general public that many individuals, households and businesses in these areas may never have access to adequate broadband and mobile services, and that is already having a serious impact on them and the communities around them.

#### **Inquiry into coverage, delivery and performance of superfast broadband**

In that context, the Culture, Media and Sport Committee launches an inquiry into the coverage, delivery and performance of superfast broadband in the UK, and into progress being made in extending and improving mobile coverage and services. During the course of the inquiry the Committee may also hold regional hearings to learn what challenges exist in different parts of the UK.

The Committee invites written evidence in response to the following questions:

- What role should Government, Ofcom and industry play in extending superfast broadband to hard-to-reach premises?
- Is there sufficient competition in these markets? If not, how can any market failures best be addressed given the investments already made?

- What are the commercial, financial and technical challenges the programme faces in reaching the final 5%? What technologies exist to overcome them? What investment is required, by whom and for what return?
- Given that in practice a Universal Service Obligation could not capture 100% of households, what should a USO for broadband look like?
- What are other countries doing to reach 'not-spots'? How affordable are their solutions?
- Should Government be investing more in research and development into finding innovative solutions to meet the communication needs of remote communities?
- Are BT and other communication companies investing sufficiently themselves in reaching these groups?
- What investment and progress are the mobile network operators making in improving mobile coverage across the UK and enabling a swifter process when users choose to change provider? How could these best be improved?
- How have the existing Government broadband programmes been delivered?

Respondents may of course wish to comment on other aspects relevant to these issues.

### **Chair's comments**

"Proper digital connectivity is key both to the well-being of many communities and to Britain's economic future. Yet many people and businesses are unable to receive the digital access and services they need. This inquiry is designed to find out exactly why that is, and how to fix it."

### **How to respond**

Written submissions should be sent online via the "Establishing world-class connectivity" inquiry page. The Committee accepts submissions from Monday 27 July. Submissions should be received by Wednesday 30 September 2015.



## **Appendix B**

### **Written evidence submitted by Nottinghamshire County Council**

#### **Culture, Media and Sport Select Committee: Inquiry into establishing world-class connectivity throughout the UK**

##### **Submission sent on behalf of Nottinghamshire County Council (30/09/2015)**

###### Executive summary

1. As part of the Better Broadband for Nottinghamshire Programme, Nottinghamshire County Council has adopted the BDUK Framework; contracting twice with BT in order to achieve 98% superfast coverage across the county.
2. A strong recommendation to government is for blanket superfast broadband coverage of an area, not restricting itself to County boundaries. Nottinghamshire is a rural county, but as it is in the middle of England every area in the county should be able to receive superfast broadband, being served by its neighbouring counties by an overlap system.
3. Letting 40 separate contracts has left significant gaps between the peripheries of each contract.

###### Nottinghamshire County Council response

4. In Nottinghamshire, there has been real progress however gaps persist in next generation access (NGA) network coverage. It is clear that extending a ubiquitous fixed network represents an ambitious challenge but given local and national government has now intervened twice (resulting in 98% coverage) the county is within touching distance of universal availability. However, it presents a difficult message to manage that the final 2% will be left out. There is a political will and public desire to ensure equality of access to a fixed NGA network but availability of sufficient funds has always been an issue along with the provision of cost effective innovative communications solutions. Government should also be targeting public policy intervention to ensure that all SMEs have access to suitable superfast broadband products.
5. From a wholesale network perspective, BT Openreach and Virgin Media are the predominant suppliers across Nottinghamshire. The deployment of the NGA network has opened up the superfast broadband retail market to areas previously unserved. Unfortunately, market failure remains in the unserved areas of the county. Although there are at least two wireless solutions operating across various locations throughout the county, they do not offer a state aid compliant solution.
6. While getting to some of the rural parts presents issues in relation to a legacy and ageing network and typically there are long lines to contend with, it is primarily a funding issue that is presenting an issue for addressing the final 2%. Satellite is the obvious solution but this is less cost-effective and does not offer the stability or resilience of the (preferred and future proofed) fibre-based solution. BT has been asked to issue an estimation of the cost of providing full coverage but have demonstrated reticence to providing this. It is highly probable

that further multi-million pound gap funding will be required. It is suggested that Government contract directly with the telecommunications market to address the final %. Additionally, an extension of the Broadband Voucher Scheme would offer a business-focussed solution.

7. If a USO cannot capture 100% of premises then it cannot be labelled as such. As the Digital Agenda for Europe 2020 suggests, to match world leaders like South Korea and Japan, Nottinghamshire needs download rates of 30Mbps for all of its citizens and at least 50% of households subscribing to internet connections above 100Mbps by 2020. The Government should use the 30Mbps as its USO for 2020, and should clarify what this commitment means if the Government accepts that it will not be possible to deliver to 100% of premises.
8. Further research and development is unnecessary as solutions already exist: mobile, satellite and fibre to the home. However, affordability is key to implementing these solutions.
9. Commercial providers argue that the return on investment does not stack up for the final 2-5% of UK premises. However this should be considered in the context of BT's monopoly take-up of BDUK investment and also the BT Group's annual profits, which exceeded £2.6 billion [pre-tax] in 2014.
10. It is understood that mobile network operators are committed to expanding their network and staying at the forefront of innovation. They have invested over £1 billion in both the fixed and mobile network already. The issue is that the much lauded 4G network requires a suitable fibre backhaul and for customers to have 4G enabled devices.
11. In general terms, progress of the BDUK programme has been good and in Nottinghamshire the contract is proceeding to schedule. However the artificial splitting of the BDUK scheme into 40+ separate contracts has proven to be a reckless decision by the Government, particularly given that there is a single supplier framework in place. This latter point has led to a number of issues with the monopoly provider, BT – not least the ability of individual authorities (the contract holders) to effectively challenge BT and hold them to account. BDUK's relationship with BT is also ineffective in terms of supporting contract holders to challenge BT's performance.
12. The splitting of what could have been a single national contract into 40+ smaller contracts has also meant that local authorities have had to invest significant revenue resources into contract management and in activities to promote the investment in broadband, drive take-up and address digital inclusion. Had the Government pursued a single national contract, much of this revenue expenditure (particularly at the contract/programme management level) could have been avoided or invested in further demand stimulation/digital inclusion activity.

- Ends -

**3<sup>rd</sup> November 2015****Agenda Item: 6****REPORT OF THE CORPORATE DIRECTOR, PLACE****THE D2N2 GROWTH HUB****Purpose of the Report**

1. To seek approval for a £150,000 total funding contribution over 3 years towards the D2N2 Growth Hub. The funding contribution from the Council, alongside similar contributions from Derbyshire and Nottinghamshire partners, is proposed be used to support a full application for funding from the D2N2 European Structural and Investment Fund (ESIF). In line with the ESIF application process and timeline, a decision is required on confirming the resources from the County Council.

**Background and Advice**

2. At its meeting in January 2015, this Committee considered the Council's response to the overall Strategy for the development of the Growth Hub and at its following meeting in February 2015, Members received a presentation from the D2N2 Local Enterprise Partnership (LEP), responsible for the Hub's roll-out across the area. The Growth Hub is also the subject of reports to the D2N2 LEP Board and the County Council is represented on a Steering Project Group comprising all the partners alongside the LEP.
3. Members will recall that the overall ambition of the Growth Hub is to offer a single route for quality advice and support for businesses across the LEP area. It has had to start small, with limited (1 year's) resources up to March 2016 having been secured by LEPs nationally from Government (via Growth Deal 1) to initiate the Hub's establishment. To date it has developed with the support of partners, putting in place the core "front line" service, being:
  - Information to help businesses access the right support through a comprehensive website and help line;
  - The promotion of the benefits of using business services through outreach and engagement activities;
  - Referrals to public & private services to find ways of addressing the required support by theme and / or geography.
4. The D2N2 Growth Hub website ([www.d2n2growthhub.co.uk/](http://www.d2n2growthhub.co.uk/)) contains information and signposting to all available business support plus guidance on key business basics. The Help Line offers initial advice & signposting in response to any enquiry. All activity is tracked and reviewed using a CRM

system provided through the Growth Hub, and on-going analysis of this data will facilitate continuous improvement.

5. The remaining limited resources from Government have been used to commission some additional support over the course of 2015/16, filling some gaps in support. The LEP is reviewing the support on offer and identifying where specialist support as demanded by businesses is missing or where there are business support “cold spots” across the wider geographical area.
6. Priority target beneficiaries are high growth / potential high growth businesses in the eight D2N2 key growth sectors which is where proactive support will focus, however an effective reactive service will be available to all existing businesses and individuals looking to start a business. Through both proactive & reactive engagement the Growth Hub will pursue its prime purposes of:
  - Increasing the uptake of business services, given the strong evidence that firstly, those businesses taking advantage of and implementing business support have better prospects for survival and growth than those that don’t and secondly, that take-up of business support is generally relatively low;
  - Using intelligence gained from increased interaction with businesses to identify future needs and further provision.

### **County Council Support**

7. Through previous reports to this Committee, the Council has confirmed its support for the Growth Hub model and the principle of supporting Nottinghamshire businesses access good quality comprehensive advice dependent on their specific needs. Equally, the Council has recognised that local services vary in intensity across the area and as it stands, with the limited resources for the core hub services, the Hub is limited in its reach.
8. To that end, it is proposed that support of £150,000 over three years be allocated from the Council’s Economic Development budget, commencing in the 2016/17 financial year to support a combination of core and enhanced local services in the County. This will be provided in tandem with support from other partners and will allow the services to be expanded for the benefit of business growth in Nottinghamshire.
9. The precise mix of support is to be agreed, but it will have a focus on enhancing the Hub’s offer to Nottinghamshire businesses and where appropriate, enhancing the local services across the County. At the time of writing, these resources could be commissioned via established agencies or potentially could see the employment of a member or members of staff (employed through the D2N2 Growth Hub or directly via the Council) – or a combination of the two. The detail remains under discussion but will be managed through an appropriate Agreement and subject to annual review. An annual review being required given at this time, it is uncertain whether additional resources will be secured directly via the LEP or potentially via the Devolution Deal if agreed for the future support of the Growth Hub. The following section commencing at paragraph 11 also relates.

10. In addition, it is proposed that future facilitation of the Nottinghamshire Business Engagement Group (NBEG) could be facilitated via these resources and this will be factored in to the discussions.

### **ESIF Support for the Growth Hub**

11. Members will be aware of the availability of European Structural & Investment Funds (ESIF) over 2014-20. Other reports on this Committee meeting's agenda relate but specifically here, in March 2015 the D2N2 LEP launched the first call for projects through the ESIF Programme. The call requested Expressions for Interest for submission to the Department for Communities and Local Government (CLG) by the end of May. Following the submission of an initial Expression of Interest, the D2N2 Growth Hub project has been invited to submit a full application for consideration by CLG by 5<sup>th</sup> November 2015.
12. As part of this process, applicants must confirm that the total funding package is in place including match funding contributions from delivery partners and it is proposed that the Council's funding or elements of it, if approved, be utilised to in effect double the resource available in the County. The applicant and lead partner is Nottingham City Council, working alongside delivery partners East Midlands Chamber, D2N2 LEP, Chesterfield District Council, Derbyshire Dales District Council, High Peak Borough Council, Ashfield District Council, Mansfield District Council and Derbyshire County Council in addition to Nottinghamshire County Council.
13. If approved, the project will operate over three (calendar) years (2016-18) with a total cost of £4,309,942 (£2,154,971 ERDF). At the time of drafting, the overall project proposes to deliver around 1,200 businesses assisted outputs and 300 new jobs over three years.
14. The ability to double the resources available by supporting this ESIF bid appears attractive, particularly as it allows the Council to potentially appoint two members of staff – a specialist business advisor and a business support co-ordinator – and retain the ability to commission specialist support as may be required. Subject to progression on the ESIF submission, a further report will be brought to this Committee on the establishment of the posts and the final costs. However, given the anticipated phasing and delivery, the annual budgetary breakdown of the £150,000 contribution will likely be as follows:  
  
2016/17 - £36,000; 2017/18 - £56,000; 2018/19 - £58,000
15. Meeting the terms and conditions of any ESIF award will prove challenging as will the integration via the Growth Hub of the many other likely ESIF supported business support programmes and it is therefore proposed that while confirmation of the Council's resource being used as match-funding be offered, the final signing-off of the ESIF submission be undertaken by the Corporate Director for Place in consultation with the Chair of this Committee. At the time of writing, this discussion is on-going and the latest position will be reported to the Committee. Should the bid be unsuccessful, then alternative proposals will be reviewed with the Growth Hub and partners, to be brought back to this Committee for consideration.

## **Reason(s) for Recommendations**

16. This report is offered to request approval of support towards the D2N2 Growth Hub and to ensure its delivery meets the needs and ambitions of businesses across Nottinghamshire.

## **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 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 within the body of the report.

## **RECOMMENDATIONS**

18. It is recommended that Committee :
- (a) Approves a budget allocation of £150,000 over a period of three years towards the D2N2 Growth Hub, commencing in the 2016/17 financial year, subject to the terms referenced in the report and
  - (b) Confirms that its financial commitment be used as match towards the proposed ESIF submission, subject to the conclusion of the details as referenced in the report, with the final signing-off of the ESIF submission and the budgetary phasing being undertaken by the Corporate Director for Place in consultation with the Chair of this Committee.

**Tim Gregory**  
**Corporate Director, Place**

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

### **Constitutional Comments (SLB 22/10/2015)**

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

### **Financial Comments (SES 22/10/15)**

The financial implications are set out in the report.

### **Background Papers**

D2N2 Growth Hub ESIF Expression of Interest

### **Electoral Division(s) and Member(s) Affected**

All



**3<sup>rd</sup> November 2015****Agenda Item: 7****REPORT OF THE CORPORATE DIRECTOR, PLACE****EUROPEAN STRUCTURAL AND INVESTMENT FUND (ESIF) SUPPORT  
FOR TECHNICAL ASSISTANCE BID****Purpose of the Report**

1. To seek approval for the allocation of staff time as match funding for the 3 year D2N2 European Structural and Investment Funding (ESIF) Technical Assistance proposal.
2. To seek approval for additional cash match funding of £10,000 over 3 years to support the ESIF Technical Assistance programme.
3. To seek delegated authority for the Corporate Director, Place to sign a letter of support to confirm the match funding.
4. To seek delegated authority for the Corporate Director, Place to sign a Partnership Agreement on behalf of Nottinghamshire County Council.

**Background**

3. Committee will be aware that there are two additional reports for November Economic Development Committee which relate to ESIF funding. These reports are for the D2N2 Growth Hub and associated employment and skills projects (Employ Local and Youth Engagement).
4. The D2N2 ESIF programme includes provision for Technical Assistance (TA). The purpose of Technical Assistance is to help ensure that projects funded by ESF and ERDF are designed, delivered, monitored and evaluated in compliance with European Commission and national funding regulations. From a local perspective, Technical Assistance has a key role in ensuring the delivery of the ESIF strategy across D2N2.

**Technical Assistance proposal**

5. In order to ensure that the ESIF strategy is delivered and brings the maximum added value to the D2N2 area, the LEP is seeking to establish a Technical Assistance programme. The purpose of the programme is to support applicants and potential applicants who are interested in accessing ESIF funds.

6. A consortium of partners is working with the LEP to establish the TA programme; the partners are D2N2, Nottinghamshire County Council, Nottingham City Council, Derby City Council (Accountable Body), Derbyshire County Council, East Midlands Further Education Council (EMFEC) and the Low Carbon Hub.
7. D2N2 are intending to provide initial information and advice to applicants via their website and responding to initial telephone enquiries. D2N2 envisage that the local authority and other delivery partners will provide more intensive support to applicants in areas such as:
  - Strategic project advice e.g. alignment to ESIF strategy and core delivery principles.
  - Advice on principles including project and applicant eligibility
  - Partnership development including facilitation to assist local partners to bring forward projects that are of impact and scale.
  - Capacity building including supporting applicants who are making project applications.
8. As ESIF composes of different strands of activity, it is a requirement for the LEP to submit two distinct TA applications, one for European Regional Development Fund (ERDF) and one for European Social Fund (ESF). This means that for applicants wishing to join the LEP bid, there has to be clear delineation between resources and identified match funding across these two funds.
9. In order to provide an integrated TA support role across D2N2, Nottinghamshire County Council has submitted a proposal for ERDF TA from 2016 – 2018 [calendar years] inclusive. Support for potential ESF project development will be delivered by other consortium partners.
10. The economic development team has a vacancy for half a Band C economic development officer post and is seeking approval to match this post to ERDF funding. If approved, it would mean that ERDF would contribute 50% of the staff costs and Nottinghamshire County Council would contribute the other 50% from the current staffing budget to make 1 FTE post.
11. In order to deliver the TA service, an operational budget would also be required, it is estimated that these costs would amount to £20,000 over 3 years. Half of this amount would be met by ERDF and the other half by Nottinghamshire County Council.
12. The total cost of the Nottinghamshire proposal over 3 years would be £187,288. Of this total, £93,644 would be met by ERDF and the remaining £93,644 by Nottinghamshire County Council. As noted above [paragraph 10], the bulk of this contribution (£83,644) will be met from the existing staffing budget.
13. Draft partner proposals for the three year programme were submitted to the LEP and Derby City Council [accountable body] on the 22<sup>nd</sup> September. The final deadline for the integrated consortium application is November 5<sup>th</sup> 2015.



14. As part of the application process, partners are required to submit formal letters to confirm their match funding commitment.
15. As part of the application process, Derby City Council have stated that it is their intention to request that a Partnership Agreement is signed between all parties to confirm the working arrangements and partner responsibilities. Derby City Council have requested that the Partnership Agreement is signed prior to the commencement of delivery.

### **Reason(s) for Recommendations**

16. Support for the ERDF Technical Assistance project is requested to deliver the D2N2 ESIF strategy and bring the best economic value to Nottinghamshire businesses. The allocation of the 0.5 FTE as match funding would create 1 FTE post therefore bringing additional resources into the county council's economic development service.
17. In order to deliver the Technical Assistance service, an operational budget will be required. A total budget of £20,000 over the 3 year period is a realistic amount and 50% of this cost will be recovered from ERDF.
18. It is a requirement of the bidding process that a letter of support confirming the match funding accompanies the bid. The deadline for the bid submission is November 5<sup>th</sup>.
19. Derby City Council (lead partner) have requested that a signed Partnership Agreement is in place prior to the commencement of delivery, an indicative date for signing this agreement is early December 2015.

### **Statutory and Policy Implications**

This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, 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 within the body of the report.

### **Finance implications**

The costs as set out above will be met from the existing Economic Development Committee budget over the financial years 2016-17, 2017-18 and 2018-19. Note that European funding programmes operate on a calendar year cycle, hence the project will end in Dec 2018 but there will be a requirement for budgetary provision in 2018-19.

## **RECOMMENDATIONS**

20. It is recommended that Economic Development Committee:
  - a. Approves the allocation of staff time for the 0.5 FTE Band C post as match funding for the D2N2 TA project, this will be for a three year period and

- enable the recruitment of 1 FTE post, specialising in European Regional Development Fund project development;
- b. Approves the allocation of a budget of £10,000 over the 3 year period as an operational budget to support the delivery of the TA programme. This will be matched by the ERDF TA programme creating a total operational budget of £20,000;
  - c. Approves delegated authority for the Corporate Director, Place to sign a letter of match funding support which is submitted with the partners' funding submission (deadline November 5<sup>th</sup>).
  - d. Approves delegated authority for the Corporate Director, Place to sign a Partnership Agreement prior to the commencement of delivery activities.

**Tim Gregory**  
**Corporate Director, Place**

**For any enquiries about this report please contact:**  
Fiona Anderson ext. 72688

**Constitutional Comments [SLB 21/10/2015]**

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

**Financial Comments [SES 21/10/2015]**

The financial implications are set out in the report.

**Background Papers**

**Electoral Division(s) and Member(s) Affected**

All

**3<sup>rd</sup> November 2015****Agenda Item: 8****REPORT OF THE CORPORATE DIRECTOR, PLACE****EUROPEAN STRUCTURAL AND INVESTMENT FUND (ESIF) UPDATE****Purpose of the Report**

1. To update Committee on proposals for Nottinghamshire projects under the D2N2 ESIF Employ Local and Youth Employment funding streams.
2. For the Youth Employment funding stream (Nottinghamshire, Derby and Derbyshire only), to support further work with local authorities in the county to evaluate the merits of submitting a collaborative bid including an assessment of potential delivery partners.

**Background**

3. Committee will be aware that there are two additional reports for November Economic Development Committee which relate to ESIF funding. These reports are for the D2N2 Growth Hub and ESIF Technical Assistance.
4. ESIF funds are the European Commission's primary mechanism for reducing social and economic disparities across the European Union. European Funds are intended to be utilised as 'funds of last resort' and to add value to the local area. The D2N2 ESIF Strategy 2014 -20 sets out the ambitions for the use of £214.3m of European Structural and Investment Funds in the D2N2 Local Enterprise Partnership area during the 2014-2020 period.
5. The investments comprise of:
  - a. European Regional Development Fund (ERDF) £104.4m - supports research, innovation, business development and infrastructure investment.
  - b. European Social Fund (ESF) £104.4m - supports skills, enhancing access to employment and social inclusion.
  - c. European Agricultural Fund for Rural Development £5.5m - supports economic development in rural areas.
6. The D2N2 ESIF programme is constructed of a number of themes e.g. innovation, SME competitiveness. In order to bid for activity within each theme, D2N2 releases a 'programme call' and interested parties respond on this basis.

7. European Social Fund is largely being delivered through national 'opt-ins', where national bodies will provide the 50% match required at source. For the D2N2 area the opt-in organisations are the Skills Funding Agency, Department for Work and Pensions and The Big Lottery.

## **Employ Local**

8. 'Employ Local' is a three year ESF project which is intended to support the following groups:
  - a. Individuals who have been unemployed for 6 months+
  - b. Young people aged 16 – 24 who are currently 'not in employment, education or training' (NEET)
  - c. Unemployed graduates who have not previously had a graduate level job
  - d. Individuals who originally had multiple barriers to accessing work (those assisted through other ESF projects such as 'Building Better Opportunities')
9. Nottingham City Council operates an Employer Hub model which delivers a co-ordinated, bespoke training and recruitment service. The availability of funds through the 'Employ Local' project has acted as a catalyst for Nottinghamshire partners to evaluate how such a model might be rolled out across the county to bring a high quality service to local employers and job seekers.
10. 'Employ Local' would enable the potential operation of a hub model and could bring a more collaborative, high quality recruitment and support service to local employers and job seekers which builds on best practice. The establishment of an N2 'Employment and Skills Hub' aligns with the wider vision of devolving skills funding and responsibility to the Combined Authority. Allen Graham (Chief Executive of Rushcliffe Borough Council) is leading on employment and skills activities on behalf of the Economic Prosperity Committee (EPC).
11. Allen Graham is the Chair of a working group which has been convened to prepare an N2 bid for 'Employ Local', the group is co-ordinated by Nottinghamshire County Council. The working group consists of representatives from the Department for Work and Pensions, Nottingham City Council, District and Borough Councils and Futures Advice Skills and Employment.
12. A report was taken to the EPC in July 2015 and the following recommendations were agreed:
  - a. To support in principle the creation of a bid which results in the development of a N2 collaborative 'Employment and Skills Hub'
  - b. N2 to prepare and submit a bid for the ESIF 'Employ Local' project for resources to deliver relevant services to employers and job seekers
  - c. Futures Advice, Skills and Employment to be the lead bidder on behalf of a combined N2 partnership approach
  - d. If successful with the Employ Local bid, agreement from N2 partners to align current similar Employment and Skills activity under the Employ Local initiative.

13. The working group meets regularly to plan and implement these recommendations. Employ Local has a total project budget of £6 million across the whole of the D2N2 area, this figure includes an amount (not pre-determined) for employer incentives. 'Employ Local' is an opt-in via the Skills Funding Agency and therefore match funding is not required from bidding organisations. However it is likely that the contract will be 'payment by results' which will have an impact on cash flow. An indicative allocation of £3.2m has been agreed for the N2 area for a 3 year period from 2016. It is not yet known how fluctuations in the exchange rate will impact on the final budget for 'Employ Local'.
14. It is anticipated that the call for 'Employ Local' will be released before Christmas. Partners are currently engaged in two key areas of work; these are designing the detail of the delivery model and considering how existing complementary activities might be aligned within the hub model.
15. To accompany the funding submission for 'Employ Local' it is likely that a Partnership Agreement or Memorandum of Understanding will need to be agreed and signed by all partners. Once the tender call is released, it is estimated that the timescale for submission will be a maximum of eight weeks. With this in mind, approval is sought for delegated powers for the Corporate Director, Place to sign the agreement on behalf of Nottinghamshire County Council.

## **Youth Employment**

16. The ESF 'Youth Employment' project is for Derby, Derbyshire and Nottinghamshire (D2N1). A separate ESF project will be in place for Nottingham City.
17. The D2N1 'Youth Employment' project has a total value of £3.2m (including match funding). It will be procured via the Skills Funding Agency 'Opt-In' in early 2016 and will have two separate contracts, one for D2 and one for N1.
18. The total number of beneficiaries across the whole project is 1,100 young people aged 16 – 24 who are currently Not in Employment, Education or Training (NEET) including those who:
- Have a disability or learning difficulty; and / or
  - Are care leavers or young people in Care; and / or
  - Are young parents and / or lone parents
19. The Skills Commission and ESIF Programme Board will be agreeing resource allocation for the D2 and the N1 contracts, this will be based on need.
20. Given the partnership approach to Employ Local, Local Authorities across the county have given an early indication that they may also wish to work together in a collaborative bid for the Nottinghamshire element of the Youth Employment project.
21. There are a number of options for delivery of the project, delivery organisations who might lead the project include the County Council's Community Learning and Skills Service (CLASS) and Futures Advice Skills and Employment. An

assessment of the relative merits of each delivery partner and their interest in the project would need to be undertaken, one aspect could be an approach which includes both CLASS and Futures.

### **Reason(s) for Recommendations**

22. The 'Employ Local' project provides an opportunity to align resources within a hub model and meet the aspiration for increased collaborative working across N2.
23. In order to meet the bidding requirement and timescale for Employ Local, a signed Partnership Agreement or Memorandum of Understanding will need to accompany the bid. Once the bid is released, the timescales will be restricted and therefore approval is sought for the Corporate Director, Place to have delegated authority to sign this agreement.
24. The Youth Employment project provides an opportunity for additional collaborative working between local authority partners to support young people across the county. This approach fits strategically with the development of the Combined Authority and devolution. Depending on the outcome of local authority discussions, the development of a collaborative bid would align resources and increase the local influence over these resources.

### **Statutory and Policy Implications**

This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, 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 within the body of the report.

### **Financial implications**

None at this stage.

## **RECOMMENDATIONS**

25. It is recommended that Economic Development Committee:
- a. Notes the update on the ESIF 'Employ Local' project;
  - b. Approves delegated powers for the Corporate Director, Place to sign the Partnership Agreement or Memorandum of Understanding on behalf of Nottinghamshire County Council for the Employ Local bid;
  - c. Notes the update on ESIF 'Youth Employment'
  - d. For the Nottinghamshire element of the Youth Employment funding, agrees that the County Council should lead discussions with local authority partners to evaluate the merits of submitting a collaborative bid including an assessment of the most appropriate lead delivery partner.

**Tim Gregory**  
**Corporate Director, Place**

**For any enquiries about this report please contact:**

Fiona Anderson ext. 72688

**Constitutional Comments [SLB 22/10/2015]**

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

**Financial Comments [SES 22/10/15]**

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

**Background Papers**

**Electoral Division(s) and Member(s) Affected**

All





**3 November 2015****Agenda Item: 9**

## **REPORT OF CORPORATE DIRECTOR, RESOURCES WORK PROGRAMME**

### **Purpose of the Report**

1. To consider the Committee's work programme for 2015/16.

### **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, Resources**

**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**

<b><u>Report Title</u></b>	<b><u>Brief summary of agenda item</u></b>	<b><u>For Decision or Information ?</u></b>	<b><u>Lead Officer</u></b>	<b><u>Report Author</u></b>
<b>1<sup>st</sup> December 2015</b>				
Growth Deal proposals	To seek Committee's consideration of a priority list of Nottinghamshire schemes to put forward for the next round of Growth Deal investment [ <i>note: pending CSR – may have to be moved to Jan</i> ]	Decision	Matt Lockley	Matt Lockley
Delivery plan review	To review progress against the Economic Development delivery plan, as agreed by Committee in March 2015	Information (possible decision)	Matt Lockley	Matt Lockley
Business engagement activity – future proposals	To consider recommendations for the Council's future approach to business engagement	Decision	Geoff George	Oliver Whittaker
<b>19 January 2016</b>				
Growth Deal proposals	To seek Committee's consideration of a priority list of Nottinghamshire schemes to put forward for the next round of Growth Deal investment [ <i>note: pending CSR – may have to be moved to Jan</i> ]	Decision	Matt Lockley	Matt Lockley
<b>23<sup>rd</sup> February 2016</b>				
Nottinghamshire LEADER programmes - six month update				
<b>22<sup>nd</sup> March 2016</b>				
Budget and delivery plan	To consider the Delivery Plan for Economic Development for	Decision	Celia Morris	Matt

<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>
	2016-17 and associated budget allocations			Lockley
BBfN quarterly update				

**Last updated 05 October 2015**