

**25 January 2022****Agenda Item: 4****REPORT OF THE CORPORATE DIRECTOR, PLACE****UPDATE ON THE D2N2 LOCAL ENTERPRISE PARTNERSHIP AND THE  
MIDLANDS ENGINE PARTNERSHIP****Purpose of the Report**

1. To provide an update on the work of the Derby, Derbyshire, Nottingham and Nottinghamshire Local Enterprise Partnership (D2N2 LEP) and the Midlands Engine Partnership and seek funding for the financial year 2021/22 as appropriate.

**Information**

2. The Council Plan 2017-2021 sets out how Nottinghamshire County Council (NCC) will maximise the impact of the Midlands Engine and be an active and influential partner within the D2N2 LEP. Through this partnership working, NCC can empower local communities and deliver effective public services.

**D2N2 Local Enterprise Partnership (D2N2 LEP)**

3. Since its inception, D2N2 has been partially funded by Government and local authorities. The four upper tier authorities have provided equal annual revenue contributions of £62,500 as part of the LEP's match funding. The NCC contribution comes from contingency funding and goes towards the core operational costs of the D2N2 LEP.
4. In return, D2N2 LEP has been the route to access large-scale funding pots, facilitating networking opportunities with regional stakeholders and supporting policies for prioritising inclusive and green economic growth in the region.
5. The Government has commissioned a review that will consider future funding models and new remits for LEPs. The findings of this review are due to be published in January 2022. Government has in the interim agreed their contribution to the D2N2 LEP for 2021-22. Subject to approval, it is proposed that Nottinghamshire County Council also confirms a financial contribution, funded from contingency, to the D2N2 LEP of £62,500 for the financial year 2021- 2022.

**The Midlands Engine Partnership**

6. The Midlands Engine is a pan-regional partnership of scale and influence focused on inclusive growth for the Midlands. This partnership acts as a collective voice for the region, bringing together public sector partners and businesses to add value and accelerate growth.
7. Recently, core priorities and areas of work of the Midlands Engine include:

- **Green Growth:** The Midlands Engine Partnership Ten Point Plan for Green Growth, launched in July 2021, is the first of its kind and will drive green innovation by building on regional strengths and immense capabilities.
  - **Digital:** Accelerate the delivery of digital connectivity for businesses by complementing programmes such as the Better Broadband for Nottinghamshire programme.
  - **Transport:** Seeking to secure core investment to enhance strategic transport networks, with a central focus on the HS2 hub station at Toton.
  - **Global Britain:** Attracting inward investment and expanding export markets to boost the regional economy and grow the global footprint of the Midlands.
8. In addition, the Engine has continued to lead and support work on wider initiatives aimed at powering prosperity for every part of the region and addressing persistent structural barriers to growth, including:
- **East Midlands Development Corporation**
  - **East Midlands Freeport**
  - **Midlands Engine Investment Fund (MEIF)**
  - **Midlands Engine Observatory**
9. The County Council's Chief Executive, Anthony May, Chairs the Midlands Engine Operating Board, and is leading the work on the East Midlands Development Corporation on behalf of the Partnership.
10. In addition to supporting strategically important Midlands Engine Initiatives, since May 2018, Nottinghamshire County Council has provided £20,000 per annum as match funding towards £4 million core funding for the Midlands Engine. This is matched by other partner contributions and is used to deliver evidence-driven programmes to drive productivity and increase economic growth.
11. Subject to approval, it is proposed that Nottinghamshire County Council confirms a financial contribution funded from the 2021/22 Growth and Economic Development Initiatives Budget to the Midlands Engine of £20,000 for the financial year 2021/22.

### **Other Options Considered**

12. Both the D2N2 LEP and the Midlands Engine will be unable to drawdown core funding resources from Government if Nottinghamshire County Council does not, as it has in previous years, approve their annual allocations for 2021/22. It is for this reason, the 'do nothing' option has been discounted.

### **Reason for Recommendations**

13. Please refer to paragraph 12 of this report.

### **Statutory and Policy Implications**

14. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment 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**

15. In addition to the financial implications set out within the body of the report, Nottinghamshire County Council has committed to supporting the D2N2 Growth Hub. The D2N2 Growth Hub coordinates access to business support for companies across the LEP area, with a focus on companies that demonstrate higher growth potential in the LEP's priority sectors. Over the three-year period 2019 to 2022, Policy Committee agreed (in July 2018) to allocate a total of £193,561 in match funding (£59,433 in 2019/20, £66,553 in 2020/21 and £67,575 in 2021/22) from contingency budget to support the D2N2 Growth Hub.

## **RECOMMENDATIONS**

It is recommended that the Economic Development and Asset Management Committee:

- 1) Approves, in principle, a financial contribution to the Derby, Derbyshire, Nottingham and Nottinghamshire Local Enterprise Partnership (D2N2 LEP) of £62,500 for the financial year 2021/22, and requests the Section 151 Officer seek approval from Finance Committee for an allocation of £62,500 to be made from general contingency for this contribution.
- 2) Approves a financial contribution, funded from the 2021/22 Growth and Economic Development Initiatives Budget, to the Midlands Engine of £20,000 for the financial year 2021/22.
- 3) Subject to the government review any further funding requests will be brought back to a subsequent meeting of this Committee.

**Adrian Smith**  
**Corporate Director, Place**

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## **Constitutional Comments (CEH 23/12/2021)**

16. The recommendations fall within the remit of the Economic Development and Asset Management Committee under its terms of reference.

## **Financial Comments (KRP 23/12/2021)**

17. As set out in the report the contribution to D2N2 LEP will be subject to a request to Finance Committee for a contingency allocation. The contribution to the Midlands Engine will be contained within existing budgets.

## **Background Papers and Published Documents**

- None.

## **Electoral Divisions and Members Affected**

- All