

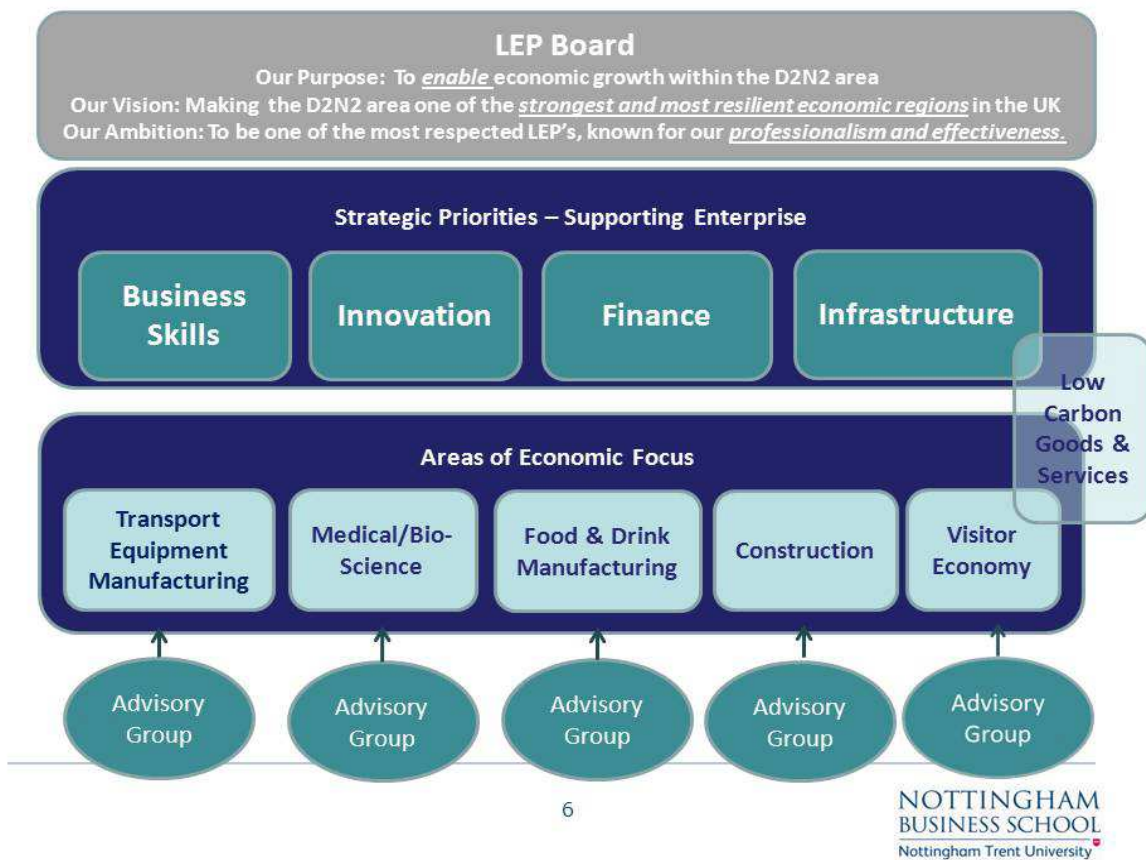
Briefing Note for Economic Development Committee 26th June 2012
The D2N2 Local Enterprise Partnership

Background

1. The Derbyshire and Nottinghamshire (D2N2) LEP has now been operational for just over 18 months. Much of this time has been spent building an effective partnership across the two counties and cities and between the public and private sectors. The LEP is now moving into a delivery phase.
2. Colin Walton, the former Chairman of Bombardier UK, chairs the D2N2 Board although he has announced his intention to stand down. A recruitment process to identify a new independent chair has been agreed by the Board at its June 2012 meeting and is to begin shortly. Nottinghamshire is represented on the D2N2 Board by the Leader of the County Council and Trevor Fletcher, MD of the Hardstaff Group (a haulage and low carbon company based in Gotham). David Robinson, the President of Speedo, represents the business community from the Nottingham City area. Further details concerning the Board and related governance issues are covered below.

The LEP's Priorities

3. A strategic development exercise was undertaken by the LEP during last year. This identified a number of sectors for growth and 'horizontal' issues where the LEP could best add value. These are outlined in the diagram below:



4. The strategic growth priorities will be used to guide the LEP's investment framework. Advisory groups will explore the potential of the LEP to support business and jobs growth in these sectors. The Board now receives regular reports on progress at its meetings.

Nottinghamshire Enterprise Zone

5. The LEP Board also has responsibility for delivering the Enterprise Zone (EZ) in Nottinghamshire. The EZ comprises four sites – Alliance Boots as the main ‘anchor’, alongside MediPark and the Highfields Science Park in Nottingham and the Beeston Business Park in Broxtowe.
6. The Enterprise Zone has been the top priority for the LEP Board in recent months, as it offers (currently) the sole route for sustainable long-term funding for the LEP. Once it is fully developed, all business rates growth from the four sites will be routed to the LEP for it to use on its growth priorities. Early estimates suggest that this could be in the region of £4-5 million per year from 2015-16 with this arrangement remaining in place for 25 years.
7. A formal announcement on funding for the remediation and redevelopment of the Alliance Boots site will be made shortly (see para 9 below) and a policy on managing investment on the sites has been agreed in principle, again at the Board's June 2012 meeting.

Growing Places Fund

8. The LEP has also been allocated a total of £24 million of Growing Places Fund (GPF) by the Government. This first and second rounds of funding were the subject of a bidding round and the Board agreed its first allocations at its June 2012 meeting. The fund is for capital projects only, with a focus on stalled infrastructure schemes. The fund must also be repaid, to be re-invested by the LEP in due course in new schemes.
9. The Board prioritised an allocation of GPF towards the not insignificant remediation costs on the EZ Alliance Boots site but beyond that, a number of important projects in Nottinghamshire have applied for funding and announcements on successful projects will be made in early July 2012, subject to due diligence.

Regional Growth Fund

10. The LEP has also applied for Regional Growth Fund (RGF) in the current round. A consultation exercise was undertaken to gauge the appetite from the business community for a programme bid, which would be managed by the LEP but would enable businesses to access finance for capital investment under the £1million threshold.

Governance and Executive

11. Both David Robinson and Trevor Fletcher attend the Nottinghamshire Business Engagement Group (NBEG). Chaired by Cllr Keith Girling, this group brings together the chairs of business clubs from across the County, the Chamber of Commerce, the Federation of Small Businesses and other business representative organisations. The Nottinghamshire business community is therefore able to feed its views and priorities directly to D2N2 Board members.
12. The Nottinghamshire Joint Leadership and Core City Boards together allow for a wider engagement on D2N2 LEP matters and the Board is supported by a LEP Officer Group, comprising in-kind officer time from the 4 principle local authorities, the 3 universities and the Chamber of Commerce. The LEP has a Co-ordinator, appointed via Capacity Fund resources. In recognition of its growing responsibilities, the Board is considering the means to best support its activities going forward.

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