

## REPORT OF THE LEADER OF THE COUNTY COUNCIL

### ARC AND VIA: A COLLABORATION TO DELIVER ECONOMIC GROWTH

#### Purpose of the Report

1. That the Committee considers the approach and actions taken to date to establish a Memorandum of Understanding between and Arc Property Services Partnership Limited (Arc Partnership), and Via East Midlands on collaboration and joint working that supports Nottinghamshire County Council's wider strategies and plans on economic growth; and decides if any further information is required.

#### Information

2. Both Arc Partnership and Via East Midlands are successful companies established by Nottinghamshire County Council to deliver services in line with their Service Agreements and empowered to deliver third party works under the auspices of Local Authority Trading Companies, as both are classed as 'Teckal Companies'.
3. Both businesses are different in terms of constitution. Via East Midlands is a wholly owned subsidiary of the County Council, whilst Arc Partnership operates as a joint venture between the County Council and Scape Group Ltd. However, the principles of how both operate are similar.
4. Both organisations already collaborate in a number of areas to deliver projects/programmes of work that deliver value for money, quality of output and customer excellence. As such, they now wish to consider greater collaboration, supported by a Memorandum of Understanding, that will formalise plans for greater joint working, cross selling and the establishment of a framework for delivery which supports the County Council's plans and policy drivers on economic growth.
5. The key drivers for such an approach are based on value for money and keeping the "Nottinghamshire County Council pound within Nottinghamshire" wherever possible. The added value of this joint working to the local supply chain will be measured and reported annually under these new working principles.
6. Arc Partnership delivers multi-disciplinary property design, consultancy, master planning, regeneration, project/programme management, emergency, reactive, compliance asset management and planned services on behalf of the County Council.
7. Via East Midlands delivers multi-disciplinary engineering and fleet management services, including highways maintenance, design and consultancy, project/programme management,

construction, signals and lighting, drainage, landscaping, environmental assessment, road safety, fleet services and a highway training centre.

8. Both companies deliver extensive third-party trading opportunities across the East Midlands.
9. Through Arc Regeneration, an evolving business unit within Arc Partnership, work continues with the County Council to bring forward a number of key regeneration, inward investment and economic growth projects. Within this relationship, Arc acts as both a direct deliverer and enabler, drawing on the wider resources of its supply chain as 'virtual teams' handpicked to suit the needs of each individual project. These include the Council's Investing in Nottinghamshire Programme and other inward investment and regeneration schemes. High value and high-profile projects include the Top Wighay Farm and Lindhurst developments, and Eastwood Multi-Service Hub/residential housing development.
10. Working together, Arc Partnership and Via East Midlands have helped secure substantial amounts of external funding for these projects. Both companies have also jointly supported advanced feasibility studies and assessments for projects emerging through the East Midlands Development Corporation. This relationship provides a great opportunity for both companies and the County Council to advance major projects and position the Development Corporation for the securing of major economic growth opportunities.
11. The greater collaboration envisaged through the Memorandum of Understanding attached as an Appendix to this report will help enable a pipeline of future projects to be developed, placing Nottinghamshire in a position of advantage to secure further funding to assist economic growth and recovery.
12. Both Arc Partnership and Via East Midlands' Boards have already agreed to establish a Memorandum of Understanding in order to deepen their joint working, and this report informs this Committee of this greater collaboration in the delivery of feasibility studies, projects and programmes of works emerging from the County Council's economic growth plans. The Memorandum of Understanding will also support both companies to share resources and expertise in their drive for greater innovation, particularly in terms of technological developments that drive efficiency, business advantage and better value for money in respect of the services that each deliver on behalf of the County Council.
13. Via East Midlands and Arc Partnership Boards have both endorsed the Memorandum of Understanding. Future joint work will be monitored and evaluated with regular joint reporting to the relevant Boards of both organisations, through the County Council's Operational Boards established for projects /programmes of works, and to this Committee.

### **Financial Implications**

14. There are no direct financial implications related to the proposals. However, the Memorandum of Understanding will, through its promotion of joint work and shared business development, lead to greater efficiencies for the County Council in respect of the services it commissions from both Companies. It will also support the longer term financial resilience of both Companies.

## **Other Options Considered**

15. The other option is to continue to work on an ad-hoc basis without any structured approaches. This option would limit synergies, economies of scale, be less efficient and less strategic in delivering the County Councils economic growth ambitions.

## **Reason/s for Recommendation/s**

16. For members to consider a Memorandum of Understanding between Arc Partnership and Via East Midlands which provides greater synergy, collaboration, forward planning and monitoring of joint activity in order to benefit the economy of Nottinghamshire.

## **Statutory and Policy Implications**

17. 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.

## **RECOMMENDATIONS**

- 1) That the Committee considers the approach and actions taken to date, in formalising a Memorandum of Understanding between and Arc Property Services Partnership Limited (Arc Partnership), and Via East Midlands on collaboration and joint working that supports Nottinghamshire County Council's wider strategies and plans on economic growth; and decides if any further information is required.

**Councillor Mrs Kay Cutts MBE**  
**Leader of the County Council**

**For any enquiries about this report please contact:** Derek Higton, Service Director, Place & Communities, Tel: 0115 9773498

## **Constitutional Comments (CEH 07/09/2020)**

18. Policy Committee has authority to consider this report.

## **Financial Comments (KRP 15/9/20)**

19. As noted in the report the proposed changes are intended to generate efficiencies which will accrue to the County Council either through reduced costs, increased workload or increased dividends.

## **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

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

- Electoral Division(s): All
- Member(s): All