

Agenda Item No.3 (d)

DERBYSHIRE COUNTY COUNCIL

**MEETING OF CABINET MEMBER - STRATEGIC POLICY, ECONOMIC
DEVELOPMENT AND BUDGET**

3 November 2015

Report of the Strategic Director - Economy, Transport and Environment

**CORE REVENUE FUNDING TO SUPPORT D2N2
LOCAL ENTERPRISE PARTNERSHIP**

(1) **Purpose of Report** To seek approval for a revenue contribution of £62,500 to support the D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Local Enterprise Partnership (LEP) covering the financial year 2015-16.

(2) **Information and Analysis** In 2010, 39 private sector-led LEPs were set up across England to spearhead economic recovery and help rebalance the economy in favour of private sector investment and jobs. D2N2 is the LEP for Derby, Derbyshire, Nottingham and Nottinghamshire and provides the local vehicle for influencing and delivering significant funding, most notably the Local Growth Fund, Growing Places Fund and the European Structure and Investment Fund (ESIF) 2014-20. In 2012, D2N2 published its Strategic Economic Plan setting out the ambition of creating 55,000 new jobs and delivering 77,000 new homes by 2023.

D2N2 is funded partially by Government and programme funding but requires match revenue funding to ensure it remains operational. The four top tier local authorities have provided equal, annual revenue contributions since inception, with the understanding the D2N2 will become self-financing in the mid-term. Derbyshire County Council's annual contribution to the LEP for the last four years has been £62,500 and it is proposed the same contribution for 2015-16, (£62,500) be provided.

The revenue funding received by the LEP supports core establishment and running costs.

Derby City Council is the accountable body for D2N2 Core Funding and the local Chamber of Commerce (DNCC) acts as the employing body and host for the D2N2 Chief Executive and his team.

The LEP landscape is changing, linked to current proposals to create a combined authority and on-going work to negotiate a Devolution Deal for D2N2. As a result, the core purpose and responsibilities of the LEP will no doubt change over the coming 12 to 24 months and this will inevitably impact on the funding requirements and relationship with local authorities. Until such time as this becomes clear, it is proposed the Council continues to support the work of the LEP in line with the proposals of this report.

(3) **Financial Considerations** Subject to approval, it is proposed the financial contribution of £62,500 for financial year 2015-16 be met from the Economy and Regeneration budget.

Other Considerations

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

(4) **Key Decision** No.

(5) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(6) **Background Papers** Held by the Economy and Regeneration Service within the Economy, Transport and Environment Department. Officer contact details – Frank Horsley, extension 38348.

(7) **OFFICER'S RECOMMENDATION** That the Cabinet Member approves the revenue contribution of £62,500 from the Economy and Regeneration budget to support the running of D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Local Enterprise Partnership for the financial year 2015-16.

Mike Ashworth
Strategic Director – Economy, Transport and Environment