

MINUTES of a meeting of the **D2 JOINT COMMITTEE FOR ECONOMIC PROSPERITY** held on 29 November 2018 at County Hall, Matlock.

PRESENT

Councillor B Lewis

<u>Amber Valley Borough Council</u>	<u>Derbyshire Dales District Council</u>
Councillor K Buttery	Councillor L Rose
<u>Bolsover District Council</u>	<u>Erewash Borough Council</u>
Councillor A Syrett	Not represented.
<u>Chesterfield Borough Council</u>	<u>High Peak Borough Council</u>
Councillor P A Gilby	Councillor Tony Kemp
<u>Derby City Council</u>	<u>North East Derbyshire District Council</u>
Councillor C Poulter	Not represented.
<u>Derbyshire County Council</u>	<u>South Derbyshire District Council</u>
Councillor B Lewis	Councillor M Ford

Also in Attendance –

Amber Valley Borough Council – J Townsend.
 Bolsover District Council/North East Derbyshire District Council – D Swaine.
 Chesterfield Borough Council – H Bowen.
 Derbyshire County Council – M Ashworth, J Battye & Frank Horsley
 Derbyshire Dales District Council – P Wilson.
 Derby City Council – G Jennings.
 Erewash Borough Council – J Jaroszek
 High Peak Borough Council – D Larner

S Rose - D2N2 LEP
 R Horsley - DEP

Apologies for absence were submitted on behalf of Councillor C Hart (Erewash Borough Council), Frank McArdle & A Thomas (South Derbyshire District Council).

31/18 **DECLARATIONS OF INTEREST** There were no declarations of interest.

32/18 **MINUTES** **RESOLVED** that the Minutes of the meeting of the Committee held on 6 September 2018 be confirmed as a correct record.

33/18 **MIDLANDS ENGINE OBSERVATORY, MIDLANDS CONNECT & TRANSPORT FOR THE EAST MIDLANDS** Mike Ashworth provided an update on the current position regarding Midlands Engine Observatory, Midlands Connect and Transport for the East Midlands.

All of the studies mentioned at the previous Board meeting were ongoing and technical officers were currently looking at data and output. Schemes such as the Midlands Rail Hub, Motorway Corridor Hub and EM A46 Corridor were seen as a massive opportunity in terms of growth.

It was noted that the expected announcement on the Major Road Network was still awaited with Government indicating this would be before Christmas.

The trunk road studies continued to progress with schemes such as the A38 junction expected to make a big difference in the south of the County.

Major funding announcements were also expected in relation to the Future High Streets Fund and Heritage Streets, with the proposed relaxation of planning rules allowing accommodation and vacant spaces above shops on high streets to be developed to revitalise town centres. It was hoped that as part of the High Streets programme Derbyshire could build on its 'world class destinations' programme. This was going to be a topic of conversation at the forthcoming Heads of Economic Development meeting and an update would be brought back to the next meeting.

The Midlands Engine Observatory had now been launched and was seen as a very useful tool for sharing information and data.

The Chairman indicated that as Chair of the DVMWHS, he was actively promoting this as the only WHS in the East Midlands and that this was an important economic reason to attract more investment.

Members were given the opportunity to ask questions and also raised a number of areas of concern which were duly noted and would be included in relevant discussions going forward. Specific reference was made to the need for more feedback as to what was happening with the Midlands Engine and it was agreed that the Chief Operating Officer for the Midlands Engine would be invited to an appropriate future meeting to provide an update. It was also hoped that a future Midland Engine meeting could take place in Derbyshire.

RESOLVED to note the update report.

34/18 UPDATE ON HS2 Joe Battye advised the D2 Joint Committee of the issues and draft response being proposed by the HS2 Mitigation Board to the Government's recent consultation on the Working Draft Environmental Statement (WDES) on Phase 2b which was published on 11th October 2018.

The Working Draft Environmental Statement (WDES) on Phase 2b of the project from the West Midlands to Leeds was released for consultation by HS2 Ltd on the 11th October 2018. This WDES consisted of a large series of documents including:

- Volume 1 which provides an introduction to the project and the methodology used on the WDES,
- Volume 3 which dealt with route wide effects,
- Volume 4 that covers the off route effects.

These volumes dealt with all of the areas covered in phase 2b of the project. It was noted that 11 separate community area reports formed Volume 2. These covered all the areas in Derbyshire, Nottinghamshire, Nottingham City and Leicestershire which will be directly affected by the project. The community area reports consist of:

- An overview of the area;
- A description of the construction and operation of the line in that area;
- A summary of the local alternatives considered;
- A description of the environmental baseline;
- A description of the likely significant effects of the project on twelve specific topics areas including air quality, community, health, historic environment, socio economics and traffic and transport;
- The proposed means of avoiding, reducing or managing the likely significant adverse effects.

Stakeholders, including local authorities and other interested parties, had until December 21st to provide a response to the consultation.

A significant number of officers from local authorities across the region had examined the various documents in detail. Fundamentally, concerns had been expressed regarding the lack of detail on a number of critical issues, factual errors in the information and the systematic downplaying of the likely social, economic and environmental impacts of the project.

There were also concerns that the information provided in the documents in some cases were six months out of date and no meaningful consideration had been given by HS2 Ltd to the cumulative effects of the project or the impacts it would create. This meant that any response to the consultation draft of the WDES was based on limited, inaccurate and poorly evidenced information. For this reason, it was recommended that the Board and its constituent members, should reserve its position to provide additional comments at a later date, once the appropriate information has been made available by HS2.

The proposed response of the HS2 Mitigation Board was appended to the report and had been discussed at its meeting on 28 November. The response of the Mitigation Board was designed to be consistent with, and complementary to, more detailed responses being developed by individual local authorities in the region and does not in any way prejudice their ability to provide separate, substantive responses to Government on issues which relate to their specific areas.

Following the comments made by the Mitigation Board, an amended version of the draft response would be considered by the HS2 Executive Board on the 14th December 2018.

In addition to the WDES, a separate consultation is taking place on the Working Draft Equality Impact Assessment. Responses to this also needed to be returned to HS2 by the 21st December.

Members were given the opportunity to make comments and ask questions and also raised a number of areas of concern which were duly noted and would be included in relevant discussions going forward. Specific reference was made to the importance of the Skills & Employment Board in order that there was readiness of people with the right skill sets when they were needed.

RESOLVED to note the update report and the proposed response to Government on HS2 Phase 2b.

35/18 UPDATE ON LEP REVIEW Sajeeda Rose provided an update on progress by D2N2 in relation to implementing the LEP review recommendations, in particular the removal of the overlap and recruitment of additional private sector board members.

Members were aware of the publication of the paper on 'Strengthened Local Enterprise Partnerships' on the 24th of July 2018 which set out the roles and responsibilities of LEPs in driving local growth and how Government and LEPs would work together to strengthen leadership and capability, improve accountability and manage risk and provide clarity on LEP geography. A summary of the key issues were attached at Appendix 1 to the report.

For the D2N2 region, it was considered the LEP was well placed to implement the recommendations of the review; Appendix 2 of the report provided an update on progress with implementing each of the actions.

In relation to geography, the LEP review was very clear in its requirement that all instances of overlaps between LEPs should be removed. In D2N2 there was currently an overlap with Sheffield City Region LEP (SCR) affecting five of our districts (Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire).

D2N2's formal response to the review in the implementation plan was that it was supportive of this requirement and keen to work with Derbyshire and

Nottinghamshire districts - and the SCR LEP - to reach a solution whereby the overlap was removed and closer collaborative working was developed, particularly given our shared interests.

Since the last Board meeting, the LEP Chair had met with the leaders of most of the districts in the overlap areas to understand their position and encourage them to be part of the D2N2 LEP; two meetings remained.

The Chair also attended a meeting with the Secretary of State James Brokenshire and Minister Jake Berry on the 6th of November who both reiterated removal of the overlap was still a firm requirement for Government and that it was looking to LEPs to come forward with proposals on how they would achieve this. Government also made it very clear that failure to remove the overlaps would result in those LEPs being disadvantaged in terms of funding, including the £200,000 for implementing the review and developing the local industrial strategy - and more importantly, restricting access to the UK Shared Prosperity Fund.

A letter to confirm this was issued after the meeting which was attached as an appendix to the report. This letter had been shared with all districts and arrangements were being made for a meeting with SCR to agree a way forward.

In relation to LEP Board composition, the review recommendation was to increase private sector representation on the Board to 2/3rd, with a maximum permanent Board membership of 20.

The Government's revised guidance on public and private sector classifications meant that of the current 17 seats on the D2N2 Board (15 of which were filled) the composition was: 6 public sector (local authorities) and 11 private sector. Therefore, by increasing the size of the Board by another 1 private sector seat to 18 a 2/3rd private sector majority would be achieved.

D2N2 had launched the recruitment process for private sector members (details attached at Appendix 3 to the report), and canvassed widely amongst partners and stakeholders.

The deadline for applications is the 21st December, with a view to interviewing potential candidates in early January and confirming appointments through the Board Nominations Committee by the next D2N2 LEP Board meeting scheduled for 22nd January, 2019.

Members were requested to promote this amongst their own networks and encourage potential candidates to come forward to apply

Members were given the opportunity to ask questions and also raised a number of areas of concern, which were duly noted and would be included in relevant discussions going forward.

RESOLVED to note the update report

36/18 UPDATE ON INTERNATIONAL RELATIONSHIPS Members were provided with an overview of the activity and immediate outputs following a recent visit to Toyota City, Japan.

The three local authorities of South Derbyshire District Council, Derby City and Derbyshire County Council had been party to a cultural relationship with Toyota City Council since 1998. The arrangement had developed following the major investment of Toyota Manufacturing (TMUK) at a new plant in Burnaston in 1993 and had primarily focused on cultural and civic exchange until recent years, when greater emphasis had been given to business, environmental and educational activity.

TMUK currently employs over 3000 people at Burnaston with a further 3,300 engaged in the local supply chain. The value of the relationship with both the company and Toyota City Council was an exceptionally valuable one, particularly following the Brexit vote.

2018 marked the 20th anniversary of the international relationship with Toyota City and the significance of the occasion has been marked by a number of events. These included:

- Joint presentation at Westminster in September by local authorities and TMUK to the DCLG Minister, James Brokenshire MP, the Japanese Ambassador and six leading MPs from the Derbyshire region
- Representation from Derbyshire at the Toyota Industry Fest in September
- Hosting a delegation of 14 civic and business delegates from Toyota, including Mrs Akiko Toyoda and Mayor Ota during late October
- Return visit by eight elected members and four officers from across the three Derbyshire councils to Toyota City during mid-November.

The purpose of the recent exchange primarily had been to celebrate the important relationship and recognise the value of the investment from TMUK 20 years ago. However, it had also served as a platform from which to showcase Derbyshire products to a major international market, initiate business to business dialogue to encourage trade and export and identify develop further opportunities for tourism education and environmental exchange to mutual benefit.

The Toyota City Partnership Development Board (TCPDB) has been set up to provide direction and oversight to the continued development of this important international relationship. Membership of the Board was constituted of: South Derbyshire District, Derby City and Derbyshire Council councils; University of Derby; Burton and South Derbyshire College; Derby College, Marketing Peak District and Derbyshire, Marketing Derby, the East Midlands Chamber of Commerce, TMUK and the National Forest.

The TCP Board was chaired by Councillor Tony King of Derbyshire County Council and was currently supported by a small officer group from each of the councils. A five year plan was being drafted that set out a number of key areas

of common interest with TMUK and Toyota City, including work around the Rugby World Cup in 2019 and the Tokyo Olympics in 2020. The areas of mutual co-operation are: Education, Business, Environment, Cultural Understanding and Sport.

The Five Year Plan was promoted by the Derbyshire authorities during the November delegation and had secured the support of Mayor Ota in Toyota City. It would provide the platform for concerted, joint work going forward with agreed outputs and targets aligned to its delivery, particularly around 'clean' and 'good growth' where Toyota City had an exceptional track record of delivering low carbon solutions for residential development and transport infrastructure. This presents a great opportunity for learning and developing leading practice in construction and infrastructure here in Derbyshire, helping to support economic advantage and growth.

Overall, the visit to Toyota City was a huge success; the value of the economic and cultural relationship between the two regions was fully recognised and there was a clear commitment from the highest level to continue to maintain, promote and develop the relationship over the long term. Within the scope of the Five Year Plan, there is opportunity to maximise the potential impact of this relationship – which also has the tacit support of the Japanese Ambassador and Government departments such as DiT.

There was a growing level of activity supporting international economic relations across the D2 area. Currently, significant work was being undertaken to promote inward investment and support business to business activity in China, Japan, India, Spain and other areas. This was a critical area of work in supporting economic growth and prosperity in Derbyshire.

At the moment, much of this work was undertaken either within individual authorities or under the wider umbrella of the Midlands Engine, often on a bespoke basis. There was potential to share experience and align local authority activity across the region to greater effect, helping ensure Derbyshire maintains a global profile and benefits from its great opportunities as a place to live, work, visit and invest.

RESOLVED (1) to note the report and success of the recent visit to Japan; and

(2) that the Joint Committee undertakes a strategic discussion at the next meeting to explore the wider impacts and potential of a joined up approach to international relations and trade.

37/18 BUSINESS RATE PILOT – UPDATE Members were aware of the three grant strands within the pilot programme, all of which were geared towards supporting projects on an 'invest to generate' basis that otherwise might struggle to secure funding, either at all, or within an appropriate timescale.

A brief update was given on each of the three strands and progress in terms of preparation and launch of 'call for projects' which were: Strand 1: Business Support Grant; Strand 2: Enabling Future Delivery; and Strand 3: Economic Impact.

It was noted there had been a significant response to Strand 1 and officers from Derby City Council currently working through over 80 business grant applications. This strand had now been locked down but it was planned to re-open in February 2019.

The Assessment Panel was due to meet shortly to consider eleven Strand 3 projects, with 18 Strand 2 projects to hopefully be appraised before Christmas.

RESOLVED to note the update.

38/18 BREXIT BRIEFING To provide an overview of the potential macro-economic impact of Brexit and its likely impact on local government.

The report sets out high level considerations of the impact of Brexit from two perspectives:

- External – the likely macro-economic impact on the UK economy both short term and long term
- Internal – the impact on local government services and budgets in a number of key areas

The LGA had indicated a number of areas where Brexit would have an impact on local governance, service delivery and policy development in relation devolution, legal, local labour & skills supply, trade and investment & funding with an outline given of the potential impacts on each. The report was well received by members of the Committee who considered it an excellent summary of a complex situation.

RESOLVED to note the update and continue to review the impact of Brexit on the Derbyshire economy over the coming months.

39/18 UPDATE ON OPE PROGRAMME IN DERBYSHIRE Dan Swaine, in his capacity as Chair of the D2 OPE Steering Group, provided an overview and update of the OPE programme in Derbyshire and particularly, the valuable collaborative work that was taking place across the public sector, facilitated by the Programme Manager. He also set out the OPE Strategy that had been developed by the Derbyshire and Nottinghamshire OPE Partnership highlighting its four key principles of 'supporting our places, our services, our businesses and our futures. Members considered the update and the OPE Strategy, particularly how its key principles aligned with the wider public aspiration to make best use of resources and enable public sector land to release housing. They welcomed the strategic approach and recognised the need to

ensure the OPE initiative continued in order to ensure it was able to add further value across Derbyshire.

RESOLVED that the Committee acknowledged the valuable work of the OPE in Derbyshire and endorsed the Strategy and its four principles.

39/18 **DATE OF NEXT MEETING** **RESOLVED** that the next meeting would take place on 21 February 2019.

40/18 **EXCLUSION OF THE PUBLIC** **RESOLVED** that the public, including the press, be excluded from the meeting during consideration of the remaining item on the agenda to avoid the disclosure of the kind of exempt information detailed in the following summary of proceedings:-

SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC, INCLUDING THE PRESS, WERE EXCLUDED FROM THE MEETING

1. To confirm the exempt minutes of the meeting held on 6 September 2018 (contains exempt information)
2. Possible Strategic Alliance (Contains information relating to the Financial or Business Affairs of a Particular Person (Including the Authority holding that information)