

**MINUTES** of a meeting of the **D2 JOINT COMMITTEE FOR ECONOMIC PROSPERITY** held on 21 February 2019 at County Hall, Matlock.

**PRESENT**

Councillor B Lewis

<b><u>Amber Valley Borough Council</u></b>	<b><u>Derbyshire Dales District Council</u></b>
Councillor T Ainsworth	Councillor L Rose
<b><u>Bolsover District Council</u></b>	<b><u>Erewash Borough Council</u></b>
Councillor A Syrett	Councillor C Hart
<b><u>Chesterfield Borough Council</u></b>	<b><u>High Peak Borough Council</u></b>
Councillor P Gilby	Councillor T Ashton
<b><u>Derby City Council</u></b>	<b><u>North East Derbyshire District Council</u></b>
Councillor C Poulter	Councillor G Baxter
<b><u>Derbyshire County Council</u></b>	<b><u>South Derbyshire District Council</u></b>
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 – E Alexander, M Ashworth and J Battye  
 Derbyshire Dales District Council – P Wilson.  
 Derby City Council – G Jennings.  
 Erewash Borough Council – J Jaroszek  
 High Peak Borough Council – S Baker

R Horsley – DEP  
 A McCloy – Peak District National Park Authority

There were no apologies for absence submitted.

**01/19        DECLARATIONS OF INTEREST** There were no declarations of interest.

**02/19        MINUTES    **RESOLVED**** that the Minutes of the meeting of the Committee held on 29 November 2018 be confirmed as a correct record.

**03/19        MATTERS ARISING ON THE MINUTES**

**Minute Reference 36/18 – Update on International Relationships** It was noted that the update report would be delayed and presented to the next meeting.

**04/19        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 previous meetings were ongoing and progressing.

It was noted that a meeting had taken place of the Midland Board the previous day which had received positive news, reports and support for the HS2 project. The Board had recognised the need to fund the whole of the growth strategy providing the mitigation board with additional funding. It was noted that a response was still awaited from HS2 in relation to certain mitigation issues and that there was a requirement to move on collectively with MP's to progress HS2.

The committee was informed of progress in respect of the Midlands Connect Projects which included updates on current activities and the impact they would have for local authorities.

The trunk road studies continued to progress and it was confirmed that the Whittington Moor Project had been included in the list of projects that were being developed. It was reported that Midlands Connect were seeking to compile a "top ten" list of schemes across the Midlands region which would be submitted to London for final assessment.

The committee were updated with regard to major funding announcements that had been made. These included the identification of "Large Local Majors" across the region. These projects would need to be projects in excess of £50 million where outline work could be undertaken by June 2019. Mr Ashworth confirmed that the schemes across Derbyshire would need to be analysed in a more measured way to confirm that they would deliver growth and a local ambition which would be deliverable past 2025. It was acknowledged that this was a very short timescale for this type of project.

Although there had been elements of good news to report overall it was acknowledged that there were still concerns regarding the process which would need further clarification.

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. The Chairman highlighted the need for Cross border working to be maximised and this was supported by the committee. It was agreed that officers would develop a proposal in relation to suitable projects as part of the “Large Local Majors” and this would be presented to the next meeting for discussion.

**RESOLVED** (1) to note the update report; and

(2) that officers develop a detailed proposal in relation to suitable projects for submission as “Large Local Majors” across the region.

**05/19      UPDATE ON HS2** Joe Battye provided an update in respect of HS2.

The HS2 Executive Board had recognised the need for funding of the whole of the growth strategy and acknowledged the requirement for the mitigation board to be provided with additional funding.

Additional Funding was available around the East Midlands Gateway and it was reported that there had been a substantial amount of activity in relation to available resources, however there was still uncertainty around the amount of resources available.

It was reported that the submission of the bid had been acknowledged and the Mitigation Board were due to meet again at the end of March beginning of April.

With regard to the consultation responses, it was reported that the results of the MORI Poll would be reported but would focus on headlines. Joe confirmed that she had met with HS2 a few weeks prior to this meeting and she had suggested hosting the issuing of the consultation responses as this would enable targeted conversations with HS2. As part of this process she suggested that a series of themes would be established with associated workshops and the invites for these would be sent between the end of March and September.

A Supply Chain and Skills Board had been established and the first meeting would take place on the following day at Leicestershire. This was welcomed and supported by members of the committee.

Members were given the opportunity to make comments and ask questions. A number of issues and areas of concern were raised which were duly noted and would be included in relevant discussions going forward. The Chairman confirmed that there had been substantial debate particularly around the eastern stretch of HS2. He emphasised the need for everyone to reiterate the case in support for HS2 and that a critical part of the process was the meetings of this committee. Proposals were currently being devised for the establishment

of a development company which would help to ensure that benefits were maximised.

**RESOLVED** to note the update report.

**06/19      UPDATE ON LEP REVIEW**      The Chairman presented a report which provided an update on progress made by the D2N2 LEP in relation to the implementation of the recommendations of the LEP review, 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, manage risk and provide clarity on LEP geography.

Overall the D2N2 LEP was well placed to implement the recommendations of the review and was continuing to make progress in the areas requiring action.

Since the last meeting of the Joint Committee, the LEP had continued to make progress and following the submission of the Implementation Plan to Government at the end of October, formal acknowledgement had been received on proposals to address the review recommendations.

Whilst further work needed to be undertaken to address all of the aspects of the review, in particular work on the removal of the overlap, progress towards full compliance had been recognised through the allocation of £100,000 (of the £200,000 available) to implement the review and support the development of the D2N2 Local Industrial Strategy.

Work was ongoing to remove the overlap with Sheffield City Region LEP (SCR) which affects some of our districts.

The Government's position on the removal of overlaps has remained consistent, with a clear policy position stating that failure to remove overlaps across the LEP network would disadvantage those LEP areas through restricted access to various funding streams.

Since the last Joint Committee meeting, D2N2 had held further meetings with leaders of the districts in the overlap areas, and with the new Chair of Sheffield City Region to seek a way forward and a meeting had taken place on 9<sup>th</sup> January 2019 regarding further clarification of the removal of the overlap.

Whilst there is still no formal resolution across all five districts, good progress was being made towards reaching an outcome.

In relation to LEP Board composition, the D2N2 LEP had undertaken a recruitment exercise for additional private sector Board members to strengthen representation and meet the requirement for a two third private sector majority. At the close of the deadline, 21 expressions of interest had been received. A nominations committee, established from the Board and led by the Chairman had met to review the applications received with a view to making formal recommendations to the next D2N2 Board in March.

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

**07/19      BUSINESS RATE PILOT** 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 amount of over-subscription for each of the three strands which was being managed appropriately by the relevant Assessment Panel. Additionally a recent appeal decision had impacted on business rates chargeable for Automated Telling Machines (ATMs) would potentially have a significant impact on the level of business rates recovered across the D2 area. Currently, this level of uncertainty was being managed through the Panels by the contingency to only allocate 75per cent of the predicted funds. Further work was required going forward to ensure there was an accurate understanding of the level of business rates expected to be recovered and therefore the final amount of grant funding available.

**RESOLVED** to (1) note the success of the overall grant programme and the level of over-subscription for funding;

(2) note the potential impact of the recent ATM appeal;

(3) note the pending grant offers to be made by the Assessment Panels across the three strands of the programme; and

(4) request that the Assessment Panels prepare appropriate press releases in support of this positive grant funding programme.

**08/19**      **FUTURE HIGH STREET FUND** The Committee received a presentation on opportunities and the suggested approach for D2 – District Councils.

The Government fund of £625m had been launched in December 2018 and would be used for the transformation of high streets for the implementation of structural changes and responding to challenges. Suitable projects were expected to be in the region of £5 to £10 million. The bid process would consist of two stages, the first would involve the submission of expression of interest by 22<sup>nd</sup> March which will set out the challenges, overall vision and strategic ambitions. Successful ones would be announced in the Summer of 2019. The second stage would be the development of a full business case in accordance with the Treasury Green Book and this would likely take between 6 and 12 months.

The committee considered proposals that had been suggested and discussion took place around them. The next steps involved in the process were explained and the Committee noted these.

Members were given the opportunity to ask questions and raise issues of concerns which were responded to and duly noted.

It was agreed that an informal response would be submitted to the Government in respect of the initiative which would encompass the concerns that had been raised.

**RESOLVED** (1) to note the presentation and next steps; and

(2) that a draft response letter to Government be prepared to encompass concerns raised by members of the committee and circulated to members for their approval and comments.

**09/19**      **DATE OF NEXT MEETING** **RESOLVED** that the new programme for 2019 be confirmed to include two meetings aligned with the N2 Economic Prosperity Board.

**10/19**      **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 29 November 2018 (contains exempt information)

2. Update on Strategic Alliance and Non-Structural Reform – potential CCN Model (contains information relating to the Financial or Business Affairs of a Particular Person (Including the Authority holding that information))