



Derby City Council

**REGENERATING OUR CITY OVERVIEW AND
SCRUTINY BOARD
21 November 2017**

ITEM 8

Report of the Strategic Director of Communities and Place

Derby-Nottingham Metropolitan Strategy

SUMMARY

- 1.1 To update the Board on progress on the developing “Metro” Strategy with Nottingham.

RECOMMENDATION

- 2.1 To note progress on the Metro Strategy and to discuss and respond to the Metro Dynamics report.

REASONS FOR RECOMMENDATION

- 3.1 To note progress on the Metro Strategy and to discuss and

SUPPORTING INFORMATION

4.1 **Background**

The Metro Strategy was officially launched in May this year. It recognises that combined, the two city areas give scale with significance. By taking advantage of this, Derby and Nottingham would strengthen their position to establish the national presence and international reputation required to take advantage of future opportunities, such as Midlands Engine and foreign trade and investment, as well as being better able to respond to challenges such as Brexit and manage economic risk.

4.2 The Metro Strategy has five themes for action:

- a) **Metro Enterprise** – to promote Derby and Nottingham worldwide to attract new investment; support businesses to innovate, diversify and find new markets; increase productivity and strengthen supply chains
- b) **Metro Talent** – to enhance leadership, knowledge and creativity of skilled workers; nurture young people to be ready for work in the 21st century
- c) **Connected Metro** – to improve accessibility to the cities through shared development of our transport corridors, application of new transport technologies and better integration with rail and airport interchanges
- d) **Metro Living** – to provide a range of exciting and accessible opportunities for a modern urban lifestyle, befitting of a world-class urban area.
- e) **Efficient Metro** - Protecting and improving public services for all our Metropolitan citizens

4.3 Highlights of activity to date

The Metro Strategy aims to achieve more for our Metropolitan citizens through collaboration than, as two Councils, we could independently. Although we are only beginning to understand the potential of this approach, members and officers are already making an impact through what can be achieved collectively, below is a brief summary of projects that have been launched or are underway.

Metro Finance Forum	Established to explore access to finance for Metro businesses and challenge the complexity for business support including identifying opportunities from the new Midlands Engine Investment Fund, specifically around early stage risk capital. Forum members come from a wide range of disciplines.	Sept 2016
Joint trade & investment campaigns	Commenced with joint trade mission to China (Nov 2016) and including £1m ERDF for <i>Invest in D2N2</i> (joint inward investment/marketing activity through Marketing Derby, Marketing NG and partners)	Nov 2016
Joint Promotion of events	Cross-promotion underway with both cities now able to reach wider audience through	May 2017
Event Ticket	Discounted 'event ticket' now being promoted for agreed events and launched in QUAD, Derby.	June 2017
Strategic Advisory Group	Established an advisory body, with a private sector chair, to engage with a wider range of stakeholders.	June 2017
Gym & Swim	Joint offer launched at the Victoria Leisure Centre in Nottingham.	June 2017

Environmental enforcement	Councils sharing experience to improve enforcement including the secondment of PCSOs from Nottingham to Derby to work with residents and spearhead enforcement against persistent offenders	July 2017
Metro Biodiversity Project	£3.8m ERDF funding to develop 'green & blue' infrastructure. Funding agreements in place, delivery to commence summer 2017	Summer 2017
Library lending	Joint offer agreed on library lending and launched at the beginning of October.	Oct 2017
Sustainable Transport	Successful joint Access Fund bid to promote and encourage sustainable travel, improving travel choices for our citizens	Dec 2017
Electric vehicle charging points	Funding secured for installation of charging points across Derby and Nottingham	early 2018 (tbc)
Cycle Hire	Derby has recently completed procurement and Nottingham has established provision. 'Metro hire' to be offered with officers working on details.	Spring 2018 (tbc)
Shared services	Currently exploring: <ul style="list-style-type: none"> • Commercial Waste joint operation to generate business and increase income • ICT to improve capabilities and resilience, and reduce cost 	On-going On-going

4.4 A Challenge from partners

It is still important to stress that this is still early in the relationship between the Councils and that building a shared understanding and trust take time. This is as important a goal for the strategy as the tangible outputs described in 4.3. For this reason the Councils acknowledge that so far they have been largely working together.

Thus Leaders received a strong message from partners on the Strategic Advisory Group that the Metro Strategy should be more ambitious and make a more significant contribution to the wider economy adding value to our broader D2N2 collective efforts.

4.5 The Metro Dynamics Economic Study

This month Metro Dynamics consultancy has published a report of their study into the economic potential if organisations within a broader metro area, defined in the report, collaborated formally. Their report is appended to this document. The study suggests that many aspects of the area are already operating in this way with significant commuting across the metro area, they also highlight:

- Economic success of the cities is very significant for the wider regional economy
- Metro area defined in the study, at over 80%, exceeds the ONS threshold for self-containment of 72% for a functioning economic area. This is greater than the Manchester region and similar to West of England or Cambridge/Peterborough
- Unusually for geographically close cities in the UK, the GVA is very similar

- The perceived rivalry between the cities appears to be largely cultural. The structure of their economics is different and there is potential to better exploit how the economies are complementary
- If the Metro achieved an £11bn uplift in GVA by 2030 this would account for 20% of the £50bn uplift targeted in the new Midland Engine strategy, yet the Metro area has only 15% of the Midlands Engine population

Their report suggests a number of key themes that could be the focus:

- Inclusive growth
- Infrastructure
- Business and innovation
- Place and promotion
- Public Service Reform

Along with a new model of governance and delivery based on a modern Metropolitan corporation. This includes a Metro Growth Board to have oversight of a appropriate delivery vehicles such as:

- Growth company
- HS2 Development Corporation
- Housing Company
- Municipal Corporation
- Transport Board
- Inclusive Growth Board

The two Councils, with partners, need to consider this and to response appropriately. Overview and Scrutiny members are asked to give their views on the report and its recommendations.

OTHER OPTIONS CONSIDERED

5.1 Not applicable.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	David Gartside, Director of Strategic Partnerships, Planning and Transportation
For more information contact: Background papers: List of appendices:	Verna Bayliss 01332 643034verna.bayliss@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Metro Dynamics

IMPLICATIONS

Financial and Value for Money

- 1.1 None directly arising from this report.

Legal

- 2.1 None directly arising from this report.

Personnel

- 3.1 None directly arising from this report.

IT

- 4.1 None.

Equalities Impact

- 5.1 None directly arising from this report.

Health and Safety

- 6.1 None.

Environmental Sustainability

- 7.1 None.

Property and Asset Management

- 8.1 None directly arising from this report.

Risk Management

- 9.1 None directly arising from this report.

Corporate objectives and priorities for change

- 10.1 The Metro Strategy also supports the Council's Delivering Differently programme and should add value by increasing opportunities for efficiency and effective use of our collective resources.