

Public Document Pack



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PUBLIC

To: Members of D2N2 Investment Board

Thursday, 30 April 2020

Dear Councillor,

Please attend a meeting of the **D2N2 Investment Board** to be held at **10.00 am on Monday, 11 May 2020** via Microsoft Teams and a recording will be published on the LEP's website following the meeting.

The agenda for which is set out below.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'S Hobbs', written over a light blue horizontal line.

Simon Hobbs
Director of Legal and Democratic Services

AGENDA

PART I - NON-EXEMPT ITEMS

1. Apologies for Absence
To receive apologies for absence (if any)
2. Declarations of Interest
To receive declarations of interest (if any)
3. Minutes (Pages 1 - 6)

To confirm the non-exempt minutes of the meeting of the Infrastructure and Investment Board (IIB) held on 11 March 2020

4. Local Growth Fund (LGF) Programme Performance Overview (Pages 7 - 14)
5. LGF Budget Paper (Pages 15 - 18)
6. LGF Milestones Update (Pages 19 - 28)
7. Project for Approval - A61 Hs2 Masterplan (Pages 29 - 36)
8. Project for Approval - Top Wighay Farm (Pages 37 - 44)
9. Exclusion of the Public

To move "That under Regulation 21 (1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph(s)... of Part 1 of Schedule 12A to the Local Government Act 1972"

PART II - EXEMPT ITEMS

10. Minutes (Pages 45 - 58)

To confirm the exempt minutes of the meeting of the Infrastructure and Investment Board (IIB) held on 11 March 2020

11. Growing Places Fund (GPF) update (Pages 59 - 62)

12. Date of Next Meeting

Monday 16 June 2020 at 10am

13. Non Exempt minutes of the meeting held on 11 May 2020 (Pages 63 - 70)

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Agenda Item 3

MINUTES of a meeting of the **D2N2 INVESTMENT BOARD** held on 11 March 2020 at County Hall, Matlock.

PRESENT

E Fagan (D2N2 LEP) (In the Chair)

Councillors W J Clarke (Gedling Borough Council), P Gilby (Chesterfield Borough Council), C Hart (Erewash Borough Council), M Holmes (Derby City Council), R Jackson (Nottinghamshire County Council), S Webster (Nottingham City Council), J Bradley-Fortune (Inclusion Representative) J White (Bassetlaw District Council) and D Williams (D2N2 LEP)

Also in Attendance: J Battye (Derbyshire County Council), M Collins (Bentley Project Management), J Davies (Gedling Borough Council), E Dennis (Bassetlaw District Council), C Durrant (Chesterfield Borough Council), A Evans (Nottinghamshire County Council), S Freek (Highways England), T Goshawk (D2N2 LEP), Rob Harding (D2N2 LEP), C Henning (Nottingham City Council), H Muncaster (Derbyshire County Council), R North (Derby City Council), S Rose (D2N2 LEP), I Sankey (Erewash Borough Council), J Sayer (Derby City Council), L Sharp (Chesterfield Borough Council), N Stevens (Nottinghamshire County Council) N Taylor (Bassetlaw District Council), S Wainwright (Derbyshire County Council), and C Williams (Derby City Council).

Also in attendance as observers were Councillors N Barker, B Bingham, T Kemp and Mrs J Twigg, & R Savage (IS Officer) as members of the Improvement and Scrutiny – Resources - Working Group who were carrying out a review of the D2N2 LEP.

Apologies for absence were submitted on behalf of B Lewis (Derbyshire County Council)

28/20 **MINUTES RESOLVED** to confirm the non-exempt Minutes of the meeting of the Infrastructure and Investment Board held on 30 January 2020.

29/20 **LOCAL GROWTH FUND PROGRAMME PERFORMANCE OVERVIEW** All the projects across the programme had been reviewed and risks associated with delivering the agreed financial and output targets identified. Annex A of the report detailed the projects deemed to be High Risk, Annex B provided an update on progress of all approved or pre-compliance projects and included a RAG rating. Annex C provided details of 7 project change requests for Infinity Park Derby, Vision University Centre, A52 Wyvern, N2 Town Centres, Gedling Access Road, Southern Gateway and NTU MTIF Centre. The first four listed were all requesting a change to their output figures following changes in circumstances to the projects, whilst Gedling Access Road, Southern Gateway and NTU MTIF Centre were making

financial change requests due to underspends coming forward from other projects, which would accelerate Local Growth funding in to 19/20 from the 2020/21 financial year.

Given the increased focus on performance on the back of the annual performance review, milestones had been agreed and set with government to track performance of the programme and ensure that the targets were delivered for 2019/20. The targets included the underspend from previous years.

Good progress was being made in achieving the targets set and work would continue to monitor and track performance through the Investment Board.

The Financial Milestones agreed for this year were:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total 2019/20
Milestone target	£8M	£10M	£10M	£12M	£40M
Actual Spend achieved to date	£6.9M	£13.8M	£13.1		£33.8M
Forecast Spend	£6.9M	£13.8M	£10M	£18M	£46M

The LEP would continue to monitor spend with projects on an ongoing basis and would be working with promoters to ensure that full financial delivery took place in this year. Based on current forecasts the LEP were on track to spend the £46m which would meet the target set by Government and utilise the underspend which had been carried forward in to this financial year.

The output targets up to Q3 for this year were:

	Total 2019/20	Achieved by 31/12/19	Full Year Forecast 19/20
Jobs created	300	298	1,396
Learners	500	388	480

D2N2 would continue to monitor the projected spend and outputs of projects quarterly against actuals to ensure that the LEP reached its end of year targets, and would highlight any risks to achieving the performance targets to both the Investment Board and main Board. A paper showing the overall status of output delivery and forecasting for the programmes lifetime would be considered as a separate item at this meeting.

The 4 projects below presented output reprofiles to the meeting including:

- A52 Wyvern
- Infinity Park
- Vision University Centre

- N2 Towns Centre

D2N2 had now received a final report of the evaluation review undertaken by Focus Consultants Limited. Due to the time available on the Investment Board Agenda for this meeting, the presentation from the consultants would be presented to the next Investment Board

Board Members made a number of comments and asked questions which were duly noted or answered.

RESOLVED (1) to note the progress on the D2N2 LGF programme; and

(2) to approve the change requests for the Infinity Park Derby, A52 Wyvern, Vision University Centre, N2 Town Centres, Gedling Access Road, Southern Gateway and NTU MTIF Centre projects, as detailed in the report. With the Infinity Park Derby and A52 Wyvern subject to passing a VFM assessment based on their new output profile. If they don't pass, clawback of the funding will be considered.

30/20 **LOCAL GROWTH FUND BUDGET** The current forecast showed that in 2019/20 the programme was overcommitted by £22.81m. This would be offset by the money being held by Derbyshire County Council to achieve a balanced budget. However if the change requests for Broadmarsh, Gedling Access Road and MTIF were approved at this meeting then this would make an overcommitment to £28.971m which utilised all of the previous years underspend.

The overall programme was currently showing an under commitment of £4.69m against the budget. The pipeline call was expected to provide additional projects which would be added to the programme to enable the budget to be balanced.

Board Members made comments and asked questions which were duly noted or answered.

RESOLVED that the report be noted.

31/20 **D2N2 MILESTONES UPDATE** The Board were asked to note the Milestones report on the D2N2 LGF programme.

The report showed the Milestones that were agreed within the last year and detailed the progress against the delivery of those milestones. Details of each individual project were provided at the meeting and recommendations followed each project giving their milestone progress. Further verbal updates were given by the promoters at the meeting.

Becketwell (Derby City Council) The Investment Board were requested to note the changes to the Milestones for the Becketwell project and would continue to monitor the status of the new planning application through to Final Business Case delivery.

Castleward (Derby City Council) –The Investment Board were requested to note the revised milestones and target a new Business Case delivery date of May/June 2020. This would have little impact on the program as spend had been profiled for the 2020/21 delivery year.

Woodville Swadlincote Regeneration Route (Derbyshire County Council) – The Investment Board were requested to monitor progress up to the delivery of the Final Business Case which would now be delivered in May 2020. The project through sunk costs and expected profile of spend was still confident of full delivery of spend before March 2021.

A46 Corridor (Phase 3) (Rushcliffe Borough Council) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in November 2020. The applicant was still confident of spend before the end of the programme and D2N2 would continue to work with the project to ensure .

Chesterfield Station Masterplan (Derbyshire County Council) - The Investment Board were requested to await the Final Business Case which was on track for May 2020

Heathcoat Immersive Incubator (Nottingham City Council) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in July.

Smarter Connected Campus (Nottingham Trent University) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in September 2020

Tollbar House (Erewash Borough Council) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in July 2020

Nursing & Allied Health Provision in Mansfield (NTU) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in May 2020

Revitalising the Heart of Chesterfield (Outdoor Market) (Chesterfield Borough Council) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in November 2020.

Revitalising the Heart of Chesterfield (Public Realm) (Chesterfield Borough Council) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in July 2020.

Board Members made a number comments and asked questions which were duly noted or answered

RESOLVED to approve the recommendations as detailed in the report.

32/20 **OUTPUTS REVIEW** During recent discussions at the Investment Board regarding outputs, officers had undertaken a review of all outputs and when they were expected to be delivered. The three targets the D2N2 LEP had with Government were:

	Jobs	Homes	Learners
Target up to 2035	29,000	10,700	147,000*

*under review with Government (meeting with government arranged for 20 March 2020)

Jobs

Jobs can be defined as direct, indirect or safeguarded. Following the review forecasts show that 37,403 jobs are expected to be created or safeguarded by 2035.

	2015-21		2021-26	2026-35	Total
	Actual	Forecast	Forecast	Forecast	Forecast
Direct jobs	1,033	581	3,936	1,120	6,670
Indirect jobs	2,975	2,352	9,419	15,783	30,529
Safeguarded jobs		94	110		204
Total	4,009	3,027	13,465	16,903	37,403

This shows the D2N2 were on track to meet the target set by Government. There is also an additional 1,734 jobs which are expected to be delivered after 2035.

Homes

Following the review, forecasts show that 9,387 homes were expected to be built or unlocked by 2035.

	2015-21		2021-26	2026-35	Total
	Actual	Forecast	Forecast	Forecast	Forecast
Homes	1,546	435	3,393	4,013	9,387

This showed that the D2N2 were not on track to meet the target set by Government. There is also an additional 1,441 which are expected to be delivered after 2035.

Learners

Following the review forecasts show that there will be 6645 new learners, in course which lead to a full qualification.

	2015-21		2021-26	2026-35	Total
	Actual	Forecast	Forecast	Forecast	Forecast
Learners	944	2,038	2,028	1,635	6,645

Until a new learners figure is agreed with Government we cannot confirm if the target can be achieved.

RESOLVED to note the report.

33/20 **DATE OF NEXT MEETING** The next meeting of the Investment Board would be an additional meeting to take place on a day to be confirmed in May 2020

34/20 **EXCLUSION OF THE PUBLIC** **RESOLVED** that the public be excluded from the meeting during the consideration of the remaining items 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 WERE EXCLUDED FROM THE MEETING

1. To confirm the exempt minutes of the meeting of the D2N2 Investment Board held on 30 January 2020.
2. To consider the report on Pipeline Projects (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).
3. To consider the report on Project for Approval – Local Growth Fund – HS2 Strategic Sites (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).
4. To consider the report on Project for Approval – Enterprise Zones – Project Mulberry (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).
5. To consider the report on Project for Approval – Enterprise Zones - Nuclear Advanced Manufacturing Research Centre (NAMRC) (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).
6. To consider the update report on Growing Places Fund (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).

D2N2 Investment Board – May 2020

Confidentiality Level	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>	Commercially sensitive <input type="checkbox"/>
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Meeting and Date	D2N2 Investment Board – 11 th May 2020		
Subject	D2N2 Programme Update		
Author	T Goshawk	Total no of sheets (Excluding cover sheet)	5

Papers are provided for:	Approval <input type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>
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Summary and Recommendation(s)
<p>The Board are asked to note the progress report on the D2N2 LGF programme.</p> <p>The report highlights the current position on the programme and provides an update on each of the projects.</p>

D2N2 INVESTMENT BOARD

May 2020 D2N2 Programme Update

Programme Overview

The following paper gives an overview of the LEPs Local Growth Fund programme. The programme has seen significant affects to delivery through the Covid 19 pandemic situation and therefore this paper highlights the position of the 'live and upcoming' projects in the programme.

Annex A – Provides an update on projects including the impact of the Covid 19 pandemic.

Performance Update

Following last years spend targets we can now confirm that the target set by Government for spend in the 2019/20 financial year (£40m) was fully allocated and spent and the LEP also utilised all previous years underspends in this year as well. Therefore, in the 2019/20 financial year the LEP allocated and spent its projected £46,395,884 meaning that the LEP no longer holds any underspend allocation moving in to the 2020/21 Financial Year.

The current position of the programme is largely affected by the Covid 19 pandemic and the effect this is having on the construction industry. Annex A provides a full update of all projects that are live or due to go live in the next financial year and includes the impact from Covid 19 for each project.

In general the construction industry has been highly affected by the current pandemic due to a multitude of factors, including supply chain constraints, increased costs of materials but primarily the main effects are as a result of social distancing in the workplace which is affecting the amount of construction-based work that can take place, which will affect delivery timetables and increase associated costs.

Going forward project sponsors have cited that the uncertainty over how long the social distancing period will last is likely to cause ongoing delays to their projects. Some construction sites are remaining closed due to the contractor's choice and in effect are out of the control of project sponsors to progress.

Sponsors have stated that productivity is likely to drop on site when a return is announced due to social distancing and this is likely to have significant impacts to both cost and time on the projects. The other ongoing risk is around supply chains and their resilience moving forward. Manufacturers of products have ceased production in some areas already leading to shortages in key materials (such as plaster and plaster board) and this is likely to affect both the timing of projects and the price due to increases in cost.

Impacts to the Programme

Should the March 2021 deadline stay in place for full commitment and spend of the Local Growth Fund programme it is unlikely that the D2N2 programme will achieve this. Delays are anticipated to continue and the uncertainty over productivity with regards to social distancing will have an effect on the construction sectors ability to meet the deadline.

Multiple authorities are identifying cost increases to their projects and this may have an effect on the sponsors ability to deliver the final project. In some cases, cost increases close to 10% are being identified based on evaluation of the situation and this could affect the ability to finish to the specification outlined if at all.

This will clearly have impacts on the outcomes projected at the delivery of a Final Business Case and will also affect the delivery of outputs and their timing.

The LEP is working closely with all projects to look at what flexibilities are possible and review the situation around costs once full assessments can be carried out to understand the extent of price increases to the projects across the whole programme.

The Investment Board and main LEP board will continue to be provided updates on the impact of the programme and our ability to meet the deadlines and deliver the full programme. At a national level through the LEP network all LEPs have

already requested an extension to the deadline from government, we are also seeking early confirmation of future LGF funding announced in the March budget and understand how that can be used.

Annex A – Covid 19 impacts on Capital Projects

Ashbourne Airfield – The contractor was due to start on site imminently when the lockdown came in to force and therefore have mutually agreed with the project sponsor to halt any construction due to the unknown risks that any delay or working conditions change would have on the project. The delays and sourcing of materials are likely to increase the costs of the project and this may make the current agreed contract undeliverable for the contractor. The section of works led by Eurovia was shut down on the 17th of March apart from the most essential works, this situation is being reviewed on a three weekly basis but still remains as of now. Costs are likely to increase on original cost at the time of approval and the extent of delay to the construction programme is unknown.

A46 Corridor Phase 3 – The project is continuing to progress at the same timescales as outlined within the Milestones paper. The business case is still expected in time for the November Investment Board.

A52 Wyvern – The contractor in some areas is struggling to find materials to deliver the works that were programmed for now but are working to change the programme to accommodate any shortages. The bridge installation has been delayed due to issues with social distancing and will be put in place at a later date.

Becketwell – The demolition works on the site were temporarily halted due to the current situation however an expected return to the site is expected this week. The developers are still continuing to progress with sourcing external investment for the site and are continuing to press on with the development of the revised planning application for the site.

Buxton Crescent – Uncertainties are in place over the end of the project, the works to the exterior are largely completed and internal finishes is the main element required to finish the project. However, due to social distancing restrictions the works on the internals have been delayed, with the nature of the completed building being in the hospitality sector there is uncertainty over when the project will reopen as timelines for the sector are unknown.

Castleward – Slight delays have taken place in the design of the new school however the project is still continuing to progress through the development stages and Derby City Council are confident that the June Investment Board will still be made for the Final Business Case to be reviewed there.

Crocus Place – The project has been slightly delayed by the impacts of Covid 19 and will now look to come for a Final Business Case decision at the June Investment Board Meeting if all aspects of the requirements in the Local Assurance Framework are in place.

Nottingham City Hub – The main contractor placed a 48 hour hold on all activity on the site to assess the operating procedures following the initial lockdown. Following this hold, the contractor resumed works on site and continues to operate with around 50% capacity to allow progress but maintain social distancing. Full cost and timing implications are currently being assessed for the project however it is expected that there will be delays to the completion of the facility and cost increases from the impacts of Covid-19.

Gedling Access Road – The project remains on site and has continued to do so throughout the period of the Covid 19 lockdown, however with limited capacity. Changes are being made to the programme of works and how these works are being carried out with social distancing in mind. The financial/ timing implications of the project are currently unknown and Nottinghamshire County Council are working with the contractor to fully understand the scale.

Heathcoat Immersive Incubator – The project has seen minor delays to the programme due to the impact of Covid 19 and will therefore be pushed back by one month. This has little impact on the overall delivery of the programme of works and the Council remain committed to the work.

HS2 Strategic Sites – The project is continuing to progress through its next phases following an approval of the Final Business Case at the March 11th, 2020 Investment Board meeting. A resolution has been found to the mast issue on the site and an agreement has been made to relocate it to enable the work to proceed. Work packages in section B are continuing to progress and no real delay has been seen to the project from the Covid-19 situation.

MTIF – The construction works at the Clifton Campus were halted with immediate effect following a decision from the contractor and have not yet resumed. The Boots campus building has continued to progress however at a limited scale. NTU are working to understand the implications of the shutdown/slowing of progress however the extent will not be known until the works can get back on site.

Mushroom Farm – The project is continuing with its procurement process and expects tenders to be returned in May. The June Investment Board is still being targeted for the project to present its Final Business Case.

N2 Town Centres – Overall the N2 Town Centres projects that are in the construction phase have been temporarily reduced in workforce or suspended. The effects to the overall programme delivery from these projects is not seen as too much of a risk as most projects are likely to incur delays of anywhere of up to 2 months which will not affect the overall programme significantly. In terms of the projects waiting for approval, most are continuing to progress to the best of their ability at the same pace before covid-19. However, some delays in processes may be seen due to shortages in certain professional areas, most projects are stating a similar delay of around a month to their business cases being delivered to the LEP.

NTU Nursing provision in Mansfield – NTU have drafted the Final Business Case and continue to progress with the works. Some procurement issues are being encountered through suppliers having furloughed staff or not having availability to respond, therefore the procurement may be delayed. The project sponsor is still looking to present a Final Business Case to the June Investment Board.

NTU Smarter Connected Campus – The project is continuing to progress at the same timescales as outlined before and is progressing towards procurement. The business case is still expected in time for the September Investment Board.

Omics Research Facility – Derby University are continuing to progress with their procurement and business case and are still working towards the business case being delivered for the September Investment Board.

Revitalising the Heart of Chesterfield – Tendering has started for the public realm works element of the project and is in line with the milestones for the project. The works to the marketplace has been delayed due to the current situation and Chesterfield Borough Council are working to identify the impact from the delay. Both sections of the project are dependent on the results of the procurement exercises and how potential contractors will respond to the tender, which may have an impact on the final timeline and cost.

Riverside Business Park – The project has seen delays to the contractor's progress on site and ability to keep work moving. A key decision of the agreement of the hotel occupier for the site has been delayed in the present circumstances whilst the occupier reviews its overall business. The project sponsor has identified that they will struggle to meet the March 2021 deadline and has requested the LEP to increase the grant drawdown intervention rate. At the moment we are continuing to work closely with the project to mitigate the risks to the project from the slowdown and potential risk from the hotel occupiers decision on progressing.

Silk Mill – The project has halted construction works on the site due to the inability to continue with adequate social distancing measures in place. The project was on track to complete for September but will now be delayed due to the stop in works and the reduced capacity when these resume. The delay in works is likely to cause cost implications to the project and this may affect how the project is completed.

Southern Gateway – Construction works on the Car park element of the project has been reduced due to the measures in place from social distancing but continue to progress. There is however uncertainty over the future of Intu and therefore the works towards the Broadmarsh Shopping Centre. Nottingham City Council are continuing to work with Intu to monitor the situation and are providing regular updates.

Tollbar House – The project sponsor is continuing to progress with the agreed milestones as set out from the projects inclusion. No significant delays to the programme are yet to be foreseen and the Final Business Case is still anticipated for the July Investment Board.

Woodville Swadlincote – The project has been slightly delayed by the impacts of Covid and the project will now finalise procurement in May. The Final Business Case decision will be delayed until June but this has no impact on the construction timeline.

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D2N2 Investment Board Cover Sheet – 11th May 2020

Document Classification	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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Meeting and Date	Investment Board 11 th May 2020		
Subject	Local Growth Fund Budget		
Author	S Wainwright	Total no of sheets	2

Papers are provided for:	Approval <input type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>
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<p>Summary and Recommendation(s)</p> <p>This paper delivers an update on the budget of the Local Growth Fund (LGF) and a list of projects budgets over the lifecycle of the LGF funding.</p> <p>The Investment Board are requested to note the information.</p>
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D2N2 INVESTMENT BOARD**11th May 2020****Local Growth Fund Budget update**

Current forecast shows that in 2020/21 the programme is overcommitted by £2.26m. This will be offset by the money from the Growing Places Fund to achieve a balanced budget.

2020/21 is the final year of the Local Growth Fund Programme, the full impact of Covid 19 is not fully realised at the time of writing but is expected to have an impact on projects ability to spend before the 31st March 2021 deadline and therefore be able to evidence expenditure. Grant profiles and expenditure figures for the remaining projects will be monitored closely throughout the year to ensure any grant given can be evidenced with expenditure. The LEP will continue to lobby Government for a year's extension to the LGF programme to ensure all projects can be completed and all grant monies spent.

Local Growth Fund 6 year Grant/Expenditure sheet 22/04/2020								
	2015/16	16/17	17/18	18/19	19/20	20/21		
Project Name	Annual	Annual	Annual	Annual	Annual	Annual	Total	Status
Chesterfield Centre for Higher Level Skills	3.48						3.48	Project Finished
Vision University Centre, Mansfield	2.61						2.61	Project Finished
Bioscience Expansion, Nottingham	6.50						6.50	Project Finished
The Spot	0.75		-0.04				0.71	Project Finished
Medicity		0.74					0.74	Project Finished
Ada Lovelace House		0.14					0.14	Project Finished
Bulwell Market		0.10					0.10	Project Finished
Dakeyne Street		0.18					0.18	Project Finished
Sutton Indoor Market		0.38					0.38	Project Finished
Sherwood Energy Village			0.50				0.50	Project Finished
Harworth Access Road		1.10			-0.40		0.70	Project Finished
Seymour Link	2.02	0.50					2.52	Project Finished
Cycle City Ambition package in Nottingham	4.16	1.94					6.10	Project Finished
A57/A60 Junction Worksop	0.92	0.92					1.83	Project Finished
Institute for Advanced Manufacturing		5.00					5.00	Project Finished
Sherwood Visitor Centre			0.50				0.50	Project Finished
Southern Growth Corridor		2.00	4.12				6.12	Project Finished
Rail Research and Innovation Centre				0.90			0.90	Project Finished
Derby College Technology Hub				1.30			1.30	Project Finished
Infinity Park, Derby	3.45	4.00	3.35	2.195			13.00	Ongoing
Nottingham Broadmarsh/Southern Gateway	6.79	0.71	0.35	2.45	15.00		25.30	Ongoing
Newark Southern Link Road	1.00	6.00					7.00	Ongoing
Derby Cycling and Placemaking			0.84	0.71	0.09		1.65	Ongoing
Our City Our River, Derby	2.00	2.50	2.50	2.50	2.50		12.00	Ongoing
LEP Management & feasibility funds	0.56	0.18	0.16	0.19	0.19	0.20	1.47	Ongoing
Broadbands-Derbyshire	2.19						2.19	Ongoing
Broadbands-Nottinghamshire	2.63						2.63	Ongoing
D2N2 Sustainable Travel programme		2.48	2.38	0.95			5.80	Ongoing
Enterprise zone sustainable transport package		0.80	5.20				6.00	Ongoing
A52 Wyvern		1.50	5.22				6.72	Ongoing
Tudor Cross (former Coalite)		5.80					5.80	Ongoing
A46 Corridor, Rushcliffe-Phase 1 and 2		2.00	1.00				3.00	Ongoing
Midland Mainline			5.00				5.00	Ongoing
Buxton Crescent		2.00					2.00	Ongoing
Silk Mill World Heritage Site			0.52	2.53	0.65		3.70	Ongoing
Nottingham City Hub		0.19	2.03	13.79	12.73		28.74	Ongoing
Nottingham City Hub - Enabling Works			0.22	0.57	0.00	0.46	1.25	Ongoing
N2 Town Centres				2.13	2.75	2.75	7.63	Ongoing
Nottingham Castle				5.00			5.00	Ongoing
Vesuvius				4.49			4.49	Ongoing
Riverside Business Park					0.75	2.60	3.35	Ongoing
NTU MTIF Centre			0.46	1.52	4.09	3.63	9.70	Ongoing
Derby New Assembly Rooms							0.00	withdrawn
A61 Corridor-21st Century Transport		0.08		0.60	1.17	1.17	3.00	Ongoing
A61 Corridor-Standard Gauge		0.33		0.89	0.47		1.69	Ongoing
Gedling Access			0.50		3.08	7.22	10.80	Ongoing
Ashbourne Airfield					1.00		1.00	Ongoing
HS2 Strategic Sites						2.40	2.40	Ongoing
Becketwell		3.00	0.05	2.38	2.70		8.12	Pre-Compliance
A61 Corridor-Chesterfield Station MasterPlan				0.29		3.52	3.81	Partial App. awaiting full approval
A61-The Avenue		0.10		0.27	-0.37		0.00	withdrawn
A61 Corridor-Clowne North							0.00	withdrawn
A46 Corridor, Rushcliffe-Phase 3 Castleward						0.75	0.75	Not yet commenced
Woodville-Swadlincote Regeneration route						1.51	1.51	Not yet commenced
Revitalising the Heart of Chesterfield						6.40	6.40	Not yet commenced
						0.65	0.65	Not yet commenced
Heathcoat Immersive Incubator-Nottingham						0.16	0.16	Not yet commenced
The Smarter Connected Campus-NTU						0.80	0.80	Not yet commenced
Nursing & Allied Health Provision-Mansfield						0.75	0.75	Not yet commenced
Tolbar House-Ilkeston						0.43	0.43	Not yet commenced
Mushroom Farm Court Industrial Estates						0.12	0.12	Not yet commenced
Facility for OMICs Research in Metabolism						0.85	0.85	Not yet commenced
Crocus Place						3.00	3.00	Not yet commenced
Top Wighay Farm						3.00	3.00	Not yet commenced
DCC Capital Programme		10.75	31.52					DCC projects used for u/s
Total LGF Commitments	39.05	55.40	66.39	45.66	46.40	42.35	252.97	
Total LGF funding	39.05	55.40	66.39	32.36	17.42	40.09	250.71	
Annual (under)/over commitments (£M) based on current profiles	0.00	0.00	0.00	13.30	28.98	2.26		
							Overall Overspend	2.26

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D2N2 Investment Board - May 2020

Confidentiality Level	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>	Commercially sensitive <input type="checkbox"/>
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Meeting and Date	D2N2 Investment Board – 11 th May 2020		
Subject	D2N2 Milestones Update		
Author	T Goshawk	Total no of sheets (Excluding cover sheet)	8

Papers are provided for:	Approval <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input type="checkbox"/>
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Summary and Recommendation(s)
<p>The Board are asked to note the Milestones report on the D2N2 LGF programme.</p> <p>The report shows the Milestones that have been agreed through within the last year and the progress against the delivery of those milestones for each project.</p> <p>Recommendations will follow each project and their milestone progress.</p>

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
Becketwell Derby City Council	December 2020	Allocation utilised	450 Jobs 280 homes	The planning permission for the site was originally submitted to Derby City Council on the 22 nd of August. Following further market testing for funding of the development the developers of the site have decided to revise the planning application to better suit market conditions.	Outline planning - February 2020 (Achieved) Reserved Matters submission – May 2020 Reserved Matters Decision – September 2020

Recommendation – The board is requested to agree the changes to the Milestones for the Becketwell project and continue to monitor the status of the new planning application through to Final Business Case delivery.

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
Castleward Derby City Council	June 2020	£1.51 Million	200 Homes	The additional funding required has been identified. The target cost for the school has been revised. Procurement has been carried out for the project through the framework. Additional homes will now be included as part of the final submission. Following consultations and stakeholder engagement, revisions have been made to the planning	Match funding to be confirmed at Cabinet - September 2019 (Complete) Contractor Appointed – November 2019 (Complete) Planning submission – 13th January 2020 Complete (Original – November 2019)

			application which has delayed the programme two months.	Planning Granted – May 2020
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Recommendation – The Investment Board are recommended to agree the revised milestones and target a new Business Case delivery date of June 2020.

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
Woodville Swadlincote Regeneration Route Derbyshire County Council	June 2020	£6.4 Million	3,100 Jobs 300 Homes	Two land purchases remain to be completed and will continue to be engaged by the County and District Council. The CPO inquiry took place in January with a positive outcome. Derbyshire County Council have submitted the FBC to the LEP and the project will come to the June meeting for approval.	Contractor Procurement finalised - May 2020 CPO formal sign off – June 2020 FBC to Investment Board – June 2020

Recommendation – The Investment Board are recommended to monitor progress up to the delivery of the Final Business Case which will now be delivered in June 2020.

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
A46 Corridor (Phase 3) Rushcliffe Borough Council	November 2020	£0.75 million	133 Jobs	Rushcliffe Borough Council are continuing to work through the milestones for delivery of the Chapel Lane phase of the A46 Project. Planning permission for the site has been submitted in December with an expected completion in April 2020. Consultations have slipped the timelines for delivery from a September to November start.	Detailed Design complete – December 2019 (Complete) Planning permission Secured - April 2020 Tender out to contractors – August 2020 Tenders in and contractor appointed – October 2020

Recommendation – The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in November 2020.

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
Heathcoat Immersive Incubator Nottingham City Council	September 2020	£0.16m	9 Jobs	The project was presented to the Investment Board on the 7 th of January to be placed on the Capital Programme. The project has seen a 1 month delay to the programme however the procurement process is due to begin this month. The project will still deliver before March 2021.	Outline Business Case submitted – March 2020 (Submitted) Tender process begins – April 2020 (Revised May 2020) Tenders returns received – June 2020 (Revised July 2020)

					Start on Site – August 2020 (Revised September 2020)
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Recommendation – The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in September.

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
Smarter Connected Campus Nottingham Trent University	September 2020	£0.8m	45 Jobs	The project was presented to the Investment Board on the 7 th of January to be placed on the Capital Programme. D2N2 have been working with the project sponsors to confirm the milestones of the project through to Final Business Case Delivery.	Design complete – June 2020 Procurement Complete – August 2020 Build contract begins – September 2020

Recommendation – The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in September 2020.

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
Tollbar House	July 2020	£0.43m	90 Jobs	The project was presented to the Investment Board on the 7 th of January to be placed on the Capital Programme. D2N2 have been working	Tenders out to Contractors – April 2020 (Completer)

Erewash Borough Council				with the project sponsors to confirm the milestones of the project through to Final Business Case Delivery.	Preferred contractor selected – June 2020 Construction mobilisation begins – August 2020
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Recommendation – The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in July 2020

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
Nursing and Allied Health Provision in Mansfield NTU	June 2020		316 Learners	The project was presented to the Investment Board on the 7 th of January to be placed on the Capital Programme. NTU are progressing with their procurement processes and are targeting the June Investment Board for an approval however this is dependent on contractor responses to the tender. Weekly catch up meetings are taking place with the promoter to discuss the projects progress.	Procurement Process begins – April 2020 Tenders Received – May 2020 Construction Works – June to Autumn 2020

Recommendation – The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in May 2020

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
Revitalising the Heart of Chesterfield (Outdoor Market) £0.35m Chesterfield Borough Council	November 2020	£0.35m	17 Jobs Created 110 Jobs Safeguarded	The project was presented to the Investment Board on the 7 th of January to be placed on the Capital Programme. D2N2 have been working with the project sponsors to confirm the milestones of the project through to Final Business Case Delivery.	Design Complete – July 2020 Procurement complete – September 2020 Final Planning approved – October 2020 Construction works – November 2020 to April 2021
Revitalising the Heart of Chesterfield (Public Realm) £0.3m Chesterfield Borough Council	July 2020	£0.3m	48 Jobs Created	The project was presented to the Investment Board on the 7 th of January to be placed on the Capital Programme. D2N2 have been working with the project sponsors to confirm the milestones of the project through to Final Business Case Delivery.	Design Complete – April 2020 Section 278 Agreement agreed – June 2020 Construction Works – October to December 2020

Recommendation (Outdoor Market) – The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in November 2020

Recommendation (Public Realm) – The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in July 2020.

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
OMiCs Research Facility University of Derby	September 2020	£850k	833 Learners 27 Jobs	The project was presented to the 11 th of March 2020 Board as part of the four projects that were adopted on to the Capital Programme. The University of Derby are continuing to progress the project and issue the tenders for the equipment purchases in May.	Tenders published – May 2020 All Tenders Awarded – August 2020 LGF Financial Completion – January 2021

Recommendation – The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in September 2020

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
Mushroom Farm Broxtowe Borough Council	June 2020	£0.12m	6 Jobs	The project was presented to the 11 th of March 2020 Board as part of the four projects that were adopted on to the Capital Programme. Broxtowe Borough Council are continuing to progress with the project to the same	Tenders out to Contractors – April 2020 (Complete) Receive Tenders – May 2020 LEP Approval – July 2020

				timescales despite the Covid 19 situation.	Construction Works begin – June 2020
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Recommendation – The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in June 2020

Project Details	FBC Approval to Board	20/21 Profile	Outputs	Current Position	Milestones to track
Crocus Place Nottingham City Council	June 2020	£3m	1,450 Jobs	The project was presented to the 11 th of March 2020 Board as part of the four projects that were adopted on to the Capital Programme. Nottingham City Council have seen impacts of Covid 19 delay the business case but this should be presented to the June 2020 meeting.	Discharge of planning conditions – April 2020 (Complete) FBC Submitted to the LEP – April 2020 (Complete) FBC presented to Investment Board – (June 2020)

Recommendation – The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in June 2020

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Agenda item 7

D2N2 Investment Board (IB) Cover Sheet

Document Classification	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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Meeting and Date	11 th May 2020		
Subject	Project for Approval – Chesterfield Station Masterplan		
Author	Tom Goshawk	Total no of sheets	8

Papers are provided for:	Approval <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input type="checkbox"/>
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Summary and Recommendation(s)
<p>This paper sets out a request of Local Growth Funding to support the Chesterfield Station Masterplan project. The project will deliver a new link road from the junction of Hollis Lane and Spa Lane to terminate at the southern extent of the Chesterfield Station car park. It will enable and bring forward early development plots within the Chesterfield Station Masterplan area totalling 1.26 hectares for employment.</p> <p>Following the review of the business case, The D2N2 Investment Board are recommended to approve the £3,808,000 grant to Derbyshire County Council subject to a signed Heads of Terms agreement being reached in the next 30 days. Should this agreement not be reached, the Investment Board will review the projects approval following this period.</p>

D2N2 INVESTMENT BOARD

11th May 2020

1.0 Background

In February 2015 DCLG awarded D2N2 Grant Funding to deliver the approved schemes on the Local Growth Fund (LGF).

In March 2015 D2N2 and Derbyshire County Council issued the LGF Local Assurance Framework which sets out the procedures for managing and approving projects.

In April 2015 D2N2 appointed Derbyshire County Council as the Accountable body to administer the Local Assurance Framework.

2.0 Scheme Overview

The Chesterfield Station Masterplan project makes up part of the A61 Corridor Programme and will deliver the construction of a new link road from the junction of Hollis Lane to terminate at the South of Chesterfield Train Station. The project will unlock the early development of 1.26 Ha of employment floorspace.

This project works with other projects within the A61 Corridor programme to aid growth within the North Derbyshire Growth Zone (NDGZ). The NDGZ area has experienced significant decline of traditional industries (including coal, steel and heavy engineering) over the last 20 years which has contributed to higher unemployment levels, but in return, also provides major redevelopment opportunities at brownfield sites.

The project involves two main strands of work to facilitate the delivery of the new link road and subsequent employment opportunities from the delivery of this. The first phase of works will include the acquisition of a strategic land piece and relocation of the existing landholder to enable the final delivery of the link road. This will involve purchasing the land, demolition and remediation works to the new site and the existing one and then finally relocation of the occupier.

The second phase of this project is to build the new link road from the junction of Hollis Lane/Spa Lane through to the Southern Extent of Chesterfield Train Station, at this point the creation of the new road/shared cycle and footpath will allow the delivery of new commercial units to unlock the jobs potential in the area.

The project aims to compliment the delivery of the HS2 Strategic sites project and will support the overall development of the Chesterfield HS2 station area through providing new opportunities for employment. The outputs related to this intervention are additional and complimentary to the development delivered through the HS2 Strategic Sites project.

The funding for the project now is sourced from the following:

Funding Source	TOTAL
Local Growth Fund	£3,808,000
Derbyshire County Council/ Joint Growth Board	£3,616,207
TOTAL	£7,424,207

3.0 Approvals

Planning Consent for Phase 1 of the new link road was agreed on the 19th of December 2019.

Derbyshire County Councils Cabinet approved the allocation of grant to the Chesterfield Station Masterplan project on the 11th of October 2018.

4.0 Procurement

Two separate procurement routes have been identified by the project sponsor to enable the design phase works and the building works to be carried out. The Design phase of the project has been procured through

the Midlands Highway Alliance Professional Services Partnership Framework. Following this process, AECOM were appointed to deliver the designs for the project.

Following a procurement options exercise, Derbyshire County Council have chosen to deliver this project through their internal Derbyshire County Council Highways Construction Services Team.

5.0 State Aid

Derbyshire County Council have confirmed that the project does not provide any state aid to any particular recipient and constitutes general public infrastructure and is therefore state aid compliant.

6.0 Business Case

A Strategic Outline Business Case was received and approved by the LEP in March 2018.

The Business Case has been independently assessed by Hatch Regeneris who have deemed that the project represents Good VFM.

7.0 Delivery Programme

Remediation Works begin on new site– September 2020

New site construction – February 2021

Road Construction begins – August 2021

Road Construction Complete – December 2021

8.0 Outputs and Outcomes

The project will deliver the following outputs and outcomes:

- Support the creation of 533 new jobs
- Enable the development of 1.26 Ha of new employment land

9.0 Spending profile

2019/20 - £291,000 (Pre compliance Grant)

2020/21 - £3,517,000

10.0 Local Assurance Framework

Following a review of the Final Business Case, D2N2 officers confirm that the project complies with the Local Assurance Framework except for all land being in place.

The D2N2 Investment Board are recommended to approve the £3,808,000 grant to Derbyshire County Council subject to a signed Heads of Terms agreement being reached in the next 30 days. Should this agreement not be reached, the Investment Board will review the projects approval following this period.

Sarah Wainwright, Accountable Body, Derbyshire County Council
Tom Goshawk, D2N2 LEP

Appendix 1

Local Assurance Framework

Final stage Approval Check List:

<p>1. A detailed 'Green Book' compliant business case has been completed detailing the project and its alignment to the 5 case model.</p>	<p>Derbyshire County Council have provided a full Green Book Compliant Business Case which aligns with all 5 cases.</p>
<p>2. A VFM assessment must be completed. The VFM assessment will be independently assessed by D2N2 and must show an overall score of 'High'.</p>	<p>Hatch Regeneris have reviewed the Final Business Case and can confirm that the project has passed the Value for Money Assessment and represents good VFM.</p>
<p>3. Details confirming that all planning consents have been granted and that all pre start conditions have been met.</p>	<p>Planning Consent for Phase 1 of the new link road was agreed on the 19th of December 2019.</p>
<p>4. Confirmation that any Section 106 or other agreements have been entered into.</p>	<p>Not applicable to this project</p>
<p>5. Confirmation of the results of the procurement exercise detailing: -the tenders received (along with detailed costs) -the tender accepted (along with timescales/conditions)</p>	<p>The design phase was procured through the Midlands Highway Alliance Framework and Derbyshire County Council have selected AECOM to carry these works out. The construction phase has also been procured and the works will be carried out through DCC's Highways services team.</p>
<p>6. Details of the construction contract to be entered into by the promoter detailing: -start date</p>	<p>The Highways construction Team is in place with an agreement through Derbyshire County Council.</p>

Appendix 1

<p>-completion date -liquidated damages/cost over runs</p>	
<p>7. Confirmation that the promoter will be responsible for any variations to the contract price and that once entered into, the contract will be completed in line with the details submitted.</p>	<p>The promoter will be responsible for any cost overruns in the construction phase.</p>
<p>8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.</p>	<p>The project promoter has confirmed that the project has passed the full design phase.</p>
<p>9. Details of any outstanding points preventing/delaying the start-up of the construction contract.</p>	<p>Impacts of Covid 19 will potentially hold up the contract start and the outcome of the land agreement being delayed is the other possible factor for delay.</p>
<p>10. Details of any changes for the project from the initial EOI and OBC submissions with reasoning behind these changes. Including an updated viability report as submitted in point 5 of the OBC.</p>	<p>The outputs for the project are:</p> <ul style="list-style-type: none"> - Delivery of 553 new jobs <p>The original project outputs were to deliver 440 gross jobs and 438 indirect homes. Following professional advice it was agreed that the land made available from these works would not be suitable for housing development and market conditions were preferable to employment. Hence the rise in employment numbers.</p>

Appendix 1

<p>11. Confirmation that all funding is now in place with details of the sources of funding, please include letters from third party funders confirming any conditions and timescales.</p>	<p>Derbyshire County Councils Cabinet approved the allocation of grant to the Chesterfield Station Masterplan project on the 11th of October 2018.</p>
<p>12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project</p>	<p>Heads of Terms still need to be agreed for the remaining land that is required for the road to be delivered. This is expected shortly and shouldn't affect the programme of works however an approval would have to be subject to this being delivered.</p>
<p>13. A phasing plan identifying the start and completion elements of the project along with costs associated with each phase and the outputs/outcomes that will be delivered on a quarterly basis.</p>	<p>Remediation Works begin on new site– September 2020 New site construction – February 2021 Road Construction begins – August 2021 Road Construction Complete – December 2021</p>
<p>14. An updated risk register identifying the key risks and the project manager responsible. The risk register needs to be scored and include a mitigation plan.</p>	<p>A full risk register for the project has been included within the projects final business case.</p>

Agenda Item 8

D2N2 Investment Board (IB) Cover Sheet – 11th May 2020

Document Classification		Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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Meeting and Date	11 th May 2020		
Subject	Approval of the Top Wighay Farm project		
Author	T Goshawk/S Wainwright	Total no of sheets	5

Papers are provided for:	Approval <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input type="checkbox"/>
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Summary and Recommendation(s)
<p>This paper sets out a request for £3m of Local Growth Funding to support the Top Wighay Farm project.</p> <p>The project is now compliant with the LAF and after a review of the business case, D2N2 recommends that the project is approved by the Investment Board.</p>

D2N2 INVESTMENT BOARD

11th May 2020

Top Wighay Farm

1.0 Background

In February 2015 DCLG awarded D2N2 Grant Funding to deliver the approved schemes on the Local Growth Fund (LGF).

The LGF comprises of 51 schemes and runs until March 2021.

In March 2015 D2N2 and Derbyshire County Council issued the LGF Local Assurance Framework which sets out the procedures for managing and approving projects.

In April 2015 D2N2 appointed Derbyshire County Council as the Accountable body to administer the Local Assurance Framework.

2.0 Scheme Overview

The Top Wighay Farm site is located just north west of Hucknall, Nottinghamshire and has been allocated for housing and employment development since 2005. Several attempts have been made to bring this forward but the private sector has failed to deliver the site due to the infrastructure requirements.

The site is currently posed to bring forward the accelerated delivery of 805 new homes as part of a sustainable urban extension. Alongside housing provision, the site will encompass employment space, a primary school, a local centre and surrounding areas of open space.

The site requires major highway and utility infrastructure, these include:

- The expansion of a roundabout on the A611/Annesley Road to accommodate traffic requirements to access the site.
- A new signal-controlled junction to manage traffic flow and support the pedestrian cycle access.
- A new three metre wide shared use footway and cycleway along the A611 for flexible and environmentally friendly public access to the site.

The overall cost of the works is £10.3m, £5.8m has already been confirmed by Homes England. A pre-condition of the Homes England funding is that the public sector fills the remaining funding gap which is the basis of the application for D2N2 funding.

The funding for the project is sourced from the following:

Funding Source	TOTAL
Nottinghamshire County Council	£1,500,000
Homes England	£5,800,000
Local Growth Fund	£3,000,000
TOTAL	£10,300,000

3.0 Approvals

Full planning permission was granted for the highway and infrastructure works on the 21st January 2021. Funding was approved for the project at Nottinghamshire County Councils Policy Committee on the 19th June 2019.

4.0 Procurement

Using the Scape National Civils Framework the construction contract has been given to Balfour Beatty.

5.0 State Aid

The promoter has confirmed the project is State Aid compliant and advice has been sort by the Nottinghamshire County Council legal section

6.0 Business Case

Hatch Regeneris have reviewed the Final Business Case and can confirm that the project has passed the Value for Money Assessment and represents good VFM.

7.0 Delivery Programme

- Planning permission granted for infrastructure-January 2020
- Outline planning permission determined-April 2020
- Start on site for infrastructure works-April 2020
- Complete infrastructure-March 2021
- Start on site (housing development)-December 2021
- Practical completion-September 2029

Clearly all timelines are likely to be impacted by the Covid-19 restrictions.

8.0 Outputs and Outcomes

805 homes

9.0 Spending profile

20/21 £3,000,000

10.0 Local Assurance Framework

The Accountable Body and D2N2 have assessed the Full Business Case submission and approval is recommended

The Investment Board are asked to approve the project and to release the £3,000,000 of LGF on the condition that the Hatch Regeneris report confirms the project represents good value for money.

Sarah Wainwright, Accountable Body, Derbyshire County Council
Tom Goshawk, D2N2 LEP

Appendix 1

Local Assurance Framework

Final stage Approval Check List:

<p>1. A detailed 'Green Book' compliant business case has been completed detailing the project and its alignment to the 5 case model.</p>	<p>A detailed business case for the project has been submitted to the LEP and follows the Five Case 'Green Book' compliant model.</p>
<p>2. A VFM assessment must be completed. The VFM assessment will be independently assessed by D2N2 and must show an overall score of 'High'.</p>	<p>Hatch Regeneris have reviewed the Final Business Case and can confirm that the project has passed the Value for Money Assessment and represents good VFM.</p>
<p>3. Details confirming that all planning consents have been granted and that all pre start conditions have been met.</p>	<p>The highways and associated infrastructure were granted full planning permission on the 21st January 2020.</p>
<p>4. Confirmation that any Section 106 or other agreements have been entered into.</p>	<p>n/a</p>
<p>5. Confirmation of the results of the procurement exercise detailing: -the tenders received (along with detailed costs) -the tender accepted (along with timescales/conditions)</p>	<p>The procurement process used for the construction of the highway infrastructure and associated works is being overseen by Arc Partnership. The Scape National Civils Framework has been used with Balfour Beatty as the construction partner. The Framework has been pre-tendered with the costs of preliminaries, overheads and profit established.</p>
<p>6. Details of the construction contract to be entered into by the promoter detailing: -start date -completion date -liquidated damages/cost over runs</p>	<p>Start on site for the construction work is expected in April 2020.</p>

Appendix 1

<p>7. Confirmation that the promoter will be responsible for any variations to the contract price and that once entered into, the contract will be completed in line with the details submitted.</p>	<p>Nottinghamshire County Council has confirmed they are the site promoter and will be responsible for any variations to the contract.</p>
<p>8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.</p>	<p>Detailed design has been completed</p>
<p>9. Details of any outstanding points preventing/delaying the start-up of the construction contract.</p>	<p>COVID 19 is clearly a potential issue which is something that affects the whole construction industry and the project will seek to access all necessary and available support as and when this becomes available.</p>
<p>10. Details of any changes for the project form the initial EOI and OBC submissions with reasoning behind these changes. Including an updated viability report as submitted in point 5 of the OBC.</p>	<p>There are no changes since the EOI was submitted and as this project has only recently been put onto the LGF programme no OBC was required.</p>
<p>11. Confirmation that all funding is now in place with details of the sources of funding, please include letters from third party funders confirming any conditions and timescales.</p>	<p>Homes England funding has been confirmed. Funding from Nottinghamshire County Council was confirmed on the 19th June 2019 by their Policy Committee.</p>
<p>12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project</p>	<p>Nottinghamshire County Council are landowners of the site. All relevant permissions for the highway and associated infrastructure have been entered into.</p>

Appendix 1

<p>13. A phasing plan identifying the start and completion elements of the project along with costs associated with each phase and the outputs/outcomes that will be delivered on a quarterly basis.</p>	<ul style="list-style-type: none"> • Planning permission granted for infrastructure-January 2020 • Outline planning permission determined-April 2020 • Start on site for infrastructure works-April 2020 • Complete infrastructure-March 2021 • Start on site (housing development)-December 2021 • Practical completion-September 2029 <p>Outputs are expected as follows:</p> <table border="1" data-bbox="1077 852 2011 1054"> <thead> <tr> <th colspan="8">Table 5.1: TWF – output profile</th> </tr> <tr> <th></th> <th>2021/22</th> <th>2022/23</th> <th>2023/24</th> <th>2024/25</th> <th>2026/27</th> <th>Future years</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Housing Starts</td> <td>134</td> <td>134</td> <td>134</td> <td>134</td> <td>134</td> <td>134</td> <td>805</td> </tr> <tr> <td>Completions</td> <td></td> <td>134</td> <td>134</td> <td>134</td> <td>134</td> <td>268</td> <td>805</td> </tr> </tbody> </table>	Table 5.1: TWF – output profile									2021/22	2022/23	2023/24	2024/25	2026/27	Future years	Total	Housing Starts	134	134	134	134	134	134	805	Completions		134	134	134	134	268	805
Table 5.1: TWF – output profile																																	
	2021/22	2022/23	2023/24	2024/25	2026/27	Future years	Total																										
Housing Starts	134	134	134	134	134	134	805																										
Completions		134	134	134	134	268	805																										
<p>14. An updated risk register identifying the key risks and the project manager responsible. The risk register needs to be scored and include a mitigation plan.</p>	<p>A risk register has been provided by the promoter and includes mitigations</p>																																

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PUBLIC

Agenda Item 3

MINUTES of a meeting of the **D2N2 INVESTMENT BOARD** held on 11 May 2020 via Microsoft Teams

PRESENT

E Fagan (D2N2 LEP) (In the Chair)

Councillors W J Clarke (Gedling Borough Council), P Gilby (Chesterfield Borough Council), C Hart (Erewash Borough Council), M Holmes (Derby City Council), R Jackson (Nottinghamshire County Council), B Lewis (Derbyshire County Council), J White (Bassetlaw District Council) and J Bradley-Fortune (Inclusion Representative) and D Williams (D2N2 LEP).

Also in Attendance: M Ashworth (Derbyshire County Council), J Davies (Gedling Borough Council), C Durrant (Chesterfield Borough Council), A Evans (Nottinghamshire County Council), T Goshawk (D2N2 LEP), C Henning (Nottingham City Council), N McCoy-Brown (Nottinghamshire County Council), W Morlidge (D2N2 LEP), S Rose (D2N2 LEP), J Sayer (Derby City Council), N Stevens (Nottinghamshire County Council) N Taylor (Bassetlaw District Council), S Wainwright (Derbyshire County Council), and D Wright (CLGU)..

Apologies for absence were submitted on behalf of Councillor S Webster (Nottingham City Council)

41/20 **MINUTES RESOLVED** to confirm the non-exempt Minutes of the meeting of the Infrastructure and Investment Board held on 11 March 2020.

42/20 **LOCAL GROWTH FUND PROGRAMME PERFORMANCE OVERVIEW** Board members were given an overview of the LEPs Local Growth Fund programme. The programme had seen significant affects to delivery through the Covid 19 pandemic situation and therefore report highlighted the position of the 'live and upcoming' projects in the programme.

Following last year's spend targets it was confirmed confirm that the target set by Government for spend in the 2019/20 financial year (£40m) was fully allocated and spent and the LEP also utilised all previous years underspends in this year as well. Therefore, in the 2019/20 financial year the LEP allocated and spent its projected £46,395,884 meaning that the LEP no longer held any underspend allocation moving in to the 2020/21 Financial Year.

The current position of the programme was largely affected by the Covid 19 pandemic and the effect this was having on the construction industry. Annex A to the report provided a full update of all projects that were live or due to go live in the next financial year and included the impact from Covid 19 for each project.

In general the construction industry had been highly affected by the current pandemic due to a multitude of factors, including supply chain constraints, increased costs of materials but primarily the main effects were as a result of social distancing in the workplace which was affecting the amount of construction-based work that could take place, which would affect delivery timetables and increase associated costs.

Going forward project sponsors have cited that the uncertainty over how long the social distancing period will last was likely to cause ongoing delays to their projects. Some construction sites are remaining closed due to the contractor's choice and in effect are out of the control of project sponsors to progress. Sponsors have stated that productivity is likely to drop on site when a return is announced due to social distancing and this was likely to have significant impacts to both cost and time on the projects. The other ongoing risk was around supply chains and their resilience moving forward. Manufacturers of products had ceased production in some areas already leading to shortages in key materials (such as plaster and plaster board) and this was likely to affect both the timing of projects and the price due to increases in cost.

In terms of impacts for the Programme, should the March 2021 deadline stay in place for full commitment and spend of the Local Growth Fund programme it is unlikely that the D2N2 programme will achieve this. Delays are anticipated to continue and the uncertainty over productivity with regards to social distancing will have an effect on the construction sectors ability to meet the deadline. Multiple authorities are identifying cost increases to their projects and this may have an effect on the sponsor's ability to deliver the final project. In some cases, cost increases close to 10% are being identified based on evaluation of the situation and this could affect the ability to finish to the specification outlined if at all.

This would clearly have impacts on the outcomes projected at the delivery of a Final Business Case and would also affect the delivery of outputs and their timing. The LEP was working closely with all projects to look at what flexibilities were possible and review the situation around costs once full assessments could be carried out to understand the extent of price increases to the projects across the whole programme.

The Investment Board and main LEP board would continue to be provided with updates on the impact of the programme and the LEP's ability to meet the deadlines and deliver the full programme. At a national level through the LEP network all LEPs have already requested an extension to the deadline to government. Early confirmation was also being sought of future LGF funding announced in the March Budget and an understanding of how this could be used.

Board Members made a number of comments and asked questions which were duly noted or answered.

RESOLVED to note the update report on D2N2 LGF programme

43/20 **LOCAL GROWTH FUND BUDGET** The current forecast showed that in 2020/21 the programme was overcommitted by £2.26m. This would be offset by the money from the Growing Places Fund to achieve a balanced budget.

2020/21 was the final year of the Local Growth Fund Programme, the full impact of Covid 19 was not fully realised at the time of writing the report but was expected to have an impact on projects ability to spend before the 31st March 2021 deadline and therefore be able to evidence expenditure. Grant profiles and expenditure figures for the remaining projects would be monitored closely throughout the year to ensure any grant given could be evidenced with expenditure. The LEP would continue to lobby Government for a year's extension to the LGF programme to ensure all projects could be completed and all grant monies spent.

Board Members made comments and asked questions which were duly noted or answered.

RESOLVED that the report be noted.

44/20 **D2N2 MILESTONES UPDATE** The Board were asked to note the Milestones report on the D2N2 LGF programme.

The report showed the Milestones that were agreed within the last year and detailed the progress against the delivery of those milestones. Details of each individual project were provided at the meeting and recommendations followed each project giving their milestone progress. Further verbal updates were given by the promoters at the meeting.

Becketwell (Derby City Council) The Investment Board were requested to agree the changes to the Milestones for the Becketwell project and would continue to monitor the status of the new planning application through to Final Business Case delivery.

Castleward (Derby City Council) – The Investment Board were recommended to agree the revised milestones and target a new Business Case delivery date of June 2020.

Woodville Swadlincote Regeneration Route (Derbyshire County Council) – The Investment Board are recommended to monitor progress up to the delivery of the Final Business Case which will now be delivered in June 2020.

A46 Corridor (Phase 3) (Rushcliffe Borough Council) - The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in November 2020

Heathcoat Immersive Incubator (Nottingham City Council) - The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in September.

Smarter Connected Campus (Nottingham Trent University) - The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in September 2020.

Tollbar House (Erewash Borough Council) - The Investment Board are requested to monitor the progress of milestones and await the submission of the FBC in July 2020

Nursing & Allied Health Provision in Mansfield (NTU) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in May 2020

Revitalising the Heart of Chesterfield (Outdoor Market) (Chesterfield Borough Council) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in November 2020.

Revitalising the Heart of Chesterfield (Public Realm) (Chesterfield Borough Council) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in July 2020.

Board Members made a number comments and asked questions which were duly noted or answered

RESOLVED to approve the recommendations as detailed in the report.

45/20 PROJECT FOR APPROVAL – CHESTERFIELD STATION MASTERPLAN Board Members were informed of a request for Local Growth Funding to support the Chesterfield Station Masterplan project. The project would deliver a new link road from the junction of Hollis Lane and Spa Lane to terminate at the southern extent of the Chesterfield Station car park. It would enable and bring forward early development plots within the Chesterfield Station Masterplan area totalling 1.26 hectares for employment.

Following the review of the business case, The D2N2 Investment Board were recommended to approve the £3,808,000 grant to Derbyshire County Council subject to a signed Heads of Terms agreement being reached in the next 30 days. Should this agreement not be reached, the Investment Board will review the projects approval following this period.

The Chesterfield Station Masterplan project made up part of the A61 Corridor Programme and would deliver the construction of a new link road from the junction of Hollis Lane to terminate at the South of Chesterfield Train Station. The project would unlock the early development of 1.26 Ha of employment floor space.

This project worked with other projects within the A61 Corridor programme to aid growth within the North Derbyshire Growth Zone (NDGZ). The NDGZ area had experienced significant decline of traditional industries (including coal, steel and

heavy engineering) over the last 20 years which had contributed to higher unemployment levels, but in return, also provides major redevelopment opportunities at brownfield sites.

The project involved two main strands of work to facilitate the delivery of the new link road and subsequent employment opportunities from the delivery of this. The first phase of works would include the acquisition of a strategic land piece and relocation of the existing landholder to enable the final delivery of the link road. This would involve purchasing the land, demolition and remediation works to the new site and the existing one and then finally relocation of the occupier.

The second phase of this project was to build the new link road from the junction of Hollis Lane/Spa Lane through to the Southern Extent of Chesterfield Train Station, at this point the creation of the new road/shared cycle and footpath would allow the delivery of new commercial units to unlock the jobs potential in the area.

The project aimed to compliment the delivery of the HS2 Strategic sites project and would support the overall development of the Chesterfield HS2 station area through providing new opportunities for employment. The outputs related to this intervention were additional and complimentary to the development delivered through the HS2 Strategic Sites project.

The funding for the project now was sourced from the following:

Funding Source	TOTAL
Local Growth Fund	£3,808,000
Derbyshire County Council/ Joint Growth Board	£3,616,207
TOTAL	£7,424,207

Details were given of the Approvals, Procurement and State Aid.

A Strategic Outline Business Case was received and approved by the LEP in March 2018. The Business Case had been independently assessed by Hatch Regeneris who have deemed that the project represents Good VFM.

Details of the Delivery Programme and outputs and Outcomes were detailed in the report

Following a review of the Final Business Case, D2N2 officers confirmed that the project complied with the Local Assurance Framework except for all land being in place.

Jim Seymour, Derbyshire County Council and C Durrant, Chesterfield Borough Council, attended the meeting and provided a presentation to compliment

the report in terms of the Strategic, Economic, Financial, Commercial and Management case for the project.

Members made comments and asked questions which were duly noted or answered.

RESOLVED to approve the £3,808,000 grant to Derbyshire County Council subject to a signed Heads of Terms agreement being reached in the next 30 days. Should this agreement not be reached, the Investment Board would review the projects approval following this period

46/20 **PROJECT FOR APPROVAL – TOP WIGHAY FARM** Board Members were informed of a request for £3m of Local Growth Funding to support the Top Wighay Farm project. The project was now compliant with the LAF and after a review of the business case, D2N2 recommends that the project be approved by the Investment Board.

The Top Wighay Farm site was located just north west of Hucknall, Nottinghamshire and had been allocated for housing and employment development since 2005. Several attempts had been made to bring this forward but the private sector has failed to deliver the site due to the infrastructure requirements.

The site was currently posed to bring forward the accelerated delivery of 805 new homes as part of a sustainable urban extension. Alongside housing provision, the site would encompass employment space, a primary school, a local centre and surrounding areas of open space.

The site required major highway and utility infrastructure, these included:

- The expansion of a roundabout on the A611/Annesley Road to accommodate traffic requirements to access the site;
- A new signal-controlled junction to manage traffic flow and support the pedestrian cycle access; and
- A new three metre wide shared use footway and cycleway along the A611 for flexible and environmentally friendly public access to the site.

The overall cost of the works was £10.3m, £5.8m had already been confirmed by Homes England. A pre-condition of the Homes England funding was that the public sector filled the remaining funding gap which was the basis of the application for D2N2 funding.

The funding for the project is sourced from the following:

Funding Source	TOTAL
Nottinghamshire County Council	£1,500,000
Homes England	£5,800,000

Local Growth Fund	£3,000,000
TOTAL	£10,300,000

Details were given of the Approvals, Procurement and State Aid.

Hatch Regeneris had reviewed the Final Business Case and can confirm that the project has passed the Value for Money Assessment and represents good VFM.

Details of the Delivery Programme and outputs and Outcomes were detailed in the report.

The Accountable Body and D2N2 have assessed the Full Business Case submission and approval is recommended.

Andy Evans, Nottinghamshire County Council attended the meeting and provided a presentation to compliment the report.

Members made comments and asked questions which were duly noted or answered.

RESOLVED to approve the project and to release the £3,000,000 of LGF on the condition that the Hatch Regeneris report confirmed the project represents good value for money.

47/20 **DATE OF NEXT MEETING** The next meeting of the Investment Board would be take place on 16 June 2020.

48/20 **EXCLUSION OF THE PUBLIC** **RESOLVED** that the public be excluded from the meeting during the consideration of the remaining items 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 WERE EXCLUDED FROM THE MEETING

1. To confirm the exempt minutes of the meeting of the D2N2 Investment Board held on 11 March 2020.
2. To consider the update report on Growing Places Fund (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).

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