

Public Document Pack



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PUBLIC

To: Members of D2N2 Investment Board

Monday, 8 June 2020

Dear Councillor,

Please attend a meeting of the **D2N2 Investment Board** to be held at **10.00 am** on **Tuesday, 16 June 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

A G E N D A

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 - 8)

To confirm the non-exempt minutes of the meeting of the D2N2 Investment Board (IB) held on 11 May 2020

4. Local Growth Fund (LGF) Programme Performance Overview (Pages 9 - 18)
5. Pipeline Projects (Pages 19 - 26)
6. LGF Budget Paper (Pages 27 - 30)
7. Milestones Update (Pages 31 - 38)
8. Output Performance Update Quarter 4 (Pages 39 - 46)
9. Project for Approval - Castleward (Pages 47 - 54)
10. Project for Approval - Nursing & Allied Health Provision in Mansfield (Pages 55 - 64)
11. 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

12. Exempt Minutes (Pages 65 - 66)

To confirm the exempt minutes of the meeting of the D2N2 Investment Board (IB) held on 11 May 2020

13. Date of Next Meeting

Wednesday 15 July 2020 at 10.00am

14. Minutes of the meeting of the D2N2 Investment Board held on 16 June 2020 (Pages 67 - 78)

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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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D2N2 Investment Board –June 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 – 16 th June 2020		
Subject	D2N2 Programme Update		
Author	T Goshawk	Total no of sheets (Excluding cover sheet)	

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
June 2020 D2N2 Programme Update

Introduction

The following paper provides an overview of the LEPs Local Growth Fund programme, including an update on progress against the financial targets for this year.

Covid 19 has had an impact on many parts of the programme, therefore this paper highlights the current position of the 'live and upcoming' projects in the programme and the mitigation strategy where there is one in place.

Annex A – Provides a project change request for Riverside Business Park

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

No substantial changes have been made in the Growing Places Fund since the last meeting and therefore there will be no paper update at this meeting.

Performance Update

Coming into the last year of the programme the LEP has £40,086,356 of it's £250.7m Local Growth Fund budget left to spend before the March 2021 deadline. LEP Officers are working closely with project sponsors for all projects that are 'live' and still 'awaiting approval' to monitor the ability to spend by the deadline.

At this moment in time based on the current assessment of the programme and if all the projects are approved as set out we believe we will be on track to deliver the full programme target by the end of this financial year. We have also over profiled by £2M to provide a buffer against any underspends.

A full budget breakdown is included within Item 6 which includes both the financial position of the overall programme from 2015-2021 as well as a breakdown of each projects LGF drawdown for each financial quarter in 2020/21.

The current position of the programme has been affected by the Covid 19 pandemic and the effect this is having on the construction industry. Annex B 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 was initially highly affected by the Covid 19 crisis with several sites closing down completely for a period or reducing the amount of labour on site significantly. These reductions in workforce are still in place in most sites but nearly all are now back on site and operational. Project sponsors are still quantifying the delays to their programmes and the uncertainty over how long the social distancing period will last is likely to cause ongoing delays.

The Crocus Place project has now officially been withdrawn from the LGF programme by Nottingham City Council which will return £3m to the budget that will leave the programme with a potential underspend. This is addressed in Item 5 of the meeting where two pipeline projects are put forward for consideration by the Investment Board to utilise the balance available from the withdrawal of Crocus Place.

LGF Review and Government Update

The position of Government remains the same with regards for the need to have spent the entirety of the Local Growth Fund Allocation by the 31st of March 2021, at this moment in time it is unlikely that this deadline will change. Therefore, we will continue to work with projects to progress and accelerate spend wherever possible to make sure that the programme is fully contracted as soon as possible and the deadline for spend is achieved.

Stephen Jones, Director of the Cities and Local Growth Unit wrote to all LEP Chief Executives to explain that an LGF review will be taking place, and requested a formal submission by the 17th of June on the progress to date of the LGF projects in year and the forecasts of spend and commitments in the programme up until March 2021. This review will inform the release of the full funding for this financial year.

In this financial year government have advanced two-thirds of the funding and have withheld the final third pending the review of progress and ability by LEPs to both commit and spend the allocation in the final year.

D2N2 Officers alongside the Accountable Body will directly respond to the review process and submit the requested evidence. A decision on the final third of funding will be confirmed by Ministers and if approved funding will be released by August.

At this point in time the LEP has currently contractually committed 94.7% of its total LGF budget and should the approvals at this meeting be successful this figure will rise to 95.5%.

We are confident that we can both commit our full allocation and spend the funding within the financial year.

Annex A – Project Change Request

Below is a

Project Name/ Promoter and description	Change Description	Reason for the Change	Impact of the change	Officer Recommendation
Riverside Business Park	Financial – The project sponsor is requesting that they can change the arrangements to drawdown 100% of costs spent through Local Growth Funding rather than the 50% basis which was agreed at the time of approval.	The project has been delayed due to the impacts of Covid 19 and a delay in the construction of the hotel development due to be built on site.	The change will allow Riverside Business Park to utilise all of the remainder of their LGF allocation in the 2020/21 financial year. without the amendment due to the delays on site the project would not be able to meet the financial deadline of	The LEP Officers recommend that the change request is granted and that Riverside Business Park are allowed to drawdown 100% of costs through LGF to the total sum of £3.35m. This does not affect the delivery of the project and clawback conditions in the contract will

Project Name/ Promoter and description	Change Description	Reason for the Change	Impact of the change	Officer Recommendation
			the final year of the programme	ensure that the private sector contributions will be monitored in future years.

Annex B – Covid 19 impacts on Capital Projects

Ashbourne Airfield – The contractor was due to start on site 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. Costs are likely to increase on original cost at the time of approval and the project sponsor remains keen to develop with costs being considered.

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 now taken place and works on the rest of the site remain.

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 – This project is due to be considered at this meeting.

Nottingham City Hub – Following the initial production slow down from the reduced capacity on site, the main contractor has now increased the amount of people that can safely work on site and the project is working to around 80% capacity. The College are hopeful that delays will be able to be kept as short as possible.

Gedling Access Road – The project remains on site and has continued to do so throughout the period of the Covid 19 lockdown, however with reduced capacity. Changes are being made to the programme of works and how these works are being carried out with social distancing in mind. Financial and Timing implications to some degree are still unknown however it is seen that the September 2021 completion date may slip slightly.

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 –Works on both sites are now in progress but with reduced capacity. The Clifton site did temporarily halt all construction activity in the early stages of the Covid outbreak but has now resumed. The project is hoping to achieve a September finish.

Mushroom Farm – The project has received tendered costs from suppliers and will now re-engage with the market due to the costs not being in alignment with the original estimates. The business case will now be received in September, but this has no major effects on the programme and ability to utilise LGF.

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 significantly affect the overall programme. 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.

NTU Nursing provision in Mansfield – The project is to be considered at this 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 which is seen in **Annex A**. The project sponsor has worked to reconfigure the construction programme to mitigate the current circumstances.

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 delayed by the impacts of Covid and the project will now finalise procurement in June. The Final Business Case decision will be delayed until July and it is requested that the LEP Board oversee this decision to enable a quicker commitment to the project.

D2N2 Investment Board (IB) Cover Sheet

Agenda Item 5

Document Classification	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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Meeting and Date	16 th June 2020		
Subject	Pipeline Projects		
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>Following the withdrawal of the Crocus Place development from the D2N2 Local Growth Fund there is £877,000 unallocated across the programme. Therefore, the LEP have been working in partnership with projects submitted to the January 2020 pipeline call to bring forward additional projects that can be delivered within this financial year.</p> <p>Two projects have been identified that meet the LGF criteria, are deliverable and support the overall output targets for the programme. They will mitigate the risk of having an underspend by providing a buffer by over programming by £2million.</p> <p>The projects have been jointly assessed by the LEP and Thomas Lister consultants, and the Investment Board are recommended to endorse both projects and invite them to proceed to Final Business Case delivery.</p>

D2N2 INVESTMENT BOARD

16th June 2020

Introduction

In January 2020 following the withdrawal of 3 projects from the Local Growth Fund allocation, D2N2 launched a call for new capital projects. Given that the Local Growth Fund programme is coming to an end in March 2021 the projects needed to have a high level of deliverability and be able to demonstrate that they were able to utilise any LGF allocation before the March 2021 deadline.

Assessment and Allocations

Projects were scored based on deliverability, financial risk, Market evidence, strategic fit and outputs. Following this process four projects were initially brought forward and granted an allocation of funding which took the programme to a position of overspend to be covered through the Growing Places Fund to ensure the programme fully delivered its spend target by the March 2021 deadline.

Subsequently, one project (Crocus Place) has withdrawn from the programme, as a result £3m of funding has been released to the Local Growth Fund.

Therefore, the LEP has identified and brought forward additional projects from the pipeline that have further progressed since the initial call in March and are now ready to be delivered.

This work has been carried out with independent analysis from Thomas Lister Consultants who have reviewed revised information on the projects to test in particular their strategic fit and deliverability. This process has confirmed that two projects are ready to be brought forward for consideration by the Investment Board.

The two projects have been re-evaluated from their assessment in March and have now achieved the following scores which are above the minimum threshold of 61 to be deemed deliverable:

- **Automation and Robotics Training** – 65 (Green) The project has addressed the concerns raised around its deliverability since the March call. Following the independent assessment of the information presented, West Notts College have now provided sufficient information to demonstrate this gap has been filled in the application.
- **YMCA Community and Activity Village** – 65 (Green) The project has addressed the concerns raised around its deliverability and in particular its planning status that were identified in the March call. Following the independent assessment of the information presented, YMCA have now provided sufficient information to demonstrate that the project is deliverable by March 2021.

Projects recommended for endorsement

Automation and Robotics Training – West Notts College

Project Name	Automation and Robotics Training	Project Sponsor	West Notts College
LGF Funding	£673,618	Total Project Cost	£898,157
Construction Start Date	September 2020	Construction End Date	February 2021

Project Description

The project will see the procurement, installation and support for a range of bespoke training equipment (and associated IT) which will facilitate the training of young people and adults up to level 5 in the installation, programming, maintenance and repair of automated production and distribution lines and robots. The project is a direct response to help shape the future economy of Mansfield and the surrounding areas, it will deliver training to local people to create a strong workforce in these employment areas for local businesses.

The existing engineering building is currently utilised for providing skills training and apprenticeships; however, existing equipment within the building is now 18 years old and significantly out of date, especially in context with the technological advancements that have been made within the engineering and manufacturing sector. After discussions and engagement with local employers which have identified that the existing equipment is no longer fit for industry standard training the college are responding to the changing needs of business and procuring equipment specialising in automation.

West Notts College have been engaging with and will provide training through this equipment to businesses in the Manufacturing, Engineering and Distribution sectors. The new equipment will facilitate the delivery of a higher standard of training to the people of Mansfield and Ashfield as well as delivering more learners with higher level training to the economy. The provision on offer will be the following:

- Level 3 Engineering Apprenticeship Standards
- Level 4 Engineering Apprenticeship Standards – **Entirely new provision**
- Level 5 Engineering Apprenticeship Standards – **Entirely new provision**
- HNC and HND - engineering full time and part time courses.

Strategic Fit

The D2N2 Strategic Economic Plan includes 8 key activities. This project supports 4 of these:

- Driving productivity and growth in our priority sectors – automation and robotics are key productivity drivers across a range of sectors

- Delivering careers inspiration for our current and future workforce – automation and robotics careers will be an attractive option for many local young people and our business partners are committed to helping us paint the picture of aspiration for them.
- Supporting inclusion and progression in the labour market – beginning with basic level skills and knowledge and setting this in a welcoming setting will help to engage young people from all parts of our community and adults looking to re-skill.
- Developing skills and leadership for productivity growth – these skills are key to productivity growth

The Local Industrial Strategy evidence base shows that Mansfield has the lowest productivity in the region. Productivity is a key pillar of the strategy and this project will be a major enabler for improved productivity not just in Mansfield and Ashfield but across the whole of the North of the D2N2 geography.

The sectoral analysis in the LIS shows the strategic importance of sectors undergoing automation to the Mansfield and Ashfield Economy.

Outputs

Output Description	Total	Year Delivered
Public Investment Levered	£224,359	2021
Learners Supported	470	2024
Businesses Assisted	20	2024

Timeline for Delivery

Milestone	Date
Tender Process Begins	June 2020
Contractor appointment/mobilisation	September 2020
Final Business Case	September 2020
Delivery of Equipment	January 2021

The project sponsor has been consulted with about the impact of Covid 19 on the delivery timescales and has confirmed that it will have no affect on the Capital Equipment Purchases and therefore the projects ability to spend before March 2021.

Recommendation

The Automations and Robotics project has demonstrated that it fits with the strategic aims of the Local Growth Fund, and is delivery ready and classed as low risk, it also represents good value for money in terms of the LGF outputs. The project aligns with the work of the emerging Mansfield Towns Deal to deliver enhanced learning provision across Mansfield.

The project sponsor has confirmed that all outputs are additional to those counted through other LGF interventions at West Notts College and that the output delivery on other funded projects is progressing well.

D2N2 officers recommend that the project be invited to continue through the Local Assurance Framework Process and progress to Final Business Case submission subject to the project sponsor continuing to deliver against existing contracted targets.

YMCA Community and Activity Village

Project Name	YMCA Community and Activity Village	Project Sponsor	YMCA
LGF Funding	£2.2m	Total Project Cost	£10.6m
Construction Start Date	September 2020	Construction End Date	October 2021

Project Description

The YMCA are looking to develop a new 4,800M² facility which will become a community and learning hub adjacent to some of the most deprived wards of Newark and Sherwood which ranks 324th out of 325 Local Authority area with regards to social mobility and is subsequently the least socially mobile place in D2N2.

The building will offer new job and learning opportunities for local residents to benefit from and will aim to form part of the solution to solve the social mobility issues in the area. D2N2 are being requested to part fund the development of Phase 2 of the project which will deliver a new state of the art community venue with facilities which include:

- 300-Seater Conference and Events Space
- 5 Fully digital and connected education, training and employment suites
- Healthcare suites and treatment/rehabilitation spaces
- 80 Place Café

Through collaborative partnerships with over 50 different providers such as Lincoln College, NTU and Lincoln University, the YMCA will look to utilise this new space to develop a programme of training opportunities for local people and provide learning from levels 1-6 in subjects such as Housing, Digital Media, Health and Social care as well as Public Services. The YMCA have formed partnerships with local businesses, education providers and the community to deliver socially inclusive training opportunities to the people of Newark and D2N2.

The facility will enable the YMCA to provide coordinated delivery of both education, employment and wellbeing support to address identified social mobility challenges in

Newark and skills to address productivity and labour market gaps. The new centre will enable the people who are often the furthest away from the labour markets, access to training and skills through less traditional mechanisms. The facility will combine this with support pathways to develop local residents which a traditional educational institution may not be able to do and they may not have access to. Given current economic circumstances this is a vital facility to ensure that some of the most disadvantaged people in the D2N2 economy are not left behind and can be provided with training opportunities to aid economic recovery and tackle social mobility issues.

The learning hub is part of a much larger development Phase 1 is already complete and consists of an athletics track and quality sports pitches. An Olympic climbing wall, cycle track and canoeing are still to come.

This is the YMCA's flagship national project, intended to support families at every point in their lives through provision of a wide range of services consolidated at the village. The idea is that the village brings together different family members and members of the community at the same place to do different things. There's a strong focus on tackling the barriers to social mobility which, is a particular challenge for the area.

Being located in an area of significant housing growth and high levels of deprivation, the learning hub has the potential to impact the lives of a significant number of people and make a long-term contribution to raising local skills levels.

Through the providers involved, the centre will enable better health outcomes, educational attainment and provide an interface with the local economy to address long standing issues in the area. The Newark and Sherwood YMCA will oversee the operations and management of the facility but will work collaboratively with partners to ensure that a wide range of provision is available, and expertise are in place to deliver the learning support to the site's users.

There is strong partnership engagement in the governance of the model which has the support of both the district and county authorities as well as financial support through Grants, land transfers and commitment of future section 106 commitments.

Strategic Fit

The project aligns with D2N2's Strategic Economic Plan by supporting the delivery of the following objectives set out in the document:

Skills and Knowledge for the Future – The YMCA have been working closely with local large businesses, NTU and Lincoln college (who manage the existing Newark campus) and are developing pathways to employment which will include work experience, internships and apprenticeships leading to employment.

Future Workforce – The YMCA will connect careers activity related to this development with local secondary schools and will align with existing careers strategies. The project is already in communication with the LEPs CEC-funded delivery team and NCOP providers working in the Newark area.

Inclusive Workforce - YMCA are working closely with other local community and voluntary providers to ensure the education offer at the site is accessible and meets both the skills and development needs of the people of Newark and Sherwood. The project will offer opportunities to all and will target support and training to some of the most deprived and socially immobile communities in the LEP area.

Skilled and Productive Workforce - The project will offer additional and aspirational training opportunities to people that have previously lacked access to this. By offering these varied learning opportunities the centre will deliver skilled people to the local economy therefore improving the performance and productivity of local businesses. The embedded focus on digital skills will additionally align well with the strategic digital aspirations across D2N2.

Quality of Place – Through the delivery of the new facility the YMCA are seeking to create an inclusive and sustainable community within Newark. Alongside the educational opportunities at the site, the project will also deliver benefits to the region by creating a destination for leisure activities for all people in the region; including leisure facilities not available within a 30mile radius, therefore promoting Newark as a destination.

Outputs

Output Description	Total	Year Delivered
New Jobs Created	202	2023
Jobs Safeguarded	150	2021
New Learners Supported	2,150 per annum	2024
Commercial Floorspace	1,977 m ²	2022

Timeline for Delivery

Milestone	Date
Tendering process Complete	Completed
Final Business Case Delivered	September 2020
Construction Start Date	September 2020
Construction Completion	January 2021

Recommendation

Following a review of the submission from the YMCA the project has been identified as having good strategic fit with the LGF programme and is deliverable within the timescales of the remainder of the programme. The project also represents good value for money for the investment and delivers learner numbers for the programme.

The project originally requested £2.5m of Local Growth Funding towards the development, however D2N2 officers are recommending that the YMCA is allocated £2.2m based on the overall programme position.

Match funding contributions have all been secured and clarified and the project has the relevant planning permissions to be able to proceed with an allocation from D2N2.

D2N2 officers therefore recommend that the project be invited to continue through the Local Assurance Framework Process and progress to Final Business Case submission which will be subject to a full financial due diligence process.

D2N2 Investment Board Cover Sheet – 16th June 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 16 th June 2020		
Subject	Local Growth Fund Budget		
Author	S Wainwright	Total no of sheets	3

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>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>

D2N2 INVESTMENT BOARD**16th June 2020****Local Growth Fund Budget update**

Current forecasts show that in 2020/21 the programme is under committed by £877k. This is due to the Crocus Place project withdrawing from the programme.

Should a decision be taken by the Investment Board to accept the two projects in Agenda Item 5 on to the Local Growth Fund Allocations list then the programme will currently stand at a position of £2m overspent. This overspend will be covered using the Growing Places Fund.

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. The LEP and Accountable Body are working closely with projects and grant profiles and expenditure figures for the remaining projects are being discussed and will be monitored closely throughout the year to ensure any grant given can be evidenced with expenditure. Government have confirmed there is no extension to the programme and all monies must be spent by 31st March 2020.

The overall budget position is shown in Appendix 1. The grant profile for the final year of the programme 20-21 is shown in Appendix 2.

Appendix 1

Local Growth Fund 6 year Grant/Expenditure sheet 05/06/2020									
	2015/16	16/17	17/18	18/19	19/20	20/21			
Project Name	Annual	Annual	Annual	Annual	Annual	Annual	Total	Status	Date to be completed
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 Worksp	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	
Enterprise zone sustainable transport package		0.80	5.20				6.00	Project Finished	
A46 Corridor, Rushcliffe-Phase 1 and 2		2.00	1.00				3.00	Project Finished	
Infinity Park, Derby	3.45	4.00	3.35	2.195			13.00	Ongoing	Mar-21
Nottingham Broadmarsh/Southern Gateway	6.79	0.71	0.35	2.45	15.00		25.30	Ongoing	Mar-21
Newark Southern Link Road	1.00	6.00					7.00	Ongoing	tbc
Derby Cycling and Placemaking			0.84	0.71	0.09		1.65	Ongoing	Mar-20
Our City Our River, Derby	2.00	2.50	2.50	2.50	2.50		12.00	Ongoing	tbc
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	project extended until June 2020
Broadbands-Nottinghamshire	2.63						2.63	Ongoing	project extended until Sept 2026
D2N2 Sustainable Travel programme		2.48	2.38	0.95			5.80	Ongoing	Mar-20
A52 Wyvern		1.50	5.22				6.72	Ongoing	tbc
Tudor Cross (former Coalite)		5.80					5.80	Ongoing	2024
Midland Mainline			5.00				5.00	Ongoing	Mar-21
Buxton Crescent		2.00					2.00	Ongoing	Apr-20
Silk Mill World Heritage Site			0.52	2.53	0.65		3.70	Ongoing	Feb-21
Nottingham City Hub		0.19	2.03	13.79	12.73		28.74	Ongoing	Nov
Nottingham City Hub - Enabling Works			0.22	0.57	0.00	0.46	1.25	Ongoing	Nov-20
N2 Town Centres				2.13	2.75	2.75	7.63	Ongoing	Nov-20
Nottingham Castle				5.00			5.00	Ongoing	Feb-21
Vesuvius				4.49			4.49	Ongoing	Mar-21
Riverside Business Park					0.75	2.60	3.35	Ongoing	Dec-26
NTU MTIF Centre			0.46	1.52	4.09	3.63	9.70	Ongoing	tbc
A61 Corridor-21st Century Transport		0.08		0.60	1.17	1.17	3.00	Ongoing	Mar-21
A61 Corridor-Standard Gauge		0.33		0.89	0.47		1.69	Ongoing	Dec-20
Gedling Access			0.50		3.08	7.22	10.80	Ongoing	Dec-22
Ashbourne Airfield					1.00		1.00	Ongoing	Dec-20
HS2 Strategic Sites						2.40	2.40	Ongoing	Mar-26
A61 Corridor-Chesterfield Station Master Plan				0.29		3.52	3.81	Ongoing	Dec-21
Top Wighay Farm						3.00	3.00	Ongoing	Mar-21
Derby New Assembly Rooms							0.00	withdrawn	
A61-The Avenue		0.10		0.27	-0.37		0.00	withdrawn	
A61 Corridor-Clowne North							0.00	withdrawn	
Becketwell		3.00	0.05	2.38	2.70		8.12	Pre-Compliance	tbc
A46 Corridor, Rushcliffe-Phase 3						0.75	0.75	Not yet commenced	tbc
Castleward						1.51	1.51	Not yet commenced	Sep-21
Woodville-Swadincote Regeneration route						6.40	6.40	Not yet commenced	tbc
Revitalising the Heart of Chesterfield						0.65	0.65	Not yet commenced	tbc
Heathcoat Immersive Incubator-Nottingham						0.16	0.16	Not yet commenced	tbc
The Smarter Connected Campus-NTU						0.80	0.80	Not yet commenced	tbc
Nursing & Allied Health Provision-Mansfield						0.58	0.58	Not yet commenced	Dec-20
Tollbar House-Ilkeston						0.43	0.43	Not yet commenced	tbc
Mushroom Farm Court Industrial Estates						0.16	0.16	Not yet commenced	Jan-21
Facility for OMICs Research in Metabolism						0.85	0.85	Not yet commenced	tbc
Crocus Place						0.00	0.00	withdrawn	
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	39.21	249.83		
Total LGF funding	39.05	55.40	66.39	32.36	17.42	40.09	250.71		
Annual (under)/over commitments (EM) based on current profiles	0.00	0.00	0.00	13.30	28.98	-0.88			
								Overall Overspend	-0.88

Appendix 2

20-21 Final Year of LGF programme					
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
LEP Management & feasibility funds				200,000.00	200,000.00
Nottingham City Hub - Enabling Works	110,000.00	300,131.00	46,000.00		456,131.00
N2 Town Centres	500,000.00	500,000.00	745,444.00	1,000,000.00	2,745,444.00
Riverside Business Park	110,105.00	803,250.00	1,283,625.00	398,180.00	2,595,160.00
NTU MTIF Centre		3,628,472.54			3,628,472.54
A61Corridor-21st Century Transport			1,165,791.00		1,165,791.00
Gedling Access	2,000,000.00	2,000,000.00	2,000,000.00	1,220,000.00	7,220,000.00
H62 Strategic Sites	445,666.00	570,000.00	1,200,000.00	184,334.00	2,400,000.00
A61 Corridor-Chesterfield Station MasterPlan			1,758,500.00	1,758,500.00	3,517,000.00
Top Wighay Farm		400,000.00	2,500,000.00	100,000.00	3,000,000.00
Castleward	469,768.00	502,616.00	502,616.00	35,000.00	1,510,000.00
Mushroom Farm Court Industrial Estates				155,000.00	155,000.00
Woodville-Swadlincote Regeneration route		3,400,000.00	1,500,000.00	1,500,000.00	6,400,000.00
Nursing & Allied Health Provision-Mansfield			580,903.00		580,903.00
Revitalising the Heart of Chesterfield		45,000.00	82,000.00	523,000.00	650,000.00
Tollbar House-Ilkeston		39,700.00	385,300.00		425,000.00
Heathcoat Immersive Incubator-Nottingham			115,000.00	45,000.00	160,000.00
The Smarter Connected Campus-NTU		50,000.00	750,000.00		800,000.00
Facility for OMICs Research in Metabolism				850,000.00	850,000.00
A46 Corridor, Rushcliffe-Phase 3			750,000.00		750,000.00
	3,635,539.00	12,239,169.54	15,365,179.00	7,969,014.00	39,208,901.54

D2N2 Investment Board - June 2020

Item 7

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 – 16 th June 2020		
Subject	D2N2 Milestones Update		
Author	T Goshawk	Total no of sheets (Excluding cover sheet)	

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
Woodville Swadlincote Regeneration Route Derbyshire County Council	June 2020 (Revised July LEP Board)	£6.4 Million	3,100 Jobs 300 Homes	The CPO inquiry took place in January with a positive outcome and this involved the confirmation that the remaining two land pieces would now be resolved. Derbyshire County Council have submitted the FBC to the LEP and the project will now be sent to the July LEP Board.	Contractor Procurement finalised - May 2020 (Delayed June 2020) CPO formal sign off – June 2020 FBC to LEP Board – July 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 (Granted) Tender out to contractors – July 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	Outline Business Case submitted – March 2020 (Submitted) Tender process begins – May 2020 (Complete)

				due to begin this month. The project will still deliver before March 2021.	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 – July2020 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 Erewash Borough Council	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 with the project sponsors to confirm the milestones of the project through to Final Business Case Delivery.	Tenders out to Contractors – April 2020 (Completer) Preferred contractor selected – June 2020 Construction mobilisation begins – August 2020

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
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

<p>Revitalising the Heart of Chesterfield (Public Realm)</p> <p>£0.3m</p> <p>Chesterfield Borough Council</p>	<p>July 2020</p>	<p>£0.3m</p>	<p>48 Jobs Created</p>	<p>The project was presented to the Investment Board on the 7th 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.</p>	<p>Design Complete – April 2020</p> <p>Section 278 Agreement agreed – June 2020</p> <p>Construction Works – October to December 2020</p>
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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
<p>OMICs Research Facility</p> <p>University of Derby</p>	<p>September 2020</p>	<p>£850k</p>	<p>833 Learners</p> <p>27 Jobs</p>	<p>The project was presented to the 11th 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.</p>	<p>Tenders published – May 2020 (Complete)</p> <p>All Tenders Awarded – August 2020</p> <p>LGF Financial Completion – January 2021</p>

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 (Revised September 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 BC have received tenders but will now go back to the market to get new costings following higher than expected prices from the exercise.	Tenders out to Contractors – April 2020 (Complete) New Tenders Received- August 2020 FBC to Investment Board – September 2020

Recommendation – The Investment Board are requested to accept the new timeline for the project and accept a business case in September 2020.

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Public
Item 8

D2N2 Investment Board Cover Sheet – 16th June 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 16 th June 2020		
Subject	Output Performance Update-Quarter 4		
Author	T Goshawk/S Wainwright	Total no of sheets	6

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>This paper delivers an update on the output performance of the Local Growth Fund (LGF).</p> <p>The Investment Board are requested to note the information.</p>

D2N2 INVESTMENT BOARD

16th June 2020

Local Growth Fund Output Performance Update-Quarter 4

In return for £250m of Local Growth Fund contributions, D2N2 are expected to deliver outputs to contribute to the national economy as a result of the interventions it carries out in the economy. Over its 3 tranches of funding, the LEP are committed to deliver 29,000 Jobs, 10,800 Homes and 2,000 Learners over the projects lifetime which runs up to 2035.

The LEP have now agreed with BEIS colleagues that there should be two learner targets for D2N2:

- 2,000 'new learners'. This is the number of new learners assisted in courses leading to a full qualification. This will be monitored by the BEIS spreadsheet on a quarterly basis and will form one of the three main outputs.
- 147,000 'learners supported'. This is the number of people engaged in learning activities at the academic institutions where D2N2 has provided funding for capital development, the figures are calculated over the projects lifetime. This figure is not measurable on the BEIS spreadsheet and will be reported as part of the descriptive update on the Dashboard at the end of each financial year, showing progress towards the target which has an end date of the end of the programme, March 2021.

This paper provides an update on the following metrics:

- **Contracted output figures:** The output targets agreed between the project promoter and the LEP at the point of approving a Final Business Case.
- **Actual delivery to date:** outputs delivered to this date
- **Contracted Target with Government:** In return for the LGF contribution from government we are targeted to deliver 29,000 jobs, 10,800 Homes and 2,000 Learners by 2035.

All metrics will be shown for the most up to date quarter where we have received a data return from projects which is Q4 2019/20 financial year, delivery since the start of the programme and the lifetime of the programme

Delivery to Date – Up to Q4 2019/20

	Jobs	Homes	Learners
Contracted Target to Q4 2019/20	9,834	4,036	1,709
Actual to Date (Up to and including Quarter 4 2019/20)	10,447	1,516	2,122
Percentage	106%	38%	124%

These figures show the Contracted target and delivery for the programme from 2015 to Q4 2019/20.

Jobs

The programme so far has achieved 128% of jobs this is mainly due to two broadband projects reporting high job figures this quarter.

In October 2017, the broadband projects and the LEP commissioned Hatch Regeneris to undertake a review of the impact on the economy of investment from superfast broadband. This report evidences a methodology which calculates the jobs created using Gross Value Added (GVA) from 4 types of benefits these are; productivity, innovation, business start-ups and flexible working. The methodology behind the calculations is one that has been independently verified and calculated with methodologies from the Department for Culture, Media and Sport.

Homes

Homes have fallen from 42% to 38% due to a correction by the Harworth project this quarter. Overall this actual figure is still low due to the large numbers contracted but yet to be delivered at the Newark Southern Link Road due to an ongoing funding gap in the scheme.

Learners

124% of the learner target has been achieved to date. The Vision University project has now been reprofiled and this project has reported this quarter all of its outputs achieved up to quarter 4 19/20.

	Jobs	Homes	Learners
Contracted Target for 2019/20 (this reflects approved reprofiles)	5,350	868	338
Actual to Date (To Quarter 4 2019/20)	6,737	325	1,566
Percentage	126%	37%	463%

This shows the position for the full financial year, as mentioned in the previous section broadband figures have increased our job outputs, Harworth has reduced the housing outputs and Vision has increased the learner outputs.

Both job and learner figures have improved from where they were predicted to be, homes are lower than expected due to the OCOR project.

Overall Programme

These figures show the output targets and delivery for the entirety of the Local Growth Fund Programme. These targets will be delivered over the full monitoring period (To 2035) of the Local Growth Fund.

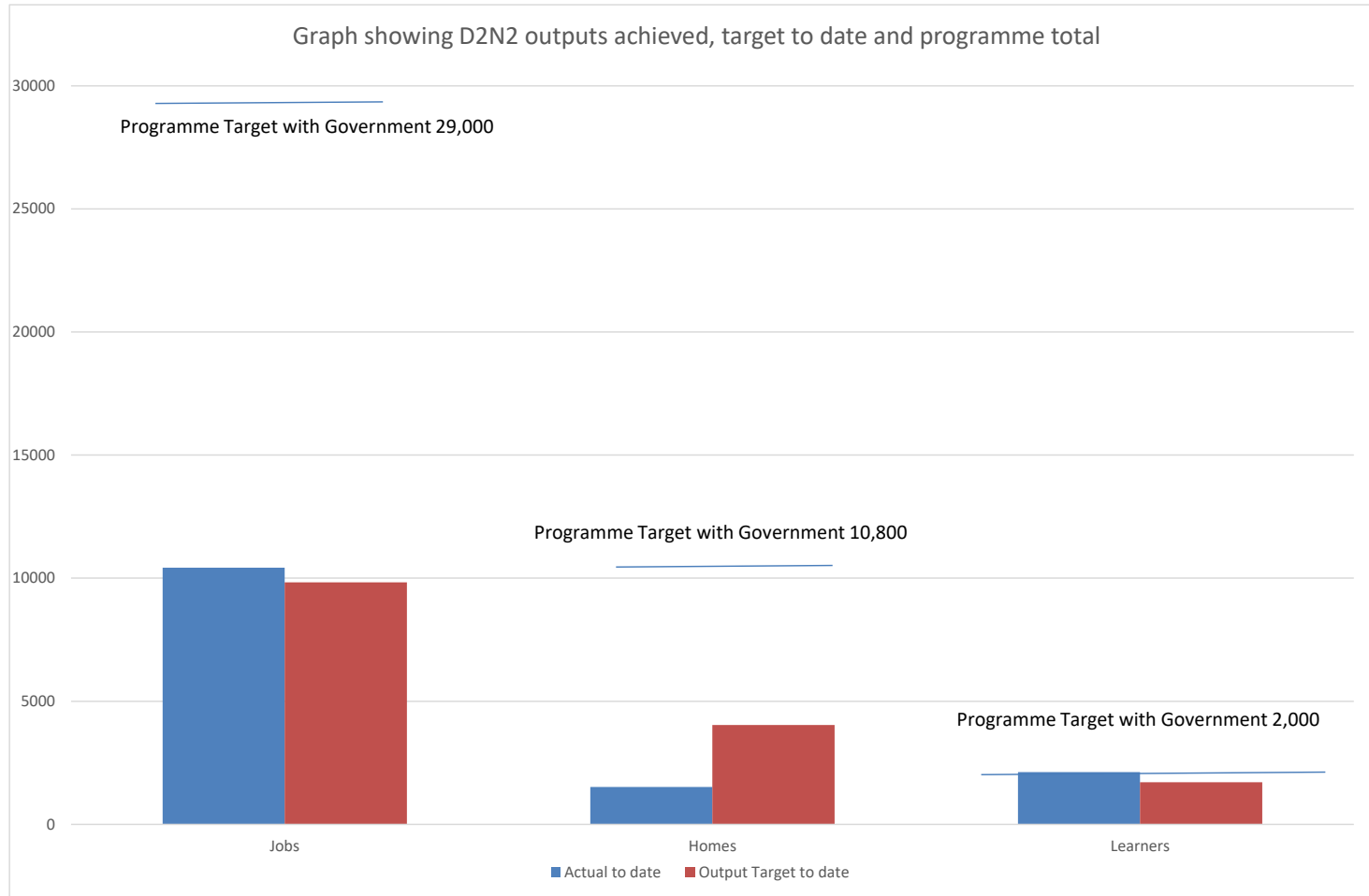
	Jobs	Homes	Learners
Contracted Target with Government up to 2035	29,000	10,800	2,000
Actual to Date (Up to and including Quarter 4 2019/20)	10,447	1,516	2,122
Percentage	36%	14%	106%
Forecast based on current contracts	46,233	11,222	6,875

Analysis has been done by the Accountable Body and the LEP to review each projects outputs and we believe that the targets set by Government can be achieved by all the projects including the unapproved projects.

Appendix A shows the outputs achieved compared to the contracted up until Quarter 4 2019/20.

Appendix B shows analysis of the outputs by project.

Appendix A



Appendix B

Project	Quarter 4 2019/20						Cumulative to date					
	Jobs		Homes		Learners		Jobs		Homes		Learners	
	Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast	Actual
A46 Corridor Employment Units	200		100				46	47	370	463		
A46 Cotgrave Town Centre	25						70	89				
A52 Wyvern	300	0					300					
A57/A60 Worksop	200			15			781	686	173	209		
Ada Lovelace House							4	11				
Bioscience Expansion, Nottingham							210	377				
Bulwell Market	47						69	22				
Buxton Crescent	-140						0	3				
Chesterfield Higher Level Skills		2.6			323		34	51.06			656	878
Coalite	2						10	0				
Daykene St							2	5				
Derby Cycling and Placemaking							35	35				
Derbyshire Broadband	100	3521					200	3621				
Gedling Access Road			25	24					185	186		
Harworth	693	0	-148	-99			1549	535	180	353		
Infinity Park	1151						1261	107				
Institute of Advanced Manufacturing							25	74.25			100	285
Medicity	15	17					115	251				
MTIF	1	1					2	2				
N2 Town Centres	-108						33					
Newark Southern Link Road	1000			30			1000	0	2450	177		
Nottinghamshire Broadband		2728					388	3116				
Nottingham Castle							0					
OCOR	1200	65	350				2545	514	678	128		
Riverside	10	0					10					
Seymour Link	415	46					1015	684				
Sherwood Energy Village	13	32					32	67				
Sherwood Visitor Centre		18.6					20.27	41.47				
Sutton Indoor Market	1	2					51	73				
Technology Hub	1	5			109	90	6	10			188	194
The Silk Mill							10	14				
The Spot							10.6	11				
Vision University					-779	765	0	0			765	765
Vesuvius	-95						0	0				
	5031	6438	327	-30	-670	1178	9834	10447	4036	1516	1709	2122

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D2N2 Investment Board (IB) Cover Sheet

Item 9

Document Classification	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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Meeting and Date	16 th June 2020		
Subject	Project for Approval – Castleward		
Author	Tom Goshawk	Total no of sheets	7

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 Castleward Project. The project will deliver a new primary and nursery school on the existing Castleward Urban Village site and enable the delivery of 1,628 new residential units on this site and the adjacent former Derbyshire Royal Infirmary site.</p> <p>Following the review of the business case, the D2N2 Investment Board are recommended to approve the £1,500,000 grant to Derby City Council.</p>

D2N2 INVESTMENT BOARD

16th June 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 Castleward Urban Village is a 12 Hectare Brownfield Site in Derby City Centre which is an ongoing redevelopment and regeneration project to create a new sustainable community of Homes and Businesses close to Derby Railway Station. The site began delivery of new units in 2013 with the main developer Compendium living and has proven to be successful in the delivery so far of 164 units, the overall development will deliver 672 more homes upon its completion and a further 792 on the former DRI site.

To be able to create the sustainable urban development that Castleward aspires to be there is a planning obligation for a new school to be delivered, this will enable the full delivery of units on both the Castleward site and the adjacent Former Derby Royal Infirmary (DRI) site. Due to the cost of the school provision not being able to be met by Section 106 contributions from both sites there is a need for LGF intervention to match fund a section of the school's delivery. The City Council need to now progress the delivery of this two-form entry primary school as the number of units being developed currently has exceeded the amount of homes being delivered from the planning application.

The Castleward and DRI developments both play a vital part in the delivery of new homes in Derby City Centre which are required due to a lack of residential properties currently available on the market. The project forms part

of the Derby City Centre Masterplan for 2030 and is seen as a key project for the City Council in delivering their ambitions for the city. The LEPs investment of £1.5m to enable the delivery of 1,628 new homes directly aligns with the Emerging Local Industrial Strategy’s aim to support the growth of cities, improving the quality of place and economic prosperity of the region.

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

Funding Source	TOTAL
Local Growth Fund	£1,500,000
Section 106	£1,350,000
Derby City Council	£750,000
Homes England Housing Investment Fund	£4,500,000
TOTAL	£8,100,000

3.0 Approvals

Final Planning consent for the new school was agreed by Derby City Council on the 8th of May 2020.

The Homes England Match Funding for the project was approved on the 20th of November 2019.

The project was granted approval by Derby City Council’s Cabinet at the 11th of September 2019 meeting.

4.0 Procurement

Derby City Council used the SCAPE framework to select the main contractor for the school development. Morgan Sindall have been appointed as the contractor and will operate under a fixed price contract mechanism.

5.0 State Aid

Derby City Council have sought independent state aid advice from Freeths LLP, and they have confirmed that the project is state aid compliant under the exemption of Services in the General Economic Interest (SGEI).

6.0 Business Case

An Outline Business Case for the project was received and approved in August 2018.

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

7.0 Delivery Programme

Mobilisation of the site – May 2020

Main Construction works begin – June 2020

Practical Completion of works – August 2021

School opens to students – September 2021

8.0 Outputs and Outcomes

The project will deliver the following outputs and outcomes:

- Enable the delivery of 1,628 new homes
- Creation of a new two form entry Primary and Nursery School.

9.0 Spending profile

2020/21- £1,500,000

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. Hatch Regeneris have conducted an independent review of the business case and have confirmed the project represents Good Value for Money

LEP Officers and the Accountable Body have worked with the project sponsors to understand the potential impacts of Covid-19 on the projects ability to deliver before the 31st of March 2021 Deadline. Officers are confident that the programme provided has mitigated any potential impacts of Covid and the project will be able to deliver to the timescales set out, therefore this provides reassurance for the Investment Board to approve this project.

The D2N2 Investment Board are recommended to approve the £1,500,000 grant to Derby City Council.

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>Derby City 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 the new primary school was granted on the 8th of May 2020.</p>
<p>4. Confirmation that any Section 106 or other agreements have been entered into.</p>	<p>The related Section 106 funding to this project has been agreed and will make up part of the match funding for the development.</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>Derby City Council used the SCAPE framework to select the main contractor for the school development. Morgan Sindall have been appointed as the contractor and will operate under a fixed price contract mechanism.</p>
<p>6. Details of the construction contract to be entered into by the promoter detailing: -start date -completion date</p>	<p>Derby City Council will enter a fixed price contract with the main contractor Morgan Sindall for the development of the school.</p>

Appendix 1

-liquidated damages/cost over runs	The main programme of works will begin in June 2020 and should be completed in August 2021 for a September 2021 opening.
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.	The promoter will be responsible for any cost overruns in the construction phase and D2N2 hold no contractual risk over cost increases.
8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.	The project promoter has confirmed that the project has passed the full design phase.
9. Details of any outstanding points preventing/delaying the start-up of the construction contract.	Impacts of Covid 19 may potentially delay the progress of the construction process however no delays have been identified to the programme now.
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.	The project has increased the amount of homes created associated with this investment from 200 new housing units enabled to 1,628 new homes enabled.
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.	All the match funding components have been committed by the project partners with the following commitments confirmed: - Homes England - £4.5m - Derby City Council - £750,000 - Section 106 Contributions - £1.3m

Appendix 1

<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>All the land associated with the development of the new school is in the control of Derby City Council.</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>Main Construction works begin – June 2020 Main Construction works finish – August 2021 School opens to students – September 2021 The Homes will be developed in the following years: - 2020/21 – 54 Homes - 2021/22 – 132 Homes - 2022/23 – 227 Homes - 2023/24 – 235 Homes - 2024-2031 – 980 Homes</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>

D2N2 Investment Board (IB) Cover Sheet – 16th June 2020

Item 10

Document Classification	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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Meeting and Date	16 th June 2020		
Subject	Approval of the Nursing and Allied Health Provision in Mansfield		
Author	T Goshawk/S Wainwright	Total no of sheets	7

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 £580,903 of Local Growth Funding to support the Nursing and Allied Health Provision in Mansfield.</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

16th June 2020

Nursing and Allied Health Provision in Mansfield

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 54 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 project will establish a nursing and allied health training facility in Mansfield, operated by Nottingham Trent University and designed and delivered in partnership with local healthcare providers including the Sherwood Forest Hospitals NHS Foundation Trust (SFHFT), the East Midlands Ambulance Service (EMAS), Nottinghamshire Healthcare Trust (NHT), Nottingham University Hospital NHS Trust (NUH), and Nottinghamshire County Council (NCC). The project is a stand-alone element of a much wider strategy for NTU in terms of re-imagining and re-positioning itself as an anchor institution for the Mansfield and Ashfield area, creating long-term economic change for residents, promoting social mobility and supporting a positive shift in the health and wellbeing of local people.

Through LGF funding this project will allow new training opportunities to be offered. These will be targeted to those committed to pursuing healthcare careers within the Mansfield and Ashfield locality, in the fields of nursing, ambulance/ paramedic, social work and other allied health professions. Learners will include those from families who do not have a tradition of going into Higher or Further Education and those from disengaged backgrounds. The

project will increase the skills and aspirations of local residents and open up access to higher paid jobs in communities with historically low paid employment opportunities.

The project will also help to alleviate the recruitment crisis within frontline nursing and ambulance/ paramedic services which is acute at both the national and local levels

The project will be located at Vision West Notts College, Mansfield to the south of Mansfield town centre. The project will be located in a former Visual Arts Centre, a space previously used for teaching but no longer required by the College after June 2020.

The building is in good condition and the capital works we are requesting funding for primarily relate to re-configuring spaces to bring them up to standard as medical facilities, including the installation of specialist technology and equipment.

The funding for the project is sourced from the following:

Funding Source	TOTAL
Nottingham Trent University Reserves	£580,904
Local Growth Fund	£580,903
TOTAL	£1,161,807

3.0 Approvals

No planning permission is required. The lease between Vision West Nottinghamshire College and Nottingham Trent University is for a 25 year term, this has been verbally agreed and will be signed on the 4th of June 2020.

The project and funding have been approved by the Nottingham Trent University's Executive Team.

4.0 Procurement

NTU undertook a procurement exercise whereby they tendered for individual work elements and have not selected a main contractor instead utilising in house services to manage the sub-contractors on site. The construction works have now been procured and have been split into the following cost components:

Cost Component	Amount
Construction/Refurbishment	£591,076
Medical Package	£349,828
Information Services	£220,903
Total	£1,161,807

5.0 State Aid

The promoter has confirmed the project is State Aid compliant and advice has been sort by Mills and Reeve Solicitors.

6.0 Business Case

The business case has been forwarded to Regeneris Hatch and at the time of writing this report the Value for Money (VFM) report had not been completed. Any approval given will be on the basis that the project reports good VFM

7.0 Delivery Programme

Milestone	Date to be achieved
Final specification confirmed	March 2020
Full funding package in place	May 2020
Tendering of work packages by NTU's Small Works Team	May 2020
Lease for the former Arts Centre commences	July 2020
Refurbishment and fit out of ground floor	July-September 2020
Phase 1 works complete	September 2020
Phase 2 works complete	End of December 2020
First students start Ambulance Technician Practitioner Programme	November 2020
First Students start Paramedic Programme	January 2021
Nursing and Midwifery Council Approval secured	January 2021
First BSc Nursing students start	September 2021

8.0 Outputs and Outcomes

735 new learners by 2025

600m² of improved learning floorspace

10 new jobs created by 2024

9.0 Spending profile

20/21 £518,903

10.0 Local Assurance Framework

A Full Business Case has now been submitted in line with the approval process. The Accountable Body and D2N2 have assessed the Full Business Case submission and approval is recommended. Hatch Regeneris have conducted an independent review of the business case and have confirmed the project represents Good Value for Money

LEP Officers and the Accountable Body have worked with the project sponsors to understand the potential impacts of Covid-19 on the projects ability to deliver before the 31st of March 2021 Deadline. Officers are confident that the programme provided has mitigated any potential impacts of Covid and the project will be able to deliver to the timescales set out, therefore this provides reassurance for the Investment Board to approve this project.

The Investment Board are asked to approve the project and to release the £580,903 of Local Growth Funding.

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>A Value for Money assessment is currently being carried out by external consultants and the project is requested to be approved subject to Value for Money approval.</p>
<p>3. Details confirming that all planning consents have been granted and that all pre start conditions have been met.</p>	<p>n/a</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>NTU have tendered for and contracted the individual elements of the contracted works and are ready to proceed with the contract.</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>The following milestones are in place for the project: - Start on site - July 2020 -Phase 1 completes – September 2020 - Final Works Complete – December 2020</p>
<p>7. Confirmation that the promoter will be responsible for any variations to the contract price and that once</p>	<p>Nottingham Trent University have confirmed that they will be responsible for any cost overruns in the scheme.</p>

Appendix 1

entered into, the contract will be completed in line with the details submitted.	
8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.	Detailed design has been completed
9. Details of any outstanding points preventing/delaying the start-up of the construction contract.	The tendering for the labour on the project needs to be completed but NTU will use their regular framework to do this and costs are known.
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.	There are no changes.
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.	The Nottingham Trent University Executive Team have confirmed the funding.
12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project	A 25 year lease agreement between Vision West Nottinghamshire College and Nottingham Trent University is to be signed on 4 th June 2020
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.	A phasing plan has been provided by the promoter. The outputs are as follows: 2020/21 Q3- 20 learners 2021/22 Q3 -143 learners 2022/23 Q3 – 313 learners 2023/24 Q3 – 513 learners 2023/24 Q4 – 10 jobs

Appendix 1

<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 16 June 2020 via Microsoft Teams

PRESENT

D Williams (D2N2 LEP) (In the Chair)

Councillors 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) and J White (Bassetlaw District Council) and J Bradley-Fortune (Inclusion Representative)

Also in Attendance: J Davies (Gedling Borough Council), N Cockrell (Bassetlaw District Council) C Durrant (Chesterfield Borough Council), J Dexter (BEIS), J Gilman (Derby City Council), T Goshawk (D2N2 LEP), R Harding (D2N2 LEP), N McCoy-Brown (Nottinghamshire County Council), S Rose (D2N2 LEP), J Seymour (Derbyshire County Council) N Taylor (Bassetlaw District Council), S Wainwright (Derbyshire County Council), C Williams (Derby City Council) and D Wright (CLGU)..

Apologies for absence were submitted on behalf of E Fagan (D2N2 LEP) and Councillors W J Clarke (Gedling Borough Council), B Lewis (Derbyshire County Council).

51/20 DECLARATIONS OF INTEREST

D Williams declared a personal interest in relation to Item 10 Project for Approval - Nursing and Allied health Provision in Mansfield, as a Board member on Nottingham Trent University

J Bradley Fortune declared a personal interest in relation to Item 5, Pipelines Project (YMCA Community and Activity Village) as an independent consultant to the YMCA

Councillor S Webster declared a non-pecuniary interest in relation to Item 9, Project for Approval - Castleward, as a Director of the SCAPE Group

52/20 MINUTES RESOLVED to confirm the non-exempt Minutes of the meeting of the Infrastructure and Investment Board held on 11 March 2020.

53/20 MATTERS ARISING Project for Approval Chesterfield Station Masterplan (Minute 45/20 refers) It was confirmed the Heads of Terms Agreement had now been received.

It was also noted that that Scrutiny Working Group had met and continued to look at all areas of the LEP's work. The next meeting would start to look more closely at the Strategy area.

54/20 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 the report highlighted the position of the 'live and upcoming' projects in the programme and the mitigation risk where there was one in place. Annex A to the report provided a project change request for Riverside Business Park and Annex B an update on projects including the impact of the Covid 19 pandemic.

Coming into the last year of the programme the LEP had £40,086,356 of its £250.7m Local Growth Fund budget left to spend before the March 2021 deadline. LEP Officers were working closely with project sponsors for all projects that were 'live' and still 'awaiting approval' to monitor the ability to spend by the deadline.

At this moment in time based on the current assessment of the programme and if all the projects were approved as set it was believed that the LEP would be on track to deliver the full programme target by the end of this financial year. The LEP had also over profiled by £2M to provide a buffer against any underspends.

Detailed at Appendix A to the report was a change request from the project sponsor for Riverside Business Park. They were requesting a change to the arrangements to drawdown 100% of costs spent through Local Growth Funding rather than the 50% basis which was agreed at the time of approval. LEP Officers recommended that the request be approved.

The current position of the programme had been affected by the Covid 19 pandemic and the effect this was having on the construction industry. Annex B 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 was initially highly affected by the Covid 19 crisis with several sites closing down completely for a period or reducing the amount of labour on site significantly. These reductions in workforce were still in place in most sites but nearly all were now back on site and operational. Project sponsors were still quantifying the delays to their programmes and the uncertainty over how long the social distancing period would last was likely to cause ongoing delays.

The Crocus Place project had now officially been withdrawn from the LGF programme by Nottingham City Council which would return £3m to the budget that would leave the programme with a potential underspend. This would be addressed in the pipeline projects update report to be considered at this meeting where two pipeline projects were put forward for consideration by the Investment Board to utilise the balance available from the withdrawal of Crocus Place.

The position of Government remained the same with regards for the need to have spent the entirety of the Local Growth Fund Allocation by the 31st of March 2021, at this moment in time it was unlikely that this deadline would change. Therefore, the LEP would continue to work with projects to progress and accelerate spend wherever possible to make sure that the programme was fully contracted as soon as possible and the deadline for spend was achieved.

Stephen Jones, Director of the Cities and Local Growth Unit wrote to all LEP Chief Executives to explain that an LGF review would be taking place, and requested a formal submission by the 17th of June on the progress to date of the LGF projects in year and the forecasts of spend and commitments in the programme up until March 2021. This review would inform the release of the full funding for this financial year.

In this financial year government had advanced two-thirds of the funding and had withheld the final third pending the review of progress and ability by LEPs to both commit and spend the allocation in the final year.

D2N2 Officers alongside the Accountable Body would directly respond to the review process and submit the requested evidence. A decision on the final third of funding would be confirmed by Ministers and if approved funding would be released by August.

At this point in time the LEP had currently contractually committed 94.7% of its total LGF budget and should the approvals at this meeting be successful this figure would rise to 95.5%.

The LEP were confident that they could both commit their full allocation and spend the funding within the financial year.

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

RESOLVED (1) that the change request from the sponsors be approved and that Riverside Business Park are allowed to drawdown 100% of costs through LGF to the total sum of £3.35m. This would not affect the delivery of the project and clawback conditions in the contract would ensure that the private sector contributions would be monitored in future years; and

(2) to note the update for all projects that were live or due to go live in the next financial year including the impact from Covid 19 for each project.

55/20 **PIPELINE PROJECTS** Board members were aware that In January 2020 following the withdrawal of 3 projects from the Local Growth Fund allocation, D2N2 launched a call for new capital projects. Given that the Local Growth Fund programme was coming to an end in March 2021 the projects needed to have a high level of deliverability and be able to demonstrate that they were able to utilise any LGF allocation before the March 2021 deadline.

Projects were scored based on deliverability, financial risk, Market evidence, strategic fit and outputs. Following this process four projects were initially brought forward and granted an allocation of funding which took the programme to a position of overspend to be covered through the Growing Places Fund to ensure the programme fully delivered its spend target by the March 2021 deadline.

Subsequently, one project (Crocus Place) had withdrawn from the programme, as a result £3m of funding had been released to the Local Growth Fund.

Therefore, the LEP had identified and brought forward additional projects from the pipeline that had further progressed since the initial call in March and were now ready to be delivered.

This work had been carried out with independent analysis from Thomas Lister Consultants who had reviewed revised information on the projects to test in particular their strategic fit and deliverability. This process has confirmed that two projects were ready to be brought forward for consideration by the Investment Board.

The two projects have been re-evaluated from their assessment in March and have now achieved the following scores which are above the minimum threshold of 61 to be deemed deliverable:

- **Automation and Robotics Training** – 65 (Green) The project has addressed the concerns raised around its deliverability since the March call. Following the independent assessment of the information presented, West Notts College had now provided sufficient information to demonstrate this gap has been filled in the application.

The Automations and Robotics project has demonstrated that it fits with the strategic aims of the Local Growth Fund, and is delivery ready and classed as low risk, it also represented good value for money in terms of the LGF outputs. The project aligned with the work of the emerging Mansfield Towns Deal to deliver enhanced learning provision across Mansfield

The project sponsor had confirmed that all outputs are additional to those counted through other LGF interventions at West Notts College and that the output delivery on other funded projects is progressing well.

D2N2 officers recommended that the project be invited to continue through the Local Assurance Framework Process and progress to Final Business Case submission subject to the project sponsor continuing to deliver against existing contracted targets

- **YMCA Community and Activity Village** – 65 (Green) The project had addressed the concerns raised around its deliverability and in particular it's planning status that were identified in the March call. Following the independent assessment of the

information presented, YMCA had now provided sufficient information to demonstrate that the project was deliverable by March 2021.

The project originally requested £2.5m of Local Growth Funding towards the development, however D2N2 officers were recommending that the YMCA is allocated £2.2m based on the overall programme position.

Match funding contributions had all been secured and clarified and the project had the relevant planning permissions to be able to proceed with an allocation from D2N2.

D2N2 officers therefore recommended that the project be invited to continue through the Local Assurance Framework Process and progress to Final Business Case submission which will be subject to a full financial due diligence process.

Following the recent letter from Robert Jenrick MP, Secretary of State for Housing, Communities and Local Government, S Rose outlined the LEPs approach.

The request had been made for LEPs to provide by 18 June details of deliverable projects. The LEP had made a call for all Local Authorities, Universities and Colleges to put forward proposals that they believed were deliverable i.e. with planning in place, funding secured and land assembled and that were able to demonstrate a return on investment and a boost for recovery. These would be scored and prioritised against the usual matrix and submitted to Government by Thursday.

RESOLVED to approve the two projects identified and that they be invited to proceed to final Business Case delivery.

56/20 **LOCAL GROWTH FUND BUDGET** The current forecast showed that in 2020/21 the programme was under committed by £877k. This was due to the Crocus Place project withdrawing from the programme.

Should a decision be taken by the Investment Board to accept the two projects in the Pipelines report on the Local Growth Fund Allocations list then the programme would currently stand at a position of £2m overspent, This overspend would be covered using the Growing Places Fund

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. The LEP and Accountable Body are working closely with projects and 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. Government had confirmed that there was no extension to the programme and all monies must be spent by 31 March 2021.

The overall budget position was shown at Appendix 1 to the report with the grant profile for the final year of the programme 2020-21 at Appendix 2.

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

RESOLVED that the report be noted.

57/20 **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 some of 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.

Woodville Swadlincote Regeneration Route (Derbyshire County Council) – The Investment Board were recommended to monitor progress up to the delivery of the Final Business Case which will now be delivered in July 2020 and approval sought from the LEP Board on the 8th July 2020.

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

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 September.

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

Revitalising the Heart of Chesterfield (Chesterfield Borough Council) - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in July 2020 for both elements of the project

OMICs Research Facility - The Investment Board were requested to monitor the progress of milestones and await the submission of the FBC in September 2020.

Mushroom Farm - The Investment Board were requested to accept the new timeline for the project progress of milestones and accept a Business Case in September 2020.

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

RESOLVED to approve the recommendations above, as detailed in the report.

58/20 **OUTPUT PERFORMANCE UPDATE-QUARTER 4** Members were provided with an update on the output performance of the Local Growth Fund

In return for £250m of Local Growth Fund contributions, D2N2 were expected to deliver outputs to contribute to the national economy as a result of the interventions it carried out in the economy. Over its 3 tranches of funding, the LEP are committed to deliver 29,000 Jobs, 10,800 Homes and 147,000 Learners over the projects lifetime which ran up to 2035.

The LEP had now agreed with BEIS colleagues that there should be two learner targets for D2N2:

- 2,000 'new learners'. This was the number of new learners assisted in courses leading to a full qualification. This would be monitored by the BEIS spreadsheet on a quarterly basis and would form one of the three main outputs.
- 147,000 'learners supported'. This was the number of people engaged in learning activities at the academic institutions where D2N2 had provided funding for capital development, the figures are calculated over the projects lifetime. This figure is not measurable on the BEIS spreadsheet and will be reported as part of the descriptive update on the Dashboard at the end of each financial year, showing progress towards the target which has an end date of the end of the programme, March 2021.

This paper provided an update on the following metrics:

Contracted output figures: The output targets agreed between the project promoter and the LEP at the point of approving a Final Business Case.

Actual delivery to date: outputs delivered to this date

Contracted Target with Government: In return for the LGF contribution from government we were targeted to deliver 29,000 jobs, 10,800 Homes and 2,000 Learners by 2035.

All metrics were detailed in the report for the most up to date quarter where a data return had been received from projects which was Q4 2019/20 financial year, delivery since the start of the programme and the lifetime of the programme.

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

RESOLVED to note the update

59/20 **PROJECT FOR APPROVAL – CASTLEWARD** Board Members were informed of a request for Local Growth Funding to support the Castleward project. The project would deliver a new primary and nursery school on the existing Castleward Urban Village site and enable the delivery of 1,628 new residential units on this site and the adjacent former Derbyshire Royal Infirmary site.

Following the review of the business case, the D2N2 Investment Board were recommended to approve the £1,500,000 grant to Derby City Council

The Castleward Urban Village was a 12 Hectare Brownfield Site in Derby City Centre which was an ongoing redevelopment and regeneration project to create a new sustainable community of Homes and Businesses close to Derby Railway Station. The site began delivery of new units in 2013 with the main developer Compendium Living and had proven to be successful in the delivery so far of 164 units, the overall development would deliver 672 more homes upon its completion and a further 792 on the former DRI site.

To be able to create the sustainable urban development that Castleward aspired to be there was a planning obligation for a new school to be delivered, this would enable the full delivery of units on both the Castleward site and the adjacent Former Derby Royal Infirmary (DRI) site. Due to the cost of the school provision not being able to be met by Section 106 contributions from both sites there was a need for LGF intervention to match fund a section of the school's delivery. The City Council needed to now progress the delivery of this two-form entry primary school as the number of units being developed currently had exceeded the amount of homes being delivered from the planning application.

The Castleward and DRI developments both played a vital part in the delivery of new homes in Derby City Centre which were required due to a lack of residential properties currently available on the market. The project formed part of the Derby City Centre Masterplan for 2030 and was seen as a key project for the City Council in delivering their ambitions for the city. The LEPs investment of £1.5m to enable the delivery of 1,628 new homes directly aligned with the Emerging Local Industrial Strategy's aim to support the growth of cities, improving the quality of place and economic prosperity of the region

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

Funding Source	TOTAL
Local Growth Fund	£1,500,000
Section 106	£1,350,000
Derby City Council	£750,000
Homes England Housing Investment Fund	£4,500,000
TOTAL	£8,100,000

Details were given of the Approvals, Procurement and State Aid

An Outline Business Case for the project was received and approved in August 2018 and had been independently assessed by Hatch Regeneris who had deemed that the project represented 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 confirm that the project complies with the Local Assurance Framework. Hatch Regeneris have conducted an independent review of the business case and have confirmed the project represents Good Value for Money

LEP Officers and the Accountable Body had worked with the project sponsors to understand the potential impacts of Covid-19 on the projects ability to deliver before the 31st of March 2021 Deadline. Officers are confident that the programme provided had mitigated any potential impacts of Covid and the project would be able to deliver to the timescales set out, therefore this provided reassurance for the Investment Board to approve this project.

Catherine Williams and John Gilman Derby City 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 £1,500,000 grant to Derby City Council to support the Castleward project.

60/20 PROJECT FOR APPROVAL – NURSING AND ALLIED HEALTH PROVISION IN MANSFIELD Board Members were informed of a request for £3m of Local Growth Funding to support a request for £580,903 of Local Growth Funding to support the Nursing and Allied Health Provision in Mansfield.

The project was now compliant with the LAF and after a review of the business case, D2N2 recommended that the project be approved by the Investment Board.

The project would establish a nursing and allied health training facility in Mansfield, operated by Nottingham Trent University and designed and delivered in partnership with local healthcare providers including the Sherwood Forest Hospitals NHS Foundation Trust (SFHFT), the East Midlands Ambulance Service (EMAS), Nottinghamshire Healthcare Trust (NHT), Nottingham University Hospital NHS Trust (NUH), and Nottinghamshire County Council (NCC). The project was a stand-alone element of a much wider strategy for NTU in terms of re-imagining and re-positioning itself as an anchor institution for the Mansfield and Ashfield area, creating long-term economic change for residents, promoting social mobility and supporting a positive shift in the health and wellbeing of local people.

Through LGF funding this project would allow new training opportunities to be offered. These would be targeted to those committed to pursuing healthcare careers within the Mansfield and Ashfield locality, in the fields of nursing, ambulance/ paramedic, social work and other allied health professions. Learners would include those from families who did not have a tradition of going into Higher or Further Education and those from disengaged backgrounds. The project would increase the skills and aspirations of local residents and open up access to higher paid jobs in communities with historically low paid employment opportunities.

The project would also help to alleviate the recruitment crisis within frontline nursing and ambulance/ paramedic services which was acute at both the national and local levels

The project would be located at Vision West Notts College, Mansfield to the south of Mansfield town centre. The project would be located in a former Visual Arts Centre, a space previously used for teaching but no longer required by the College after June 2020.

The building was in good condition and the capital works we are requesting funding for primarily relate to re-configuring spaces to bring them up to standard as medical facilities, including the installation of specialist technology and equipment.

The funding for the project is sourced from the following:

Funding Source	TOTAL
Nottingham Trent University Reserves	£580,904
Local Growth Fund	£580,903
TOTAL	£1,161,807

Details were given of the Approvals, Procurement and State Aid

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

A Full Business Case had now been submitted in line with the approval process. The Accountable Body and D2N2 had assessed the Full Business Case submission and approval is recommended. Hatch Regeneris had conducted an independent review of the business case and had confirmed the project represents Good Value for Money

LEP Officers and the Accountable Body had worked with the project sponsors to understand the potential impacts of Covid-19 on the projects ability to deliver before the 31st of March 2021 Deadline. Officers were confident that the programme provided had mitigated any potential impacts of Covid and the project would be able to deliver to the timescales set out, therefore this provided reassurance for the Investment Board to approve this project.

Mark Biggs and Fiona Anderson, Nottingham Trent University 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 project and to release the £580,903 of Local Growth Funding.

61/20 **DATE OF NEXT MEETING** The next meeting of the Investment Board would be take place on a date TBC at the beginning of August.

62/20 **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 May 2020.

62/20 **EXEMPT MINUTES** **RESOLVED** to confirm the exempt Minutes of the meeting of the D2N2 Investment Board held 11 May 2020.

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