

# Public Document Pack



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PUBLIC

To: Members of D2N2 Investment Board

Tuesday, 1 September 2020

Dear Councillor,

Please attend a meeting of the **D2N2 Investment Board** to be held at **2.00 pm** on **Wednesday, 9 September 2020**. This meeting will be held 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 4 August 2020

4. Introduction of appointed accountants HSKS Greenhalgh for 19/20 Accounts
5. Capital Programme Overview Presentation (Pages 9 - 16)
6. LGF Budget Paper (Pages 17 - 20)
7. Quarter 1 Monitoring (Pages 21 - 26)
8. Project for Approval - Smart Wireless Innovation Facility (SWIFt) (Pages 27 - 36)
9. Project for Approval - Automation and Robotics (Pages 37 - 44)
10. Project for Approval - Mushroom Farm (Pages 45 - 52)
11. Project for Approval - Facility for OMIC Research in Metabolism(FORM) (Pages 53 - 60)
12. Project for Approval - YMCA Community & Activity Village (Pages 61 - 70)
13. 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**

14. Minutes (Pages 71 - 72)

To confirm the exempt minutes of the meeting of the D2N2 Investment Board held on 4 August 2020

15. LGF Milestones Update (Pages 73 - 76)
16. Date of Next Meeting

Wednesday 4 November 2020 at 10am

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Agenda Item 3

**MINUTES** of a meeting of the **D2N2 INVESTMENT BOARD** held on 4 August 2020 via Microsoft Teams

**PRESENT**

D Williams (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), S Webster (Nottingham City Council) and J White (Bassetlaw District Council) and J Bradley-Fortune (Inclusion Representative)

Also in Attendance: J Battye (Derbyshire County Council) J Davies (Gedling Borough Council), N Cockrell (Bassetlaw District Council) C Durrant (Chesterfield Borough Council), T Goshawk (D2N2 LEP), N Johnson (Chesterfield Borough Council), S Rose (D2N2 LEP), P Seddon (Nottingham City Council), J Stuart (Erewash Borough Council) C Williams (Derby City Council) and D Wright (CLGU).

Apologies for absence were submitted on behalf of E Fagan (D2N2 LEP)

**64/20**      **DECLARATIONS OF INTEREST** There were no declarations of interest

**65/20**      **MINUTES RESOLVED** to confirm the non-exempt Minutes of the meeting of the D2N2 Investment Board held on 16 June 2020.

**66/20**      **D2N2 CAPITAL PROGRAMME PERFORMANCE OVERVIEW** Board members were given an overview of the LEPs Local Growth Fund programme.

Covid 19 had had an impact on many parts of the programme and the report highlighted the current position of the 'live and upcoming' projects in the programme and the mitigation strategy where there was one in place. Annex A to the report provided an update to the Getting Building Fund submission; Annex B outlined a project change request for Vesuvius Works; and Annex C provided a copy of the LGF Q4 2019/20 Monitoring Spreadsheet.

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. Of the £40m allocated within this year, D2N2 had recorded £7,581,062 in the first financial quarter of the year. 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, based on spend to date and forecast spend officers were confident this figure could be met.

At this moment in time based on the current assessment of the programme and if all the projects were approved as set out, 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.

A full budget breakdown was included in a separate paper at the meeting which includes both the financial position of the overall programme from 2015-2021 as well as a breakdown of each project's LGF drawdown for each financial quarter in 2020/21.

The LEP had recently been engaged within a pipeline process to determine projects for submission to the Government's new 'Getting Building Fund'. Following this process 10 projects totalling £46,657,000 had been submitted to the Government, although next steps at the time of writing the report were unknown for the fund, D2N2 would engage with the project sponsors once they were known. Further details of the process and projects were highlighted in Annex A to the report, which board members had received in advance of the meeting. All projects put forward were still subject to final approval by the minister and would need to deliver a full business case compliant with the Local Assurance Framework, addressing any issues highlighted during the initial assessment.

In order to be able to respond to future funding calls with efficiency the LEP were looking to prepare a pipeline of projects which could be called upon to submit to Government. Therefore, a new call for projects would be announced on the 5<sup>th</sup> of August and will open this to all parties to submit priorities for scoring. Further details around timescales will be provided as part of the call for projects on the 5<sup>th</sup> of August.

Detailed at Appendix B to the report was a change request from the project sponsor for Vesuvius works. They were requesting a change for 95 jobs to move from Q1 2020/21 to Q3 2020/21. The main contractor on the site was put in to administration in December 2019 which caused delays to the project. Following this and the Covid 19 outbreak there had been a reduced workforce on the site and the opening of the new food store is delayed as a result. The project would deliver its first 95 jobs two quarters later than profiled however this would still return the job delivery in this financial year so won't affect programme outputs. LEP Officers recommended that the request be approved and D2N2 will continue to work with the sponsor to mitigate these circumstances and accelerate delivery where possible.

Annex C provided a copy of the LGF Q4 2019/20 Monitoring Spreadsheet.

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

**RESOLVED** (1) to note the current position on the programme and the update on each of the projects;

(2) that the change request from the sponsors of Vesuvius Works for 95 jobs to move from Q1 2020/21 to Q3 2020/21 be approved; and

(3) that the link to the decision on the GBF bid be forwarded to Board Members.

**67/20      LOCAL GROWTH FUND BUDGET** Current forecast showed that in 2020/21 the programme was over committed by £2m following the approval onto the programme of the Automation and Robotics and YMCA Community and Activity Village at the last Investment Board

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 31<sup>st</sup> March 2021 deadline and therefore be able to evidence expenditure. The LEP and Accountable Body were working closely with projects and grant profiles and expenditure figures for the remaining projects were being discussed and would be monitored closely throughout the year to ensure any grant given could be evidenced with expenditure. Government had confirmed there was no extension to the programme and all monies must be spent by 31<sup>st</sup> March 2021.

The overall budget position was detailed in Appendix 1 to the report with the grant profile for the final year of the programme 2020/21, shown at Appendix 2

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

**RESOLVED** that the report be noted.

**68/20      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.

**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.

**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 and accept a Business Case in September 2020.

**Automation and Robotics** - The Investment Board were requested to accept the new timeline for the project and accept a Business Case in September 2020.

**YMCA Community and Activity Village** - The Investment Board were requested to accept the new timeline for the project 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.

**69/20**      **EVALUATION OF LGF** Heather Frecklington, Focus Consultants attended the meeting presented the Board with the findings of the Local Growth Fund Mid Term Evaluation, which had looked at 21 completed or near completed projects.

The evaluation provided, completed project maps, geographical analysis, outputs, and economic and social impacts.

In conclusion it was considered that:

- The approach to higher spending in the city areas may be something that could be further investigated in the emerging Local Industrial Strategy;
- Overall progress against outputs was positive. In many cases, project outputs had already been achieved or in several cases exceeded;
- Other projects still had significant progress to make including Derby College Technology Hub, Harworth Access Road, Infinity Park Derby, Vision University Centre and the Rail Research and Innovation Centre;
- It was not unusual for project output achievements to trail behind programme expenditure but the analysis did demonstrate the variance between the different types of projects in terms of output achievement;

- The cost per output analysis demonstrated that sometimes smaller levels of investment could offer better value for money than larger investments, particularly in the short to medium term;
- The economic impact showed that once all of the outputs forecast by the projects had been achieved there was the potential to bring additional economic benefits worth circa £1.2bn per annum;
- To date we can calculate that the project has created circa 3,264 jobs for D2N2, which has the potential to generate an additional £186 million GVA for the local economy per annum; and
- value for money and return on investment are strong

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

**RESOLVED** (1) to note the Local Growth Fund Mid Term Evaluation; and

(2) that the presentation slides and full reports be circulated to Board Members

**70/20      PROJECT FOR APPROVAL – REVITALISING THE HEART OF CHESTERFIELD** Board Members were informed of a request for £650,000 of Local Growth Funding to support the Revitalising the Heart of Chesterfield Project. The project comprised of two elements; the reconfiguration of the town centre outdoor market to make it a more attractive proposition for both traders and shoppers; and the delivery of an enhanced public realm in the town's Northern Quarter. D2N2 funding provided the opportunity to add value to the scheme by enabling an upgrade of the improvement works to the outdoor market and an extension of the public realm works to include Packers Row, a key pedestrian route way in the town centre and to upgrade the market to a better specification using the D2N2 funding.

Changing patterns of retailer and consumer behaviour were combining to create challenging market conditions for Chesterfield town centre. In response to these challenges, the Council was seeking to strengthen the overall appeal of the town centre, to make it a place that more people wanted to visit and enjoy spending longer periods of time in. The scheme supported this aim by delivering a high quality public realm and re-establishing the outdoor market as a key footfall attractor for the town centre.

Funding from the Council would enable the delivery of the level 1 lowest cost option. These works would include: the retention and repair of existing stall structures; new tensile covers and guttering for the stalls; improved lighting and power; improved access and stall configuration; general paving repairs; and new flexible trading areas created. The cost of option 1 was £800k. Additional funding of £350k from D2N2 would enable the market redevelopment to be 'up-graded' to the

level 2 option. This would be as option 1, plus the construction of new stall beds (and further adaptation of stall structures) to allow greater flexibility in market configuration. Instead of just reducing the total number of stall rows to improve sight lines and accessibility for shoppers (as per option 1), option 2 will allow two stall rows to be aligned side by side, increasing the area of wet weather protection for traders and shoppers, as well as allowing for 360 degree trading, instead of single row trading (where it was not always clear which was the front and which was the back of the stall) as is the case at present.

The current public realm scheme is focused on providing an appropriate setting for the redevelopment of the town centre's 'northern quarter'. Upgraded public realm would not only boost investor / occupier confidence in the area (this was seen as a particular requirement to attract new food and drink uses), but also created an attractive pedestrian routeway between the significant level of car-parking provision in the northern quarter and the retail core. To achieve this, the projects public realm design sought to reduce vehicular dominance by re-proportioning road and footpath widths, re-balancing the street in favour of the pedestrian. This enables streetscene activation through greater use of pavement space including outdoor seating for restaurants and cafes. Street furniture would be rationalised and trees added to improve air quality and enhance the town's existing green infrastructure. Key pedestrian crossing points would be improved to better manage traffic flow and give a greater priority to pedestrians. These works related specifically to Elder Way and Knifemithgate, however D2N2 funding provided the opportunity to now extend these works along Packers Row, providing a high quality pedestrian link to the retail core and an upgraded public realm as a basis for attracting new retail investment.

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

<b>Funding Source</b>	<b>TOTAL</b>
Local Growth Fund	£1,500,000
Section 106	£1,350,000
Derby City Council	£750.000
Homes England Housing Investment Fund	£4,500,000
<b>TOTAL</b>	<b>£8,100,000</b>

Details were given of the Approvals, Procurement and State Aid

A Business Case for the project had been forwarded to 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

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



A McCormick and P Middleton, 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 project and to release the £650,000 of LGF grant to Chesterfield Borough Council.

**71/20      PROJECT FOR APPROVAL – TOLL BAR HOUSE, ILKESTON** Board Members were informed of a request for £425,000 of Local Growth Funding to support the Toll Bar House, Ilkeston project. The Toll Bar House project would upgrade, redevelop and revitalise the iconic building set on a prominent location on the gateway to Ilkeston town. The building had recently become vacant after its long time public sector tenant vacated and has little prospect of finding a new occupier in its current form. The proposal is to futureproof the building with a programme of upgrades and redevelopment to make it into an energy and water efficient building to help combat climate change. The refurbishment would make accommodation suitable for small and growing companies where office space was constrained in Ilkeston.

Toll Bar House was redundant in its current form. It was a large office which had historically only ever been occupied by public sector tenants. There was no demand for accommodation in the area from this kind of organisation. Additionally the building's energy efficiency survey indicated below average rating. Investment was needed now to repurpose this iconic building for the future and prevent it being mothballed and becoming a burden to the public sector.

The proposal for Toll Bar House was to update and refurbish this art deco landmark building to make it suitable for modern, high value office requirements. The project would include upgrading the heating and lighting systems, fitting more energy efficient windows, insulation and water systems. These would be more economical for the occupants to run, help limit climate change and improve the appeal of the letting offer.

The project aligned with the LEPs strategic ambitions to develop our places and improve the economic prosperity of the town of Ilkeston. Alongside this ambition to improve the economy of the town, this project aligns to the clean growth ambition by repurposing this space to become an energy efficient building.

The programme of refurbishment would include reconfiguring the space to form:

- 22 Managed offices with shared meeting rooms and kitchen and bathroom facilities
- The flexibility to combine spaces as required to create larger letting units
- Development of the old garages to form a workshop

The funding for the project is sourced from the following:

<b>Funding Source</b>	<b>TOTAL</b>
Erewash Borough Council	£425,000
Local Growth Fund	£425,000
<b>TOTAL</b>	<b>£850,000</b>

Details were given of the Approvals, Procurement and State Aid

A Business Case for the project had been forwarded to 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

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

I Sankey and O Dove, Erewash 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 project and to release the £425,000 of LGF grant to Erewash Borough Council

**72/20      DATE OF NEXT MEETING** The next meeting of the Investment Board would be take place on 9 September 2020.

**73//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 consider the report on Growing Places Fund (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).
2. Pipeline Project (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).

**D2N2 Investment Board – September 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 – 9 <sup>th</sup> September 2020		
Subject	D2N2 Capital Performance Overview		
Author	T Goshawk	Total no of sheets (Excluding cover sheet)	6

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

## **D2N2 INVESTMENT BOARD**

### **September 2020 D2N2 Capital 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** – Copy of the LGF Q1 2019/20 Monitoring Spreadsheet

#### **Local Growth Fund Performance Update**

Coming into the last year of the Local Growth Fund programme the LEP has £40,086,356 of its £250.7m Local Growth Fund budget left to spend before the March 2021 deadline. Of the £40m allocated within this year, D2N2 have recorded £8,977,821 of actual spend in the first financial quarter of the year. 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, based on spend to date and forecast spend we are confident this figure can be met.

The Investment Board is being asked to consider 5 business cases at this meeting, if they are approved it would bring the LGF commitments in line with the forecasts submitted to Government earlier this year.

One major change that has taken place since the last meeting is the withdrawal of the Heathcoat Immersive Incubator project by Nottingham City Council. The project originally had an allocation of £160,000 earmarked which will now return to the overall LGF budget reducing the level of overall underspend.

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 £1.8M to provide a buffer against any underspends.

Item 5

A full budget breakdown is included within **Item 5** 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.

### **Pipeline Call**

In order to ensure that we have a ready pipeline of projects should any funding become available either through underspends in the existing programmes or new funding allocated by Government, D2N2 has an active call for projects open and is expecting submissions to the LEP by Close of Business on the 11<sup>th</sup> of September.

Following submissions they will be independently assessed and scored to form a pipeline of projects as a reserve list that can be brought forward at speed if required.

### **Getting Building Fund**

Following on from the process undertaken for a call for projects in June and July the 10 projects below have been given an in principal allocation of funding as part of D2N2's £44.4m Getting Building Fund allocation from Government. The call for projects from Government was largely based around deliverability and project sponsors ability to act quickly in response to economic recovery and therefore we are working with projects to deliver at the earliest date possible.

As part of the assurance of deliverability, D2N2 officers are currently working with project sponsors to reconfirm the milestones and cashflows for all projects that were presented through the submission phase to Government. Pace of delivery is essential to this programme and Government have stated that D2N2 will be given a 50/50 split of funding allocation between the 2020/21 and 2021/22 financial years. Government have also confirmed that any funding that is not spent by the March 2022 deadline will be clawed back centrally therefore it is imperative that projects are held to account over their milestones for delivery before they submit their Final Business Cases for consideration and approval.

A full list of Milestones and expenditure profiles will be presented to the next Investment Board.

Project Name and Location	Description	GBF Funding	Project Outputs	Final Business Case Submission Date
<b>Berry Hill, Mansfield</b>	The Berry Hill site forms an urban extension to the Mansfield district. Work is well underway on phase 1. To accelerate phase 2, funds are requested towards the spine road, which will unlock the site to create new homes, school, shops, Green Infrastructure and Employment Land.	£3million	220 Jobs 475 Homes	December 2020
<b>Digital Advanced Manufacturing and Engineering Centre, Chesterfield</b>	The project will fund the development of a centre of excellence at Chesterfield College to support learners to develop much needed digital skills and the practical skills for modern construction techniques. The new centre will deliver higher-level skills within the industry and meet the demands of the local area.	£0.5million	3 Jobs	November 2020
<b>UK Electrification of Aerospace Propulsion Facility, Nottingham University</b>	Part of a £1bn+ vision for the East Midlands to regain its pre-eminence as the world's foremost location for aerospace innovation - protecting the 40,000-aerospace supply-chain jobs in the region. This national facility will support a green recovery for the UK aerospace industry through the development of sustainable and competitive electrified propulsion systems.	£7.6million	300 Jobs 150 Learners	February 2021
<b>Bridge Court Campus, Worksop</b>	The regeneration of Bridge Court will facilitate the delivery of a state-of-the-art University campus in Worksop town centre in	£3.5million	40 Jobs 300 Learners	November 2020

Project Name and Location	Description	GBF Funding	Project Outputs	Final Business Case Submission Date
	partnership with the University of Derby and Doncaster & Bassetlaw Hospitals Trust. This Campus will address a training need in the health sector, enable the upskilling of young people and carers, and increase the engagement of local people in higher education.			
<b>Digital Turbine Centre, Worksop</b>	This project will establish a 5G Innovation Hub in the Turbine Centre in Worksop, providing enhanced digital connectivity throughout the centre. It will also enable the prototyping and launching of the world's first 5G devices from the Hub and the delivery of certified business engagement and digital training on 5G & related technologies.	£0.5million	8 Jobs 100 Learners	October 2020
<b>Glossop Town Hall, Glossop</b>	The renovation and repurposing of Glossop Town Hall, Market Hall and Municipal Buildings for use as business start-up space, with a focus on creative industries, and modern multi-use event space accommodating food and drink businesses, general and specialist retail.	£2million	105 Jobs	November 2020
<b>Drakelow Park, South Derbyshire</b>	Infrastructure project on the road network to support a larger bridge/bypass scheme including bypass bridge to Burton and better road traffic links between South Derbyshire, East Staffordshire and the wider West	£2.6million	1,100 Jobs 2,046 Homes	December 2020

Project Name and Location	Description	GBF Funding	Project Outputs	Final Business Case Submission Date
	Midlands. This is linked to the regeneration of the former Drakelow Power Station site enabling 2239 homes (193 built) and up to 30 acres of industrial and commercial use land.			
<b>MRC Midlands, Derby</b>	The MRC Midlands will be the first project of its kind in the region. It will spearhead innovation-led advanced manufacturing to boost the resilience of Derby's economy. Through providing access to cutting edge research and development facilities, the project will create jobs, transform supply chains and enable business growth.	£6.85million	70 Jobs 50 Learners	March 2021
<b>Transforming Nottingham's Southside, Nottingham</b>	Demolition and rebuilding of the former Intu site, and enabling infrastructure which will bring forward new additional job creation on the site and surrounding areas as well as new homes in the City Centre.	£7.99 Million	733 Jobs 868 Homes	May 2021
<b>Smartparc, Derby</b>	The Food Innovation Park will be a food manufacturing and distribution centre. 2,500 jobs will be secured from a major inward investment with this bid supporting the first phase, with a potential for an additional 2,000 in subsequent phases. The project will facilitate a food innovation centre and a new skills facility with the latter run in conjunction with the University of Derby.	£12 Million	2,300 Jobs	October 2021



AnnexA –LGF Q1 2020/21 Monitoring Spreadsheet

LEP Name  
**Derby, Derbyshire, Nottingham and Nottinghamshire**

This Quarter:  
**Q1\_2021**

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## D2N2 Investment Board Cover Sheet – 9<sup>th</sup> September 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 9 <sup>th</sup> September 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****9 September 2020****Local Growth Fund Budget update**

Current forecast shows that in 2020/21 the programme is over committed by £1.85 m following the withdrawal of the Heathcoat Immersive incubator- Nottingham project.

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 there is a potential that there may be an impact on projects ability to spend before the 31<sup>st</sup> 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 31<sup>st</sup> March 2020.

All LGF funding from Government has been received now following the review and subsequent release of the final third of the funding.

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 01/09/2020									
	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 Worksop	0.92	0.92					1.83	Project Finished	
Institute for Advanced Manufacturing		5.00					5.00	Project Finished	
Sherwood Visitor Centre			0.50				0.50	Project Finished	
Southern Growth Corridor		2.00	4.12				6.12	Project Finished	
Rail Research and Innovation Centre				0.90			0.90	Project Finished	
Derby College Technology Hub				1.30			1.30	Project Finished	
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	Feb-21
Nottingham City Hub - Enabling Works			0.22	0.57	0.00	0.46	1.25	Ongoing	Feb-21
N2 Town Centres				2.13	2.75	2.75	7.63	Ongoing	Mar-21
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 MasterPlan				0.29		3.52	3.81	Ongoing	Dec-21
Top Wighay Farm						3.00	3.00	Ongoing	Mar-21
Castleward						1.51	1.51	Ongoing	Sep-21
Woodville-Swadlincote Regeneration route						6.40	6.40	Ongoing	Sep-21
Nursing & Allied Health Provision-Mansfield						0.58	0.58	Ongoing	Dec-20
Revitalising the Heart of Chesterfield						0.65	0.65	Ongoing	Nov-21
Tollbar House-Ikinston						0.43	0.43	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	
Crocus Place							0.00	withdrawn	
Heathcoat Immersive Incubator-Nottingham							0.00	withdrawn	tbc
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
The Smarter Connected Campus-NTU						0.80	0.80	Not yet commenced	tbc
Mushroom Farm Court Industrial Estates						0.16	0.16	Not yet commenced	tbc
Facility for OMICs Research in Metabolism						0.85	0.85	Not yet commenced	tbc
Automation and Robotics						0.67	0.67	Not yet commenced	tbc
YMCA Community and Activity Village						2.20	2.20	Not yet commenced	tbc
DCC Capital Programme		10.75	31.52					DCC projects used for u/s	
<b>Total LGF Commitments</b>	<b>39.05</b>	<b>55.40</b>	<b>66.39</b>	<b>45.66</b>	<b>46.40</b>	<b>41.93</b>	<b>252.56</b>		
<b>Total LGF funding</b>	<b>39.05</b>	<b>55.40</b>	<b>66.39</b>	<b>32.36</b>	<b>17.42</b>	<b>40.09</b>	<b>250.71</b>		
<b>Annual (under)/over commitments (£M) based on current profiles</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13.30</b>	<b>28.98</b>	<b>1.84</b>			
							<b>Overall Overspend</b>	<b>1.85</b>	

## Appendix 2

<b>20-21 Final Year of LGF programme</b>					
	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	155,927.00	476,553.00	1,073,763.00	888,917.00	2,595,160.00
NTU MTIF Centre		3,628,472.54			3,628,472.54
A61 Corridor-21st Century Transport			1,165,791.00		1,165,791.00
Bedling Access	2,000,000.00	2,000,000.00	2,000,000.00	1,220,000.00	7,220,000.00
S2 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				160,000.00	160,000.00
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					
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
Automation and robotics			480,000.00	193,618.00	673,618.00
YMCA Community and Activity Village			1,389,722.84	814,113.62	2,203,836.46
	3,681,361.00	11,912,472.54	16,910,039.84	9,427,482.62	41,931,356.00



Item 7

Public

D2N2 Investment Board Cover Sheet – 9<sup>th</sup> September 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 9 <sup>th</sup> September 2020		
Subject	Output Performance Update-Quarter 1		
Author	T Goshawk/S Wainwright	Total no of sheets	5

Papers are provided for:	Approval <input type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>
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## Summary and Recommendation(s)

This paper delivers an update on the output performance of the Local Growth Fund (LGF).

The Investment Board are requested to note the information.

## **D2N2 INVESTMENT BOARD**

**9<sup>th</sup> September 2020**

### **Local Growth Fund Output Performance Update-Quarter 1**

As part of the contractual commitment for the £250m of Local Growth Funding, D2N2 have a series of output targets as a mechanism of measuring the impact on the economy. The LEP are committed to deliver 29,000 Jobs, 10,700 Homes and 2,000 Learners over the projects lifetime which runs up to 2035, which is beyond the financial end of the programme in 2021 recognising that most of the activities will generate impact much later than the initial investment.

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, 10,700 Homes and 2,000 Learners by 2035.

All metrics will be shown for the 2019/20 financial year, delivery since the start of the programme and the lifetime of the programme

#### **Delivery to Date – Up to Q1 2020/2021**

These figures show the Contracted target and delivery for the programme from 2015 to Q1 2020/21. The programme so far has achieved 103% of jobs.

Homes remained the same at 38%. 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.

127% of the learner target has been achieved to date.



	<b>Jobs</b>	<b>Homes</b>	<b>Learners</b>
Contracted Target to Q1 2020/21	10,198	4,061	1,709
Actual to Date (Up to and including Q1 2020/21)	10,518	1,547	2,163
<b>Percentage</b>	<b>103%</b>	<b>38%</b>	<b>127%</b>

### 2020/21 Financial Year

This shows the position for the full financial year;

	<b>Jobs</b>	<b>Homes</b>	<b>Learners</b>
Contracted Target for 2020/21 (this reflects approved reprofiles)	6,736	2,032	1,350
Actual to Date (To Quarter 1 2020/21)	71	31	41
Forecast for the year	2,430	455	1,261
<b>Percentage achieved</b>	<b>1%</b>	<b>2%</b>	<b>3%</b>

Based on current forecasts we are unlikely to achieve this years targets. On jobs this is due to two large projects, OCOR and Newark not expecting to deliver jobs in line with contracted figures and with homes, the Newark and Infinity Park projects are not expected to meet their contracted figures.

## 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 lifetime (To 2035) of the Local Growth Fund.

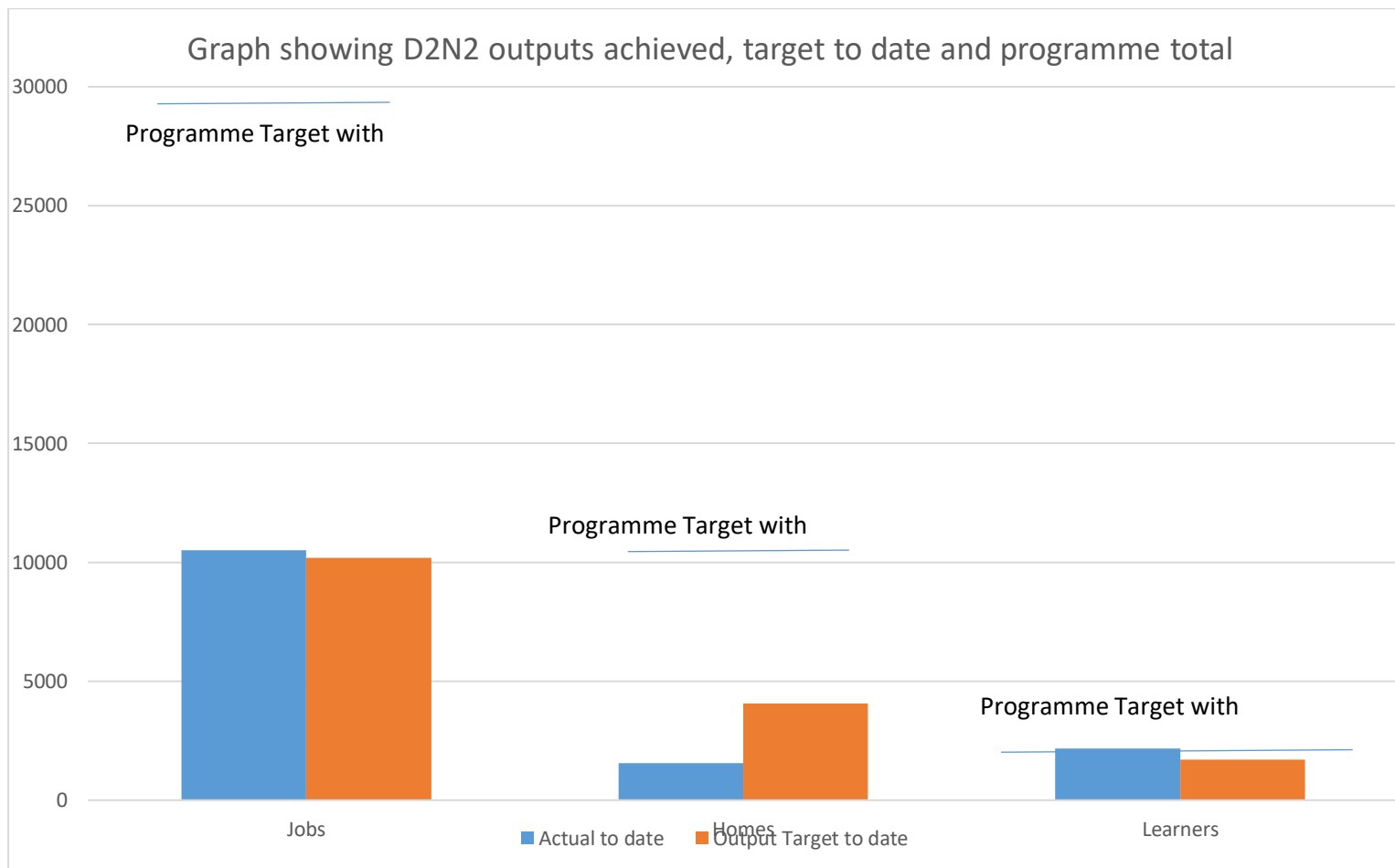
	<b>Jobs</b>	<b>Homes</b>	<b>Learners</b>
Contracted Target with Government up to 2035	29,000	10,700	2,000
Actual to Date (Up to and including Quarter 4 2019/20)	10,518	1,547	2,162
<b>Percentage</b>	<b>36%</b>	<b>14%</b>	<b>108%</b>

Analysis has been undertaken 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 1 2020/21.

Appendix B shows analysis of the outputs by project.

**Appendix A**



## Appendix B

Project	Quarter 1 2020/21						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							246	47	370	463		
A46 Cotgrave Town Centre							70	89				
A52 Wyvern		0					300					
A57/A60 Worksop				5			781	686	173	214		
Ada Lovelace House	3						7	11				
Bioscience Expansion, Nottingham							210	377				
Bulwell Market	2						71	22				
Buxton Crescent	140						140	3				
Chesterfield Higher Level Skills		0.3				41	34	51.36			656	919
Coalite	-10						0	0				
Daykene St	4						6	5				
Derby Cycling and Placemaking							35	35				
Derbyshire Broadband							200	3621				
Gedling Access Road			25						210	186		
Harworth		0		26			1549	535	180	379		
Infinity Park							1261	107				
Institute of Advanced Manufacturing	10						35	74.25			100	285
Medicity	10	68					125	319				
MTIF		3					2	5				
N2 Town Centres	3						36					
Newark Southern Link Road							1000	0	2450	177		
Nottinghamshire Broadband							388	3116				
Nottingham Castle							0					
OCOR							2545	514	678	128		
Riverside		0					10					
Seymour Link							1015	684				
Sherwood Energy Village							32	67				
Sherwood Visitor Centre							20.27	41.47				
Sutton Indoor Market	2						53	73				
Technology Hub							6	10			188	194
The Silk Mill							10	14				
The Spot							10.6	11				
Vision University							0	0			765	765
Vesuvius							0	0				
	164	71	25	31	0	41	10198	10518	4061	1547	1709	2163

Item

8

D2N2 Investment Board (IB) Cover Sheet – 9<sup>th</sup> September 2020

Document Classification	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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Meeting and Date	9 <sup>th</sup> September 2020		
Subject	Approval of the Smart Wireless Innovation Facility (SWIFt)		
Author	T Goshawk/S Wainwright	Total no of sheets	9

Papers are provided for:	Approval <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input type="checkbox"/>
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<b>Summary and Recommendation(s)</b>
<p>This paper sets out a request for £800,000 of Local Growth Funding to support the Smart Wireless Innovation Facility (SWIFt)</p> <p>The full business case for the project has been reviewed by D2N2 and the Accountable Body officers and is now compliant with the Local Assurance Framework and is therefore recommended for approval by the Investment Board.</p>

**D2N2 INVESTMENT BOARD****9<sup>th</sup> September 2020****Smart Wireless Innovation Facility (SWIFt)****1.0 Background**

D2N2 has an allocation of £250M of Local Growth Fund to support delivery of economic growth across the D2N2 region. The funding started in 2015 and comes to an end in March 2021.

The delivery of the fund is managed in line with the D2N2 Local Assurance Framework agreed with Government, which sets out the compliance requirements in relation to the delivery and approval of projects funded through the Local Growth Fund.

The Local Growth Fund is managed in conjunction with D2N2's appointed Accountable Body Derbyshire County Council who are responsible for ensuring compliance with the Local Assurance Framework.

The project below has been assessed against the Local Assurance Framework and is being put forward for consideration by the Investment Board.

**2.0 Scheme Overview**

The Smart Wireless Innovation Facility (SWIFt) project, through the introduction of innovation technology will create a Smart and sustainable campus at Nottingham Trent University's (NTU) Clifton Campus.

It is intended to become a 'living laboratory' for businesses, academics and policy makers in D2N2 and beyond to explore the application of 5G and other smart technologies in industry, logistics, agriculture etc. and explore to create Smart Places for the future.

The government has an ambition for the UK to be leading the next digital revolution and is, consequently, investing significantly in research, innovation and skills development.

SWIFt will establish a facility at NTU's Clifton Campus that will support entrepreneurs and commercial enterprises to develop the software applications, devices, systems and skills that will bring 5G, LPWAN and other mobile technologies to life and enable Smart Campus technologies to become implemented and connected. Underpinning the aspirations for the Facility will be a dedicated team of technical and commercial staff to support businesses to 'plug and play' their app, device or system. SMEs will also have access to specialist researchers from NTU to undertake specific R&D activities and collaborations.

There are two major elements to this project:

- The installation of a secondary optical fibre network on the Clifton campus that could be used securely by businesses and researchers for testing applications, devices and systems on a plug and-play basis
- Creative of the SWIFt Lab on Clifton Campus including installation of a 5G and LPWAN system that can be used securely by businesses and researchers for mobile application and device development and testing. Other network technologies will be added as they emerge.

SWIFt will be underpinned by a partnership with the Digital Catapult - the UK's leading advanced digital technology innovation centre. It drives the early adoption of digital technologies to make UK businesses more competitive and productive to help grow the country's economy.

The role of the Digital Catapult will be to work in partnership with NTU to design and deliver the digital infrastructure network required and then to work in collaboration to demonstrate technologies and develop and deliver programmes to allow businesses to develop the software applications, devices, systems and skills that will bring mobile technologies to life.

The funding for the project is sourced from the following:

Funding Source	TOTAL
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Item

8

NTU Reserves	£801,078
Local Growth Fund	£800,000
<b>TOTAL</b>	<b>£1,601,078</b>

### 3.0 Approvals

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

### 4.0 Procurement

The first element of this project is the minor capital works required to create the Facility. This element will be delivered by the NTU's Construction Services Team who will let a series of small contracts for this work. These lots would include for example electrical, plumbing, plastering, furniture, doors etc. NTU has a number of frameworks in place to supply this labour. The value of any works is below the OJEU threshold so will be fully compliant with the Public Contracts Regulations 2015.

Secondly there will be the delivery of the digital infrastructure which will be managed by the Digital Catapult who is operating in a partnership arrangement with NTU. The Digital Catapult will procure the infrastructure and equipment following the Public Contracts Regulations 2015. Where the Digital Catapult have frameworks in place, these may be used in line with the particular framework rules.

### 5.0 State Aid

The promoter has confirmed the project is State Aid compliant which has been evidenced in the full business case.



## **6.0 Business Case**

The business case has been forwarded to Regeneris Hatch and they have confirmed that the project provides good Value for Money following their independent assessment.

## **7.0 Delivery Programme**

- Purchase SWIFt Lab equipment-September 2020
- SWIFt Lab construction-October-December 2020
- SWIFt Lab set up-December 2020
- SWIFt Lab test and Commission-January 2021
- SWIFt Lab handover-February 2021
- Procurement for Long-Range Wide Area Network (LoRaWAN)- September-October 2021
- Install and test gateways for LoRaWAN- January 2021
- 5G final design-September 2020
- Procurement of 5G equipment-September-December 2020
- 5G installation-January-February 2021
- 5G Test and Handover-March-April 2021

## **8.0 Outputs and Outcomes**

5 Direct jobs

45 Indirect jobs

## **9.0 Spending profile**

20/21 £800,000

## **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

The Investment Board are asked to approve the project and to release the £800,000 of LGF.

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

## Appendix 1

### Local Assurance Framework

#### Final stage Approval Check List:

1. A detailed 'Green Book' compliant business case has been completed detailing the project and its alignment to the 5 case model.	A detailed business case for the project has been submitted to the LEP and follows the Five Case 'Green Book' compliant model.
2. A VFM assessment must be completed. The VFM assessment will be independently assessed by D2N2 and must show an overall score of 'High'.	A Value for Money assessment has been carried out and the external assessors have confirmed that the project provides good Value for Money.
3. Details confirming that all planning consents have been granted and that all pre start conditions have been met.	No planning consents are required
4. Confirmation that any Section 106 or other agreements have been entered into.	n/a.
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>The University will not be procuring a single main contractor for this project, preferring to manage this in-house through NTU's Construction Service's Team. This will mean that NTU will buy in the sub-contract and supply chain packages, labour, and materials. This is beneficial as no Main Contractor overheads, profits or risk sums are incurred.</p> <p>All of the specialist equipment will be purchased directly by our partner on this project, the Digital Catapult. They will also manage the installation of this.</p>

Appendix 1

6. Details of the construction contract to be entered into by the promoter detailing: -start date -completion date -liquidated damages/cost over runs	Work will begin on 12 September.  Completion is March/April/ 2021  Liquidated damages/cost over runs not applicable in this case as no construction contract due to the way NTU will be managing this project.
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.	Due to the way of managing this refurbishment NTU will cover any cost over runs.
8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.	n/a
9. Details of any outstanding points preventing/delaying the start-up of the construction contract.	n/a
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.	n/a
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.	Confirmation has been provided by the Director of Finance from NTU that the funding is in place to support the development.

Appendix 1

12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project	n/a		
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.		Direct jobs	Indirect jobs
	Q3 20/21	1	
	Q4 20/21	3	
	Q1 21/22	1	
	22/23		4
	23/24		6
	24/25		10
	25/26		12.5
	26/27		12.5
	Total	5	45
14. An updated risk register identifying the key risks and the project manager responsible. The risk	A risk register has been provided including any mitigations		

Appendix 1

register needs to be scored and include a mitigation plan.	
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Document Classification	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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Meeting and Date	9 <sup>th</sup> September 2020		
Subject	Approval of Automation and Robotics		
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 £673,618 of Local Growth Funding to support the Automation and Robotics project.</p> <p>The full business case for the project has been reviewed by D2N2 and the Accountable Body officers and is now compliant with the Local Assurance Framework and is therefore recommended for approval by the Investment Board.</p>

## **D2N2 INVESTMENT BOARD**

**9<sup>th</sup> September 2020**

### **Automation and Robotics**

#### **1.0 Background**

D2N2 has an allocation of £250M of Local Growth Fund to support delivery of economic growth across the D2N2 region. The funding started in 2015 and comes to an end in March 2021.

The delivery of the fund is managed in line with the D2N2 Local Assurance Framework agreed with Government, which sets out the compliance requirements in relation to the delivery and approval of projects funded through the Local Growth Fund.

The Local Growth Fund is managed in conjunction with D2N2's appointed Accountable Body Derbyshire County Council who are responsible for ensuring compliance with the Local Assurance Framework.

The project below has been assessed against the Local Assurance Framework and is being put forward for consideration by the Investment Board.

#### **2.0 Scheme Overview**

This project is to create an Automation and Robotics training facility at West Nottinghamshire College in Mansfield by refurbishing 100m<sup>2</sup> of learning space and purchasing automation and robotics equipment and associated IT.

The investment allows a proactive response to development of skills which will support employers and individuals to raise the level of higher skills within their future workforce in the areas of Engineering, Manufacturing and Distribution.

At a local level, Mansfield and Ashfield have a strong engineering and manufacturing base; the provision of enhanced skills will support the current and future workforce. The local sector needs to respond to the increased use



of automation and robotics, which require a shift in the skills base towards level 3, 4 and 5 to support the technology; securing jobs.

This Project seeks to support the Engineering, Manufacturing and Automated Distribution sectors within Mansfield, Ashfield and surrounding areas. Compared to the UK average employment in Engineering and Manufacturing is about 2.5 times higher in these areas, showing the economic dependence on these sectors. The fourth industrial revolution is seeing a rapid move to increased automation. This puts low skilled jobs at risk but creates increased skilled vacancies in the installation, maintenance and operation of this technology. Areas that can respond well to this change will have the opportunity to increase investment. A strong, skilled workforce will support this investment.

The existing facilities based on the Engineering campus have no training equipment associated with Industry Standard 4, which is the underpinning technology behind what has been described as the next industrial revolution. The Project seeks to build Automation and Robotics training in as additionality to the standard Apprenticeship and curriculum offer. The Project focuses on securing this type of equipment and enhanced IT resources to allow the use of virtual environments.

The Project allows the College to reconfigure existing space. The Project also provides the specialist equipment that is needed to deliver an increase in Level 3 and above specialist courses. West Nottinghamshire College have ensured that they have proactively engaged with local industry and businesses to make sure that the educational offer they are providing is in line with industry standards. The new facilities being purchased through this intervention will conform to Industry Standard 4 which is the underpinning technology behind what has been described as the next industrial revolution

The funding for the project is sourced from the following:

<b>Funding Source</b>	<b>TOTAL</b>
West Nottinghamshire College	£226,382

Local Growth Fund	£673,618
<b>TOTAL</b>	<b>£900,000</b>

### 3.0 Approvals

The project and funding has been approved by West Nottinghamshire College.

### 4.0 Procurement

Over three quarters of the budget will be spent on specialist equipment so has been procured on a single Supplier agreement with a negotiated price. The remaining purchases will be through either Frameworks or quotes which are compliant with West Nottinghamshire Colleges Financial Regulations.

### 5.0 State Aid

The promoter has confirmed the project is State Aid compliant which has been evidenced in the business case.

### 6.0 Business Case

The business case has been forwarded to Regeneris Hatch and they have confirmed that the project provides good Value for Money following their independent assessment.

### 7.0 Delivery Programme

- Complete First Building Services workshop and manufacturing space-November 2020
- Create automation and robotics Technology labs for higher skills delivery-January 2021
- Commence additional higher skills delivery-March 2021
- First qualifications-October 2021

## **8.0 Outputs and Outcomes**

1,180 learners

3 jobs

## **9.0 Spending profile**

20/21 £673,618

## **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

The Investment Board are asked to approve the project and to release the £673,618 of LGF.

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

## Appendix 1

### Local Assurance Framework

#### Final stage Approval Check List:

1. A detailed 'Green Book' compliant business case has been completed detailing the project and its alignment to the 5 case model.	A detailed business case for the project has been submitted to the LEP and follows the Five Case 'Green Book' compliant model.
2. A VFM assessment must be completed. The VFM assessment will be independently assessed by D2N2 and must show an overall score of 'High'.	A Value for Money assessment has been carried out and the external assessors have confirmed that the project provides good Value for Money.
3. Details confirming that all planning consents have been granted and that all pre start conditions have been met.	No planning consents are required
4. Confirmation that any Section 106 or other agreements have been entered into.	n/a.
5. Confirmation of the results of the procurement exercise detailing: -the tenders received (along with detailed costs) -the tender accepted (along with timescales/conditions)	Over three quarters of the budget will be spent on specialist equipment so has been procured on a single Supplier agreement with a negotiated price. The remaining purchases will be through either Frameworks or quotes which are compliant with West Nottinghamshire Colleges Financial Regulations
6. Details of the construction contract to be entered into by the promoter detailing: -start date -completion date -liquidated damages/cost over runs	Payment will be made on supply of products or against completion of elements of specifications.

Appendix 1

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.	West Nottinghamshire College have confirmed they will be responsible for any cost overruns.		
8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.	n/a		
9. Details of any outstanding points preventing/delaying the start-up of the construction contract.	n/a		
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.	n/a		
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 project sponsor has confirmed that all match funding is in place for the project.		
12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project	n/a		
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.		Jobs	Learners
	Q4 20/21	1	80
	21/22	1	120

Appendix 1

	22/23	1	140
	23/24		140
	24/25		140
	25/26		140
	26/27		140
	27/28		140
	28/29		140
	Total	3	1,180
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.	A risk register has been provided including any mitigations		

### D2N2 Investment Board (IB) Cover Sheet – 9<sup>th</sup> September 2020

<b>Document Classification</b>	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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<b>Meeting and Date</b>	9 <sup>th</sup> September 2020		
<b>Subject</b>	Mushroom Farm Industrial Units		
<b>Author</b>	T Goshawk/S Wainwright	<b>Total no of sheets</b>	7

<b>Papers are provided for:</b>	Approval <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input type="checkbox"/>
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<b>Summary and Recommendation(s)</b>
<p>This paper sets out a request for £160,000 of Local Growth Funding to support the Mushroom Farm Industrial Units.</p> <p>The full business case for the project has been reviewed by D2N2 and the Accountable Body officers and is now compliant with the Local Assurance Framework and is therefore recommended for approval by the Investment Board.</p>

## **D2N2 INVESTMENT BOARD**

**9 September 2020**

### **Mushroom Farm Industrial Units**

#### **1.0 Background**

D2N2 has an allocation of £250M of Local Growth Fund to support delivery of economic growth across the D2N2 region. The funding started in 2015 and comes to an end in March 2021.

The delivery of the fund is managed in line with the D2N2 Local Assurance Framework agreed with Government, which sets out the compliance requirements in relation to the delivery and approval of projects funded through the Local Growth Fund.

The Local Growth Fund is managed in conjunction with D2N2's appointed Accountable Body Derbyshire County Council who are responsible for ensuring compliance with the Local Assurance Framework.

The project below has been assessed against the Local Assurance Framework and is being put forward for consideration by the Investment Board.

#### **2.0 Scheme Overview**

Broxtowe Borough Council are looking to create the delivery of 3 new small industrial units on the existing Mushroom Farm Industrial site in Eastwood. The project will provide new B2 industrial floorspace for new and existing businesses to utilise where there is an existing shortage of this commercial stock available to the market.

Broxtowe Borough Council are looking to utilise £160,000 of Local Growth funding to construct the new units in response to an existing shortage and demand for this type of premises in the area. The current stock owned by the Council sits at 100% occupancy and market failure is taking place in the area as the private sector does not have the commercial appetite to build this stock due to viability



Larger scale commercial and industrial developments in the Borough are being funded by the private sector as they are deemed as viable for delivery however the provision of smaller industrial space is not viable for the market to undertake and therefore the public sector is required to intervene.

The project supports various strategic priorities for the local area including the Local Industrial Strategy Guiding Principle one which relates to the aspiration to allow our businesses to prosper, by intervening in the construction of these units the development will allow new or existing businesses to develop in the region. Secondly, the project helps to deliver Guiding Principle 3, proposition 3 which aims to support the growth of our Towns and Economic Corridors by creating new economic development opportunities for the LEP area.

The funding for the project is sourced from the following:

<b>Funding Source</b>	<b>TOTAL</b>
Broxtowe Borough Council	£110,000
Local Growth Fund	£160,000
<b>TOTAL</b>	<b>£270,000</b>

### 3.0 Approvals

The project was initially approved by the Broxtowe Borough Council Jobs and Economy Committee in 2019 and the final funding contribution was approved by the Broxtowe Finance and Resources Committee on the 9<sup>th</sup> of July 2020.

### 4.0 Procurement

Broxtowe Borough Council published an open tender for the works on the 10<sup>th</sup> of June 2020. Broxtowe Borough Council have assessed the tenders and have a preferred contractor to be appointed. The project was initially tendered in March 2019 but a preferred contractor could not be selected due to the price parameters for the job. The project was retendered in June through an

open tender process and A&S Enterprises were selected as the successful contractor.

## **5.0 State Aid**

The promoter has confirmed the project is State Aid compliant which has been evidenced in the full business case.

## **6.0 Business Case**

The business case has been forwarded to Regeneris Hatch and they have confirmed that the project represents Good Value for Money.

## **7.0 Delivery Programme**

Mobilisation Works – October 2020

Main works begin – November 2020

Project completion – May 2021

## **8.0 Outputs and Outcomes**

7.5 New FTE Jobs

282m<sup>2</sup> of new B2 Commercial Floorspace

£1.75m of additional GVA to the economy.

## **9.0 Spending profile**

20/21 £160,000

## **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

The Investment Board are asked to approve the project and to release the £160,000 of LGF.

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

## Appendix 1

### Local Assurance Framework

#### Final stage Approval Check List:

1. A detailed 'Green Book' compliant business case has been completed detailing the project and its alignment to the 5 case model.	A detailed business case for the project has been submitted to the LEP and follows the Five Case 'Green Book' compliant model.
2. A VFM assessment must be completed. The VFM assessment will be independently assessed by D2N2 and must show an overall score of 'High'.	A Value for Money assessment has been carried out and the project is confirmed as offering Good Value for Money.
3. Details confirming that all planning consents have been granted and that all prestart conditions have been met.	Full planning for the project has been granted and variations to this permission have been completed as of the 6 <sup>th</sup> of November 2019. The project has met all prestart conditions.
4. Confirmation that any Section 106 or other agreements have been entered into.	No Section 106 agreements have been entered in to nor will be needed to be entered in to for this project.
5. Confirmation of the results of the procurement exercise detailing: -the tenders received (along with detailed costs) -the tender accepted (along with timescales/conditions)	Broxtowe Borough Council published an open tender for the works on the 10 <sup>th</sup> of June 2020. Broxtowe Borough Council have assessed the tenders and have a preferred contractor to be appointed.
6. Details of the construction contract to be entered into by the promoter detailing: -start date -completion date -liquidated damages/cost over runs	The contract awarded will be a JCT Design and Build contract with a start on site of the 19 <sup>th</sup> of October 2020.

Appendix 1

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.	Broxtowe Borough Council have confirmed that any cost overruns that arise from the development will be covered by the organisation and that D2N2 are not responsible for this.
8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.	Final designs have been agreed and the project sponsor has confirmed that RIBA Stage 4 has been achieved.
9. Details of any outstanding points preventing/delaying the start-up of the construction contract.	There are no points which will provide any delay to the construction contract starting.
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 will now deliver 7.5FTE jobs based on the calculations provided in comparison with the 6.5FTE jobs included in the Expression of Interest
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.	Match Funding for the project was approved by Broxtowe Borough Councils Finance and Resources Committee on the 9 <sup>th</sup> of July 2020.
12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project	Broxtowe Borough Council have full ownership of the land needed to deliver the commercial floorspace
13. A phasing plan identifying the start and completion elements of the project along with costs associated with each phase and the	A phasing plan has been identified for the outputs and is included in the business case.

## Appendix 1

outputs/outcomes that will be delivered on a quarterly basis.	
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.	A full risk register including RAG ratings and mitigations has been provided by the project sponsor.

Item

11

D2N2 Investment Board (IB) Cover Sheet – 9<sup>th</sup> September 2020

Document Classification	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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Meeting and Date	9 <sup>th</sup> September 2020		
Subject	Approval of the Facility for OMIC Research in Metabolism		
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 £850,000 of Local Growth Funding to support the Facility for OMIC research in metabolism project.</p> <p>The full business case for the project has been reviewed by D2N2 and the Accountable Body officers and is now compliant with the Local Assurance Framework and is therefore recommended for approval by the Investment Board.</p>

**D2N2 INVESTMENT BOARD****9<sup>th</sup> September 2020****Facility for OMIC Research in Metabolism (FORM)****1.0 Background**

D2N2 has an allocation of £250M of Local Growth Fund to support delivery of economic growth across the D2N2 region. The funding started in 2015 and comes to an end in March 2021.

The delivery of the fund is managed in line with the D2N2 Local Assurance Framework agreed with Government, which sets out the compliance requirements in relation to the delivery and approval of projects funded through the Local Growth Fund.

The Local Growth Fund is managed in conjunction with D2N2's appointed Accountable Body Derbyshire County Council who are responsible for ensuring compliance with the Local Assurance Framework.

The project below has been assessed against the Local Assurance Framework and is being put forward for consideration by the Investment Board.

**2.0 Scheme Overview**

This project will establish a new Facility for Omics Research in Metabolism (FORM) at the University of Derby. This facility will support the launch of new, high-level programmes of study in Biomedical Sciences to increase the pipeline of STEM skills in D2N2.

The vision of FORM is to establish Derby as a centre of excellence in bio-analytics. Derby is a city of advanced technologies that is built on a heritage of world-class innovators. By bringing new capabilities and technologies to Derby, FORM will support the recovery of the City from the impact of the Coronavirus Pandemic as it seeks to diversify its economy and stimulate new, high skill



industries. Thus, mitigating its over-reliance on employment in advanced manufacturing.

FORM will be located at the University of Derby's main campus at Kedleston road within the School of Human Sciences in the College of Science and Engineering. Space will be refurbished to create a new, high tech analytical facility. The funding will go towards the cost of the capital equipment and technology. This investment will enable the launch of new undergraduate and postgraduate specialist programmes to increase local access to STEM (Science, Technology, Engineering and Maths) opportunities for D2N2 learners and also the supply of STEM skills. The project will also ensure the region will remain at the forefront of cutting edge research and biomedical innovation that will increase the growth of jobs in the D2N2 biotech sector.

The project aims to:

1. Stimulate learner numbers in a growing sector with high skill, high pay employment opportunities
2. Improve postgraduate students' learning experience from industrial collaboration so that they will be ready for work in D2N2 industries.
3. Provide easier access to research facilities and support for D2N2 enterprises in product development including through KTPs, consultancies, collaborative R&D.
4. Enable innovations in D2N2 businesses and hence unlock new market opportunities internationally.

The funding for the project is sourced from the following:

<b>Funding Source</b>	<b>TOTAL</b>
University of Derby	£1,103,157
Local Growth Fund	£850,000
<b>TOTAL</b>	<b>£1,953,157</b>

### **3.0 Approvals**

The project has been costed and approved following the University of Derby's Financial Regulations and has been authorised for submission by the Vice Chancellor.

### **4.0 Procurement**

The University of Derby uses the Oracle Cloud System to publish its tendering opportunities. Tender scoring criteria will include due diligence checks, capability and capacity and price. Tender selection panels include at least two technical specialists in addition to a Procurement Officer (as moderator), input is also sought from the University's IT Services and Estates departments if appropriate. The tender process commenced in June 2020 with quotes being received by the 30<sup>th</sup> July, suppliers were selected in August.

### **5.0 State Aid**

The promoter has confirmed the project is State Aid compliant which has been evidenced in the full business case.

### **6.0 Business Case**

The business case has been forwarded to Regeneris Hatch and they have confirmed that the project provides good Value for Money following their independent assessment.

### **7.0 Delivery Programme**

- Purchase of capital equipment -September 2020-March 2020
- Estates work to create OMICs lab-June to September 2021
- 1<sup>st</sup> learners commence-September 2021

Item

11

- FORM Launch Event for businesses-October 2021

## **8.0 Outputs and Outcomes**

12 direct jobs

15 indirect jobs

893 learners

## **9.0 Spending profile**

20/21 £850,000

## **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

The Investment Board are asked to approve the project and to release the £850,000 of LGF.

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

## Appendix 1

### Local Assurance Framework

#### Final stage Approval Check List:

1. A detailed 'Green Book' compliant business case has been completed detailing the project and its alignment to the 5 case model.	A detailed business case for the project has been submitted to the LEP and follows the Five Case 'Green Book' compliant model.
2. A VFM assessment must be completed. The VFM assessment will be independently assessed by D2N2 and must show an overall score of 'High'.	A Value for Money assessment has been carried out and the external assessors have confirmed that the project provides good Value for Money.
3. Details confirming that all planning consents have been granted and that all pre start conditions have been met.	No planning consents are required
4. Confirmation that any Section 106 or other agreements have been entered into.	n/a.
5. Confirmation of the results of the procurement exercise detailing: -the tenders received (along with detailed costs) -the tender accepted (along with timescales/conditions)	The University of Derby uses the Oracle Cloud System to publish its tendering opportunities. Tender scoring criteria will include due diligence checks, capability and capacity and price. Tender selection panels include at least two technical specialists in addition to a Procurement Officer (as moderator), input is also sought from the University's IT Services and Estates departments if appropriate. The tender process commenced in June 2020 with quotes being received by the 30 <sup>th</sup> July, suppliers were selected in August.

Appendix 1

6. Details of the construction contract to be entered into by the promoter detailing: -start date -completion date -liquidated damages/cost over runs	Award of contract and agreement to supplier terms and conditions for the equipment will be overseen by the university of derby's legal team based in the Finance department.
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.	West Nottinghamshire College have confirmed they will be responsible for any cost overruns.
8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.	n/a
9. Details of any outstanding points preventing/delaying the start-up of the construction contract.	n/a
10. Details of any changes for the project form the initial EOI and OBC submissions with reasoning behind these changes. Including an updated viability report as submitted in point 5 of the OBC.	n/a
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 University of Derby have confirmed that all match funding is in place for the development.
12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project	n/a

Appendix 1

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.		Direct Jobs	Indirect jobs	Learners
	21/22	2		52
	22/23	3		119
	23/24	3.3	2	145
	24/25	2.1	3	170
	25/26	1.6	5	191
	26/27		5	216
	Total	12	15	893
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.	A risk register has been provided including any mitigations			

### D2N2 Investment Board (IB) Cover Sheet – 9<sup>th</sup> September 2020

<b>Document Classification</b>	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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<b>Meeting and Date</b>	9 <sup>th</sup> September 2020		
<b>Subject</b>	YMCA - Community and Activity Village		
<b>Author</b>	T Goshawk/S Wainwright	<b>Total no of sheets</b>	8

<b>Papers are provided for:</b>	Approval <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input type="checkbox"/>
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<b>Summary and Recommendation(s)</b>
<p>This paper sets out a request for £2,203,836 of Local Growth Funding to support the YMCA Community and Activity Village.</p> <p>The full business case for the project has been reviewed by D2N2 and the Accountable Body officers and is now compliant with the Local Assurance Framework and is therefore recommended for approval by the Investment Board.</p>

## **D2N2 INVESTMENT BOARD**

**9 September 2020**

### **YMCA – Community and Activity Village**

#### **1.0 Background**

D2N2 has an allocation of £250M of Local Growth Fund to support delivery of economic growth across the D2N2 region. The funding started in 2015 and comes to an end in March 2021.

The delivery of the fund is managed in line with the D2N2 Local Assurance Framework agreed with Government, which sets out the compliance requirements in relation to the delivery and approval of projects funded through the Local Growth Fund.

The Local Growth Fund is managed in conjunction with D2N2's appointed Accountable Body Derbyshire County Council who are responsible for ensuring compliance with the Local Assurance Framework.

The project below has been assessed against the Local Assurance Framework and is being put forward for consideration by the Investment Board.

#### **2.0 Scheme Overview**

The YMCA Community and Activity Village brings together partners across Newark and Sherwood, to create a sustainable development in terms of learning pathways designed to tackle social immobility. This is a unique and national flagship scheme for the YMCA.

The project involves multiple phases of development and to date has involved the creation of new sporting facilities including two 3G Football pitches and a full size athletics track. The first phase of the development was completed in 2018 and was part funded by Newark and Sherwood District Council who remain supportive of the project.

For this phase of the development seeking LGF funding the YMCA will look to create a new state of the art Community Learning and Wellbeing Centre. The



Centre will include flexible work space, training and education suites, a 92-space nursery, state of the art digital media and recording suites, an Olympic-sized climbing wall/destination bouldering centre, changing rooms, health & wellbeing suites, conference space for up to 300 people and a function suite.

The project will help to target long standing issues in the District with Newark placing 323<sup>rd</sup> out of 324 districts nationally in terms of social mobility.

By providing this infrastructure and the partnerships that have been developed between the YMCA and local institutions such as Nottingham Trent University and Lincoln College, the centre will enable young people to gain access to learning opportunities within their locality which may not have been previously available and raise aspirations and ambition in the surrounding areas. Alongside the direct issue of social mobility, the site will also look to tackle serial issues such as:

- Low Skilled Jobs and Low productivity by providing new learning opportunities to those out of reach of traditional learning facilities and upskilling people.
- High unemployment in disadvantaged wards by providing new training which will lead to employment opportunities
- Low numbers of young people entering FE & HE by providing a new way for people to engage with these opportunities in a 'person centred' pathway to education

The Community and Activity Village helps to deliver on multiple objectives from the D2N2 Local Industrial Strategy also. The project delivers on the following LIS objectives:

- Skills and Knowledge for the Future Workforce
- Skilled and Productive Workforce
- Production of an inclusive workforce
- Quality of Place

The funding for this phase (Phase 2) of the project is sourced from the following:

<b>Funding Source</b>	<b>TOTAL</b>
YMCA Contributions (Loan Funding)	£10,370,886
Local Growth Fund	£2,203,836
<b>TOTAL</b>	<b>£12,574,723</b>

Newark YMCA will utilise loan funding to borrow the remainder of the Phase 2 Development costs. The senior Debt is in the form of a long term secured fixed rate loan and the junior debt through unsecured social bonds. Derbyshire County Council have undertaken a financial due diligence assessment of the YMCA's long term cashflows and accounting projections to ensure that the debt mechanisms can be repaid. The Debt being taken out by the YMCA will be repaid through the revenues earned from the usage of the facility which have been modelled and agreed with the loan funders of this project. Following this analysis, they have confirmed that the project sponsor can facilitate the level of debt required to deliver this facility.

The project has been submitted as part of the Newark Town Investment Plan and will potentially gain further funding for delivery of the centre. The outcome of this will not be known until later in the year, the project would still proceed if unsuccessful but would rely on further borrowing and interest repayments than if supported by the Town Investment Plan.

### 3.0 Approvals

The Nottinghamshire YMCA have confirmed that the project has been approved by their Board on the 29<sup>th</sup> of July 2020

The loan funding for the project was confirmed on the 15<sup>th</sup> of June 2020.

#### **4.0 Procurement**

The YMCA have engaged in an open tender exercise to procure the main contractor for the Construction of the Community and Activity Village. Following the OJEU compliant process RG Carter were selected as the main contractor for the facility.

#### **5.0 State Aid**

The promoter has confirmed the project is State Aid compliant which has been evidenced in the full business case.

#### **6.0 Business Case**

The business case has been forwarded to Regeneris Hatch and they have confirmed that the project provides good Value for Money following their independent assessment.

#### **7.0 Delivery Programme**

Mobilisation of Works – October 2020

Full Start on Site – November 2020

Completion of Build – November 2021

Occupation of Building – December 2021

#### **8.0 Outputs and Outcomes**

1,200 Learners Supported with 645 accredited opportunities per year

38 Apprentices Recruited

137 new FTE Jobs

#### **9.0 Spending profile**

20/21 £2,203,836

## **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

The Investment Board are asked to approve the project and to release the £2,203,836 of LGF.

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

## Appendix 1

### Local Assurance Framework

#### Final stage Approval Check List:

1. A detailed 'Green Book' compliant business case has been completed detailing the project and its alignment to the 5 case model.	A detailed business case for the project has been submitted to the LEP and follows the Five Case 'Green Book' compliant model.
2. A VFM assessment must be completed. The VFM assessment will be independently assessed by D2N2 and must show an overall score of 'High'.	A Value for Money assessment has been carried out and the project is confirmed as offering Good Value for Money.
3. Details confirming that all planning consents have been granted and that all pre start conditions have been met.	Full planning for the project has been granted and variations to this permission have been completed as of the 3 <sup>rd</sup> of April.
4. Confirmation that any Section 106 or other agreements have been entered into.	The project is not subject to any section 106 agreements.
5. Confirmation of the results of the procurement exercise detailing: -the tenders received (along with detailed costs) -the tender accepted (along with timescales/conditions)	An open tender procurement exercise has taken place and has been confirmed as being compliant with OJEU regulations. The YMCA received three quotes for the work and following a competitive scoring process they have appointed RG Carter as the Main Contractor for the development.
6. Details of the construction contract to be entered into by the promoter detailing: -start date -completion date	The contract awarded will be a standard JCT Contract and the promoter will carry the risk of any cost overruns.

Appendix 1

-liquidated damages/cost over runs	
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 YMCA have confirmed that any cost overruns that arise from the development will be covered by the organisation and that D2N2 are not responsible for this.
8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.	Final designs have been agreed and the project sponsor has confirmed that RIBA Stage 4 has been achieved.
9. Details of any outstanding points preventing/delaying the start-up of the construction contract.	n/a
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 outputs have changed from the original submission due to the project forming part of the potential Newark Town Investment Plan. The original outputs stated will be achieved overall however D2N2 will count the lower levels of outputs.
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 funding is in place and the YMCA have provided evidence that lending is in place and available to draw down for the project.
12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project	The land is in control of the YMCA who have confirmed a long-term lease for the project from Newark and Sherwood District Council.

Appendix 1

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.	The YMCA have provided a phasing plan which sets out the outcomes for the project.
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.	A risk register has been provided including any mitigations

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PUBLIC

Agenda Item 3

**MINUTES** of a meeting of the **D2N2 INVESTMENT BOARD** held on 9 September 2020 via Microsoft Teams

**PRESENT**

D Williams (D2N2 LEP) (In the Chair)

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

Also in Attendance: J Battye (Derbyshire County Council) J Davies (Gedling Borough Council), C Durrant (Chesterfield Borough Council), T Goshawk (D2N2 LEP), S Rose (D2N2 LEP), P Seddon (Nottingham City Council), C Williams (Derby City Council), J Dexter (CLGU), P Handley (KSHK Greenhalgh), S Freek (Highways England), N Mc-Coy Brown (Nottinghamshire County Council), Jon Fearon (WNC), Andrew Cropley (WNC), N Cockrell (Bassetlaw District Council), Luke Cairney (Broxtowe Borough Council), C Bussell (University of Derby), G Davis (University of Derby), C Berens (Nottinghamshire YMCA), V Kordula (Nottinghamshire YMCA), N Maclaren (Nottinghamshire YMCA), R Lambe (Digital Catapult), N Wright (NTU), D Harper (NTU), Cllr S Spencer (Derbyshire County Council) and Tim Gregory (Derbyshire County Council)

Apologies for absence were submitted on behalf of E Fagan (D2N2 LEP), B Lewis (Derbyshire County Council), D Wright (CLGU) and Sarah Wainwright (Accountable Body)

**76/20      DECLARATIONS OF INTEREST** J Bradley Fortune declared a personal interest in relation to Item 12, Project for Approval-YMCA Community and Activity Village, as an independent consultant to the YMCA

D Williams declared an interest in relation to Item 8, Project for Approval – Smart Wireless Innovation Facility as a member of the University’s Board.

**77/20      MINUTES** One change was noted that the funding table on page 6 did not reflect the Revitalising the Heart of Chesterfield project and this would be amended in the minutes.

All other minutes were an accurate reflection.

**78/20      INTRODUCTION OF APPOINTED ACCOUNTANTS, HSKS GREENHALGH FOR 19/20 ACCOUNTS** Phillip Handley introduced himself and

HSKS Greenhalgh accountants to the Investment Board and gave a brief introduction in to the work they would be undertaking for D2N2.

**79/20      D2N2 CAPITAL PROGRAMME PERFORMANCE OVERVIEW** Board members were given an overview of the LEPs Local Growth Fund programme including an update on progress against the financial targets for this year.

Covid 19 had had an impact on many parts of the programme, and the report highlighted the current position of the 'live and upcoming' projects in the programme and the mitigation strategy where there was one in place.

Coming into the last year of the Local Growth Fund programme the LEP has £40,086,356 of its £250.7m Local Growth Fund budget left to spend before the March 2021 deadline. Of the £40m allocated within this year, D2N2 had recorded £8,977,821 of actual spend in the first financial quarter of the year. 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, based on spend to date and forecast spend officers were confident this figure could be met.

The Investment Board was being asked to consider 5 business cases at this meeting, and if they were approved it would bring the LGF commitments in line with the forecasts submitted to Government earlier this year.

One major change that has taken place since the last meeting was the withdrawal of the Heathcoat Immersive Incubator project by Nottingham City Council. The project originally had an allocation of £160,000 earmarked which would now return to the overall LGF budget reducing the level of overall underspend.

At this moment in time based on the current assessment of the programme and if all the projects were approved as set out in the report, officer believed that the LEP would be on track to deliver the full programme target by the end of this financial year. LEP Officers had also over profiled by £1.8M to provide a buffer against any underspends.

A full budget breakdown was included at Item 5 of this meeting which included both the financial position of the overall programme from 2015-2021 as well as a breakdown of each project's LGF drawdown for each financial quarter in 2020/21.

Annex A to the report provided a copy of the LGF Q1 2019/20 Monitoring Spreadsheet.

In order to ensure a ready pipeline of projects, should any funding become available either through underspends in the existing programmes or new funding allocated by Government, D2N2 has an active call for projects open and is expecting submissions to the LEP by close of business on the 11<sup>th</sup> of September.

Following submissions they would be independently assessed and scored to form a pipeline of projects as a reserve list that can be brought forward at speed if required.

Following on from the process undertaken for a call for projects in June and July the 10 projects detailed in the report had been given an in principal allocation of funding as part of D2N2's £44.4m Getting Building Fund allocation from Government. The call for projects from Government was largely based around deliverability and project sponsors ability to act quickly in response to economic recovery and therefore D2N2 officers were working with projects to deliver at the earliest date possible.

As part of the assurance of deliverability, D2N2 officers were currently working with project sponsors to reconfirm the milestones and cashflows for all projects that were presented through the submission phase to Government. Pace of delivery was essential to this programme and Government had stated that D2N2 would be given a 50/50 split of funding allocation between the 2020/21 and 2021/22 financial years. Government had also confirmed that any funding that was not spent by the March 2022 deadline would be clawed back centrally therefore it was imperative that projects are held to account over their milestones for delivery before they submit their Final Business Cases for consideration and approval.

A full list of Milestones and expenditure profiles would be presented to the next Investment Board.

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

**RESOLVED** to note the current position on the programme and the update on each of the projects;

**80/20**      **LOCAL GROWTH FUND BUDGET** Current forecasts showed that in 2020/21 the programme was over committed by £1.85 m following the withdrawal of the Heathcoat Immersive incubator-Nottingham project.

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 but there is a potential that there may be an impact on projects ability to spend before the 31<sup>st</sup> 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 were being discussed and would be monitored closely throughout the year to ensure any grant given can be evidenced with expenditure. Government had confirmed there was no extension to the programme and all monies must be spent by 31<sup>st</sup> March 2020.

All LGF funding from Government had been received now following the review and subsequent release of the final third of the funding.

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

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

**RESOLVED** that the report be noted.

**81/20      D2N2 MILESTONES - UPDATE** (The Board agreed to consider the report at this point on the Agenda in the open part of the meeting) 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 was advised to note the change to a January Business Case for approval due to the Planning Committee taking place in January and were requested to approve the new January FBC submission date.

**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

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.

**82/20      OUTPUT PERFORMANCE UPDATE - QUARTER 1 MONITORING**  
Board Members were informed that as part of the contractual commitment for the £250m of Local Growth Funding, D2N2 had a series of output targets as a mechanism of measuring the impact on the economy. The LEP were committed to deliver 29,000 Jobs, 10,700 Homes and 2,000 Learners over the projects lifetime which ran up to 2035, which was beyond the financial end of the programme in 2021 recognising that most of the activities would generate impact much later than the initial investment.

The report provided a detailed 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, 10,700 Homes and 2,000 Learners by 2035.

All metrics were shown for the 2019/20 financial year, delivery since the start of the programme and the lifetime of the programme

Appendix A to the report showed the outputs achieved compared to the contracted up until Quarter 1 2020/21 and Appendix B shows analysis of the outputs by project.

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

**RESOLVED** to note the update report.

**83/20      PROJECT FOR APPROVAL - SMART WIRELESS INNOVATION FACILITY (SWIF)** Members were informed of a request for £800,000 of Local Growth Funding to support the Smart Wireless Innovation Facility (SWIFt)

The Smart Wireless Innovation Facility (SWIFt) project, through the introduction of innovation technology would create a Smart and sustainable campus at Nottingham Trent University's (NTU) Clifton Campus.

It was intended to become a 'living laboratory' for businesses, academics and policy makers in D2N2 and beyond to explore the application of 5G and other smart technologies in industry, logistics, agriculture etc. and explore to create Smart Places for the future.

The government had an ambition for the UK to be leading the next digital revolution and was, consequently, investing significantly in research, innovation and skills development.

SWIFt would establish a facility at NTU's Clifton Campus that would support entrepreneurs and commercial enterprises to develop the software applications, devices, systems and skills that would bring 5G, LPWAN and other mobile technologies to life and enable Smart Campus technologies to become implemented and connected. Underpinning the aspirations for the Facility would be a dedicated team of technical and commercial staff to support businesses to 'plug and play' their app, device or system. SMEs would also have access to specialist researchers from NTU to undertake specific R&D activities and collaborations. There were two major elements to this project:

- The installation of a secondary optical fibre network on the Clifton campus that could be used securely by businesses and researchers for testing applications, devices and systems on a plug and-play basis

- Creative of the SWIFt Lab on Clifton Campus including installation of a 5G and LPWAN system that can be used securely by businesses and researchers for mobile application and device development and testing. Other network technologies will be added as they emerge.

SWIFt would be underpinned by a partnership with the Digital Catapult - the UK's leading advanced digital technology innovation centre. It drives the early adoption of digital technologies to make UK businesses more competitive and productive to help grow the country's economy.

The role of the Digital Catapult would be to work in partnership with NTU to design and deliver the digital infrastructure network required and then to work in collaboration to demonstrate technologies and develop and deliver programmes to allow businesses to develop the software applications, devices, systems and skills that would bring mobile technologies to life.

The funding for the project was sourced from the following:

<b>Funding Source</b>	<b>TOTAL</b>
NTU Reserves	£801,078
Local Growth Fund	£800,000
<b>TOTAL</b>	<b>£1,601,078</b>

Details were given of the Approvals, Procurement and State Aid

A Business Case for the project had been forwarded to 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

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

Nigel Wright (NTU) and Ray Lambe (Digital Catapult), 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 £800,000 of LGF grant to Nottingham Trent University.

**84/20      PROJECT FOR APPROVAL- AUTOMATION AND ROBOTICS** Board Members were informed of a request for £673,618 of Local Growth Funding to support the Automation and Robotics project.

This project is to create an Automation and Robotics training facility at West Nottinghamshire College in Mansfield by refurbishing 100m<sup>2</sup> of learning space and purchasing automation and robotics equipment and associated IT.

The investment allowed a proactive response to development of skills which would support employers and individuals to raise the level of higher skills within their future workforce in the areas of Engineering, Manufacturing and Distribution.

At a local level, Mansfield and Ashfield had a strong engineering and manufacturing base; the provision of enhanced skills would support the current and future workforce. The local sector needed to respond to the increased use of automation and robotics, which required a shift in the skills base towards level 3, 4 and 5 to support the technology; securing jobs.

This Project sought to support the Engineering, Manufacturing and Automated Distribution sectors within Mansfield, Ashfield and surrounding areas. Compared to the UK average employment in Engineering and Manufacturing was about 2.5 times higher in these areas, showing the economic dependence on these sectors. The fourth industrial revolution was seeing a rapid move to increased automation. This puts low skilled jobs at risk but created increased skilled vacancies in the installation, maintenance and operation of this technology. Areas that could respond well to this change would have the opportunity to increase investment. A strong, skilled workforce would support this investment.

The existing facilities based on the Engineering campus had no training equipment associated with Industry Standard 4, which was the underpinning technology behind what has been described as the next industrial revolution. The Project sought to build Automation and Robotics training in as additional to the standard Apprenticeship and curriculum offer. The Project focuses on securing this type of equipment and enhanced IT resources to allow the use of virtual environments.

The Project allowed the College to reconfigure existing space. The Project also provided the specialist equipment that was needed to deliver an increase in Level 3 and above specialist courses. West Nottinghamshire College had ensured that they had proactively engaged with local industry and businesses to make sure that the educational offer they were providing was in line with industry standards. The new facilities being purchased through this intervention would conform to Industry Standard 4 which is the underpinning technology behind what has been described as the next industrial revolution

The funding for the project was sourced from the following:

<b>Funding Source</b>	<b>TOTAL</b>
West Nottinghamshire College	£226,382
Local Growth Fund	£673,618
<b>TOTAL</b>	<b>£900,000</b>

Details were given of the Approvals, Procurement and State Aid

A Business Case for the project had been forwarded to 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

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

Andrew Cropley and Jon Fearon from West Nottinghamshire College, 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 £673,618 of LGF grant to West Nottinghamshire College.

**85/20      PROJECT FOR APPROVAL- MUSHROOM FARM INDUSTRIAL UNITS** Board Members were informed of a request for £160,000 of Local Growth Funding to support the Mushroom Farm Industrial Units.

Broxtowe Borough Council were looking to create the delivery of 3 new small industrial units on the existing Mushroom Farm Industrial site in Eastwood. The project would provide new B2 industrial floorspace for new and existing businesses to utilise where there was an existing shortage of this commercial stock available to the market.

Broxtowe Borough Council were looking to utilise £160,000 of Local Growth funding to construct the new units in response to an existing shortage and demand for this type of premises in the area. The current stock owned by the Council sat at 100% occupancy and market failure was taking place in the area as the private sector did not have the commercial appetite to build this stock due to viability.

Larger scale commercial and industrial developments in the Borough were being funded by the private sector as they were deemed as viable for delivery however the provision of smaller industrial space was not viable for the market to undertake and therefore the public sector was required to intervene.

The project supported various strategic priorities for the local area including the Local Industrial Strategy Guiding Principle one which related to the aspiration to allow our businesses to prosper, by intervening in the construction of these units the development would allow new or existing businesses to develop in the region. Secondly, the project helped to deliver Guiding Principle 3, proposition 3 which aimed to support the growth of our Towns and Economic Corridors by creating new economic development opportunities for the LEP area.

The funding for the project was sourced from the following:

<b>Funding Source</b>	<b>TOTAL</b>
Broxtowe Borough Council	£110,000
Local Growth Fund	£160,000
<b>TOTAL</b>	<b>£270,000</b>

Details were given of the Approvals, Procurement and State Aid

A Business Case for the project had been forwarded to 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

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

Luke Cairney from Broxtowe 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 project and to release the £160,000 of LGF grant to Broxtowe Borough Council.

**86/20      PROJECT FOR APPROVAL-FACILITY FOR OMIC RESEARCH IN METABOLISM (FORM)** Board Members were informed of a request for £850,000 of Local Growth Funding to support the Facility for OMIC research in metabolism project.

This project would establish a new Facility for Omics Research in Metabolism (FORM) at the University of Derby. This facility would support the launch of new, high-level programmes of study in Biomedical Sciences to increase the pipeline of STEM skills in D2N2.

The vision of FORM was to establish Derby as a centre of excellence in bio-analytics. Derby was a city of advanced technologies that is built on a heritage of world-class innovators. By bringing new capabilities and technologies to Derby, FORM would support the recovery of the City from the impact of the Coronavirus Pandemic as it sought to diversify its economy and stimulate new, high skill industries. Thus, mitigating its over-reliance on employment in advanced manufacturing.

FORM would be located at the University of Derby's main campus at Kedleston Road within the School of Human Sciences in the College of Science and Engineering. Space would be refurbished to create a new, high tech analytical facility. The funding would go towards the cost of the capital equipment and technology. This investment would enable the launch of new undergraduate and postgraduate specialist programmes to increase local access to STEM (Science, Technology, Engineering and Maths) opportunities for D2N2 learners and also the supply of STEM skills. The project would also ensure the region would remain at the forefront of cutting edge research and biomedical innovation that would increase the growth of jobs in the D2N2 biotech sector.

The project aimed to:

1. Stimulate learner numbers in a growing sector with high skill, high pay employment opportunities;
2. Improve postgraduate students' learning experience from industrial collaboration so that they would be ready for work in D2N2 industries;
3. Provide easier access to research facilities and support for D2N2 enterprises in product development including through KTPs, consultancies, collaborative R&D; and
4. Enable innovations in D2N2 businesses and hence unlock new market opportunities internationally.

The funding for the project was sourced from the following:

<b>Funding Source</b>	<b>TOTAL</b>
University of Derby	£1,103,157
Local Growth Fund	£850,000
<b>TOTAL</b>	<b>£1,953,157</b>

Details were given of the Approvals, Procurement and State Aid

A Business Case for the project had been forwarded to 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

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

Dr Chris Bussell and Gaynor Davis from The University of Derby, 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 £850,000 of LGF grant to the University of Derby.

**87/20      PROJECT FOR APPROVAL - YMCA COMMUNITY AND ACTIVITY VILLAGE** Board Members were informed of a request for £2,203,836 of Local Growth Funding to support the YMCA Community and Activity Village.

The YMCA Community and Activity Village brought together partners across Newark and Sherwood, to create a sustainable development in terms of learning pathways designed to tackle social immobility. This was a unique and national flagship scheme for the YMCA.

The project involved multiple phases of development and to date had involved the creation of new sporting facilities including two 3G Football pitches and a full size athletics track. The first phase of the development was completed in 2018 and was part funded by Newark and Sherwood District Council who remained supportive of the project.

For this phase of the development seeking LGF funding the YMCA would look to create a new state of the art Community Learning and Wellbeing Centre. The Centre would include flexible work space, training and education suites, a 92-space nursery, state of the art digital media and recording suites, an Olympic-sized climbing wall/destination bouldering centre, changing rooms, health & wellbeing suites, conference space for up to 300 people and a function suite.

The project would help to target long standing issues in the District with Newark placing 323<sup>rd</sup> out of 324 districts nationally in terms of social mobility.

By providing this infrastructure and the partnerships that had been developed between the YMCA and local institutions such as Nottingham Trent University and Lincoln College, the centre will enable young people to gain access to learning opportunities within their locality which may not have been previously available and raise aspirations and ambition in the surrounding areas. Alongside the direct issue of social mobility, the site will also look to tackle serial issues such as:

- Low Skilled Jobs and Low productivity by providing new learning opportunities to those out of reach of traditional learning facilities and upskilling people.

- High unemployment in disadvantaged wards by providing new training which will lead to employment opportunities
- Low numbers of young people entering FE & HE by providing a new way for people to engage with these opportunities in a 'person centred' pathway to education

The Community and Activity Village helped to deliver on multiple objectives from the D2N2 Local Industrial Strategy also. The project delivered on the following LIS objectives:

- Skills and Knowledge for the Future Workforce
- Skilled and Productive Workforce
- Production of an inclusive workforce
- Quality of Place

The funding for this phase (Phase 2) of the project was sourced from the following:

<b>Funding Source</b>	<b>TOTAL</b>
YMCA Contributions (Loan Funding)	£10,370,886
Local Growth Fund	£2,203,836
<b>TOTAL</b>	<b>£12,574,723</b>

Newark YMCA would utilise loan funding to borrow the remainder of the Phase 2 Development costs. The senior Debt was in the form of a long term secured fixed rate loan and the junior debt through unsecured social bonds. Derbyshire County Council had undertaken a financial due diligence assessment of the YMCA's long term cashflows and accounting projections to ensure that the debt mechanisms can be repaid. The Debt being taken out by the YMCA would be repaid through the revenues earned from the usage of the facility which had been modelled and agreed with the loan funders of this project. Following this analysis, they had confirmed that the project sponsor could facilitate the level of debt required to deliver this facility.

The project had been submitted as part of the Newark Town Investment Plan and would potentially gain further funding for delivery of the centre. The outcome of this would not be known until later in the year, the project would still proceed if unsuccessful but would rely on further borrowing and interest repayments than if supported by the Town Investment Plan.

Details were given of the Approvals, Procurement and State Aid

A Business Case for the project had been forwarded to 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

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

Craig Berens, Vincent Korduwla from the Nottinghamshire YMCA, 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 £2,203,836 of LGF grant to Nottinghamshire YMCA .

**88/20      DATE OF NEXT MEETING** The next meeting of the Investment Board would take place on 4 November 2020 at 10.00am

**89//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 Investment Board (IB) held on 4 August 2020 (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).

**90/20      EXEMPT MINUTES RESOLVED** to confirm the non-exempt Minutes of the meeting of the D2N2 Investment Board held on 4 August 2020.

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