



**Simon Hobbs**  
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PUBLIC

To: Members of D2N2 Investment Board

Friday, 2 October 2020

Dear Councillor,

Please attend a meeting of the **D2N2 Investment Board** to be held at **2.00 pm** on **Monday, 12 October 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 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 - 14)

To confirm the non-exempt minutes of the meeting of the D2N2 Investment Board held on 9 September 2020

4. Capital Performance Overview (Pages 15 - 18)
5. Capital Programme Budget (Pages 19 - 24)
6. D2N2 Milestones Update (Pages 25 - 32)
7. Project for Approval - Turbine Innovation Centre (Pages 33 - 48)
8. Project for Approval - Lindhurst, Mansfield (Pages 49 - 60)
9. Pipeline Projects (Pages 61 - 78)
10. Date of Next Meeting

Wednesday 4 November 2020 at 10.00am

11. Minutes of meeting held on 12 October 2020 (Pages 79 - 90)

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 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 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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Item 4

**D2N2 Investment Board – October 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 – 12 <sup>th</sup> October 2020 |  |   |
| Subject          | D2N2 Capital Performance Overview                     |  |   |
| Author           | T Goshawk   | Total no of sheets (Excluding cover sheet) | 4 |

|                          |                                   |                                     |   |
|--------------------------|-----------------------------------|-------------------------------------|---|
| Papers are provided for: | Approval <input type="checkbox"/> | Discussion <input type="checkbox"/> | Information <input checked="" type="checkbox"/> |
|--------------------------|-----------------------------------|-------------------------------------|---|

| Summary and Recommendations   |
|---|
| <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 Local Growth Fund and Getting Building Fund.</p> |

**D2N2 INVESTMENT BOARD****October 2020****D2N2 Capital Programme Update****Introduction**

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

**Local Growth Fund Performance Update****Financial performance**

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. Q2 monitoring submissions are being fed in to the LEP currently and a report of the progress on spend will be presented at the next meeting. 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.

Following the September Investment Board there are now only two projects left to approve in the Local Growth Fund Programme and these are detailed further in the Capital Programme milestones paper.

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.

A full budget breakdown is included within Item 4 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.

**Project specific performance**

No specific projects are being raised as high risk to this meeting of the Investment Board and all projects with spend allocations remaining are continuing to spend to the profile.

Specific highlights to note from the Local Growth Fund programme are:

- **NTU MTIF Centre** – The first phase of the project has now reached practical completion on the NTU Clifton Campus and the facility is now being furnished

#### Item 4

to be ready for new businesses to move into the facility. Work continues on the Boots Enterprise Zone phase of the project.

- **Museum of Making** – The project has now sourced additional funding to be able to facilitate all the original works to the site as planned and will now be completed ready for an official opening next spring.
- **City Hub** – After minor delays the college will be achieve completion of the build in October and subsequently the remainder of the Enabling works around the site will take place after this. The college are preparing to open the facility to students in January.

### **Pipeline Call**

The D2N2 Pipeline call closed on the 11<sup>th</sup> of September and has received 40 applications to the call from 27 project sponsors. All of the projects have been independently scored and assessed and are presented in Item 8 of this meeting.

### **Mid-Year Review**

On the 21<sup>st</sup> of September, the D2N2 LEP team and Accountable Body had the Mid-year review of its performance with colleagues from the BEIS Local team to discuss the progress of the LEP and its capital programme. The review incorporated discussions around Strategy, Governance and Delivery to date within this financial year and serves as a check on how well the LEP is performing before the Annual Performance Review which is anticipated to take place in January 2021.

Overall the BEIS Local team were pleased with the performance of the LEP and its Capital Programmes so far within this year and could see that good progress that has been made in particular on the performance of LGF. The discussions also included future planning and forecasting with regards to the Getting Building Fund which will begin to deliver projects in this financial year.

Whilst progress has been good to date the government are still expecting that the LEP will fully utilise its allocation of LGF by the 31<sup>st</sup> of March 2021 deadline and are keen to see that Getting Building Fund projects are approved and delivered in anticipation of the 31<sup>st</sup> of March 2022 end date.

### **Getting Building Fund**

Following the announcement of the Getting Building Fund projects in August, D2N2 have now received the formal confirmation of their grant funding with the grant offer letter from MHCLG on the 25<sup>th</sup> of September. The LEP have been given an even split of funding with £22.2m to spend in the 2020/21 financial year and £22.2m in the 2021/22 financial year.

In line with the final submission sent to Government of the finalised projects list the LEP will not be able to draw down the full Getting Building Fund allocation within this financial year. The LEP will continue to work with project sponsors to accelerate spend where possible and any underspends will be utilised by Derbyshire County

Item 4

Council's capital reserve in line with the Governments acceptance of freedoms and flexibilities in Capital funding management.

Milestones for each project are included within these Investment Board papers and the first two projects are presented for approval at this meeting.

D2N2 Investment Board Cover Sheet – 12<sup>th</sup> October 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 12 <sup>th</sup> October 2020 |                    |   |
| Subject          | Capital Programme Budget                       |                    |   |
| Author           | S Wainwright                                   | Total no of sheets | 4 |

|                          |                                   |                                     |   |
|--------------------------|-----------------------------------|-------------------------------------|---|
| Papers are provided for: | Approval <input type="checkbox"/> | Discussion <input type="checkbox"/> | Information <input checked="" type="checkbox"/> |
|--------------------------|-----------------------------------|-------------------------------------|---|

| Summary and Recommendation(s)   |
|---|
| <p>This paper delivers an update on the budget of the Local Growth Fund (LGF) and the Getting Building Fund (GBF).</p> <p>The Investment Board are requested to note the information.</p> |

**D2N2 INVESTMENT BOARD****12<sup>th</sup> October 2020****Capital Programme Budget update****Local Growth Fund**

Current forecast shows that in 2020/21 the programme is over committed by £1.85 m.

The LEP and Accountable Body continue to work closely with projects regarding grant profiles and expenditure figures for the remaining projects 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.

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.

**Getting Building Fund**

On the 25<sup>th</sup> September D2N2 received their grant offer agreement from Government confirming the £44.4m allocation and the payments schedule of £22.2m in 2020/21 and £22.2m in 21/22.

All projects within the programme have now submitted their spend profiles to the LEP and Accountable Body, see appendix 3. LEP's have been given permission to utilise their freedoms and flexibilities with their Accountable Body to allow any cash underspends in 20/21 to be spent using other capital expenditure from the Accountable Body, with the funding being returned to the LEP in the following year.

The programme is overcommitted by £2.432m which will be funded by using the Growing Places Fund (GPF).

## Appendix 1

| Local Growth Fund 6 year Grant/Expenditure sheet 25/09/2020           |              |              |              |              |              |                          |              |               |                           |                                  |
|---|--------------|--------------|--------------|--------------|--------------|--------------------------|--------------|---------------|---------------------------|----------------------------------|
|   | 2015/16      | 16/17        | 17/18        | 18/19        | 19/20        | 20/21                    |              |               |                           |                                  |
| Project Name  | Annual       | Annual       | Annual       | Annual       | Annual       | Annual                   | Actual 20/21 | Total         | Status                    | Date to be completed             |
| Chesterfield Centre for Higher Level Skills                           | 3.48         |              |              |              |              |                          | 0.00         | 3.48          | Project Finished          |                                  |
| Vision University Centre, Mansfield                                   | 2.61         |              |              |              |              |                          | 0.00         | 2.61          | Project Finished          |                                  |
| Bioscience Expansion, Nottingham                                      | 6.50         |              |              |              |              |                          | 0.00         | 6.50          | Project Finished          |                                  |
| The Spot  | 0.75         |              | -0.04        |              |              |                          | 0.00         | 0.71          | Project Finished          |                                  |
| Medicity  |              | 0.74         |              |              |              |                          | 0.00         | 0.74          | Project Finished          |                                  |
| Ada Lovelace House  |              | 0.14         |              |              |              |                          | 0.00         | 0.14          | Project Finished          |                                  |
| Bulwell Market  |              | 0.10         |              |              |              |                          | 0.00         | 0.10          | Project Finished          |                                  |
| Dakeyne Street  |              | 0.18         |              |              |              |                          | 0.00         | 0.18          | Project Finished          |                                  |
| Sutton Indoor Market  |              | 0.38         |              |              |              |                          | 0.00         | 0.38          | Project Finished          |                                  |
| Sherwood Energy Village   |              |              | 0.50         |              |              |                          | 0.00         | 0.50          | Project Finished          |                                  |
| Harworth Access Road  |              | 1.10         |              |              | -0.40        |                          | 0.00         | 0.70          | Project Finished          |                                  |
| Seymour Link  | 2.02         | 0.50         |              |              |              |                          | 0.00         | 2.52          | Project Finished          |                                  |
| Cycle City Ambition package in Nottingham                             | 4.16         | 1.94         |              |              |              |                          | 0.00         | 6.10          | Project Finished          |                                  |
| A57/A60 Junction Worksop  | 0.92         | 0.92         |              |              |              |                          | 0.00         | 1.83          | Project Finished          |                                  |
| Institute for Advanced Manufacturing                                  |              | 5.00         |              |              |              |                          | 0.00         | 5.00          | Project Finished          |                                  |
| Sherwood Visitor Centre   |              |              | 0.50         |              |              |                          | 0.00         | 0.50          | Project Finished          |                                  |
| Southern Growth Corridor  |              | 2.00         | 4.12         |              |              |                          | 0.00         | 6.12          | Project Finished          |                                  |
| Rail Research and Innovation Centre                                   |              |              |              | 0.90         |              |                          | 0.00         | 0.90          | Project Finished          |                                  |
| Derby College Technology Hub  |              |              |              | 1.30         |              |                          | 0.00         | 1.30          | Project Finished          |                                  |
| Enterprise zone sustainable transport package                         |              | 0.80         | 5.20         |              |              |                          | 0.00         | 6.00          | Project Finished          |                                  |
| A46 Corridor, Rushcliffe-Phase 1 and 2                                |              | 2.00         | 1.00         |              |              |                          | 0.00         | 3.00          | Project Finished          |                                  |
| Derby Cycling and Placemaking   |              |              | 0.84         | 0.71         | 0.09         |                          | 0.00         | 1.65          | Project Finished          | Mar-20                           |
| Infinity Park, Derby  | 3.45         | 4.00         | 3.35         | 2.195        |              |                          | 0.00         | 13.00         | Ongoing                   | Mar-21                           |
| Nottingham Broadmarsh/Southern Gateway                                | 6.79         | 0.71         | 0.35         | 2.45         | 15.00        |                          | 0.00         | 25.30         | Ongoing                   | Mar-21                           |
| Newark Southern Link Road   | 1.00         | 6.00         |              |              |              |                          | 0.00         | 7.00          | Ongoing                   | tbc                              |
| Our City Our River, Derby   | 2.00         | 2.50         | 2.50         | 2.50         | 2.50         |                          | 0.00         | 12.00         | Ongoing                   | tbc                              |
| LEP Management & feasibility funds                                    | 0.56         | 0.18         | 0.16         | 0.19         | 0.19         | 0.20                     | 0.00         | 1.47          | Ongoing                   |                                  |
| Broadbands-Derbyshire   | 2.19         |              |              |              |              |                          | 0.00         | 2.19          | Ongoing                   | project extended until June 2020 |
| Broadbands-Nottinghamshire  | 2.63         |              |              |              |              |                          | 0.00         | 2.63          | Ongoing                   | project extended until Sept 2026 |
| D2N2 Sustainable Travel programme                                     |              | 2.48         | 2.38         | 0.95         |              |                          | 0.00         | 5.80          | Ongoing                   | Mar-20                           |
| A52 Wyvern  |              | 1.50         | 5.22         |              |              |                          | 0.00         | 6.72          | Ongoing                   | Dec-21                           |
| Tudor Cross (former Coalite)  |              | 5.80         |              |              |              |                          | 0.00         | 5.80          | Ongoing                   | 2024                             |
| Midland Mainline  |              |              | 5.00         |              |              |                          | 0.00         | 5.00          | Ongoing                   | Mar-21                           |
| Buxton Crescent   |              | 2.00         |              |              |              |                          | 0.00         | 2.00          | Ongoing                   | Apr-20                           |
| Silk Mill World Heritage Site   |              |              | 0.52         | 2.53         | 0.65         |                          | 0.00         | 3.70          | Ongoing                   | Feb-21                           |
| Nottingham City Hub   |              | 0.19         | 2.03         | 13.79        | 12.73        |                          | 0.00         | 28.74         | Ongoing                   | Feb-21                           |
| Nottingham City Hub - Enabling Works                                  |              |              | 0.22         | 0.57         | 0.00         | 0.46                     | 0.00         | 1.26          | Ongoing                   | Feb-21                           |
| N2 Town Centres   |              |              |              | 2.13         | 2.75         | 2.75                     | 0.50         | 7.63          | Ongoing                   | Mar-21                           |
| Nottingham Castle   |              |              |              | 5.00         |              |                          | 0.00         | 5.00          | Ongoing                   | Feb-21                           |
| Vesuvius  |              |              |              | 4.49         |              |                          | 0.00         | 4.49          | Ongoing                   | Mar-21                           |
| Riverside Business Park   |              |              |              |              | 0.75         | 2.60                     | 0.28         | 3.35          | Ongoing                   | Dec-26                           |
| NTU MTIF Centre   |              |              | 0.46         | 1.52         | 4.09         | 3.63                     | 0.00         | 9.70          | Ongoing                   | Dec-21                           |
| A61Corridor-21st Century Transport                                    |              | 0.08         |              | 0.60         | 1.17         | 1.17                     | 0.00         | 3.00          | Ongoing                   | Mar-21                           |
| A61 Corridor-Standard Gauge   |              | 0.33         |              | 0.89         | 0.47         |                          | 0.00         | 1.69          | Ongoing                   | Dec-20                           |
| Gedling Access  |              |              | 0.50         |              | 3.08         | 7.22                     | 2.00         | 10.80         | Ongoing                   | Dec-22                           |
| Ashbourne Airfield  |              |              |              |              | 1.00         |                          | 0.00         | 1.00          | Ongoing                   | Dec-20                           |
| HS2 Strategic Sites   |              |              |              |              |              | 2.40                     | 0.45         | 2.40          | Ongoing                   | Mar-26                           |
| A61 Corridor-Chesterfield Station MasterPlan                          |              |              |              | 0.29         |              | 3.52                     | 0.00         | 3.81          | Ongoing                   | Dec-21                           |
| Top Wighay Farm   |              |              |              |              |              | 3.00                     | 0.00         | 3.00          | Ongoing                   | Mar-21                           |
| Castleward  |              |              |              |              |              | 1.51                     | 0.47         | 1.51          | Ongoing                   | Sep-21                           |
| Woodville-Swadincote Regeneration route                               |              |              |              |              |              | 6.40                     | 0.00         | 6.40          | Ongoing                   | Sep-21                           |
| Nursing & Allied Health Provision-Mansfield                           |              |              |              |              |              | 0.58                     | 0.00         | 0.58          | Ongoing                   | Dec-20                           |
| Revitalising the Heart of Chesterfield                                |              |              |              |              |              | 0.65                     | 0.00         | 0.65          | Ongoing                   | Nov-21                           |
| Tollbar House-Ikleston  |              |              |              |              |              | 0.43                     | 0.00         | 0.43          | Ongoing                   | Mar-21                           |
| Smart Wireless Innovation Facility (SWIF)                             |              |              |              |              |              | 0.80                     | 0.00         | 0.80          | Ongoing                   | Apr-21                           |
| Mushroom Farm Court Industrial Estates                                |              |              |              |              |              | 0.16                     | 0.00         | 0.16          | Ongoing                   | May-21                           |
| Facility for OMICs Research in Metabolism                             |              |              |              |              |              | 0.85                     | 0.00         | 0.85          | Ongoing                   | Sep-21                           |
| Automation and Robotics   |              |              |              |              |              | 0.67                     | 0.00         | 0.67          | Ongoing                   | Mar-21                           |
| YMCA Community and Activity Village                                   |              |              |              |              |              | 2.20                     | 0.00         | 2.20          | Ongoing                   | Dec-21                           |
| Derby New Assembly Rooms  |              |              |              |              |              |                          | 0.00         | 0.00          | withdrawn                 |                                  |
| A61-The Avenue  |              | 0.10         |              | 0.27         | -0.37        |                          | 0.00         | 0.00          | withdrawn                 |                                  |
| A61 Corridor-Clowne North   |              |              |              |              |              |                          | 0.00         | 0.00          | withdrawn                 |                                  |
| Crocus Place  |              |              |              |              |              |                          | 0.00         | 0.00          | withdrawn                 |                                  |
| Heathcoat Immersive Incubator-Nottingham                              |              |              |              |              |              |                          | 0.00         | 0.00          | withdrawn                 | tbc                              |
| Becketwell  |              | 3.00         | 0.05         | 2.38         | 2.70         |                          | 0.00         | 8.12          | Pre-Compliance            | tbc                              |
| A46 Corridor, Rushcliffe-Phase 3                                      |              |              |              |              |              | 0.75                     | 0.00         | 0.75          | 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>41.94</b>             | <b>3.69</b>  | <b>252.57</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>1.85</b>              |              |               |                           |                                  |
|   |              |              |              |              |              | <b>Overall Overspend</b> |              | <b>1.86</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         |              |               |               | 463,131.00   | 463,131.00    |
| 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   | 464,950.67    | 1,093,128.00  | 881,156.00   | 2,595,161.67  |
| 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     |              | 2,200,000.00  | 2,700,000.00  | 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     |              |               |               |              |               |
| Smart Wireless Innovation Facility (SWIFt)   |              | 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  |
|  | 3,571,361.00 | 10,400,739.21 | 18,083,404.84 | 9,882,852.62 | 41,938,357.67 |



## Appendix 3

|   | 20/21           |                 |                | 2021/22        |                 |                 |            |                          |                |        |                      |                                |
|---|-----------------|-----------------|----------------|----------------|-----------------|-----------------|------------|--------------------------|----------------|--------|----------------------|--------------------------------|
| Project name  | Q3              | Q4              | Total £m       | Q1             | Q2              | Q3              | Q4         | Total £m                 | Grand Total £m | Status | Date to be completed | Promoter                       |
| Bridge Court Campus, Worksop                        | 0.35            | 0.5             | 0.85           | 1              | 0.75            | 0.5             | 0.4        | 2.65                     | 3.5            |        |                      | Bassetlaw District Council     |
| Digital Advanced Manufacturing and Engineering      |                 | 0.5             | 0.5            |                |                 |                 |            | 0                        | 0.5            |        |                      | Chesterfield College           |
| Digital Turbine Centre, Worksop                     | 0.059           | 0.362           | 0.421          | 0.171          |                 |                 |            | 0.171                    | 0.592          |        |                      | Nottinghamshire County Council |
| Drakelow Park, South Derbyshire                     |                 | 0.2             | 0.2            | 0.8            | 0.8             | 0.8             |            | 2.4                      | 2.6            |        |                      | Private Sector                 |
| Food Innovation Parc                                |                 |                 | 0              |                |                 | 12              |            | 12                       | 12             |        |                      | Derby City Council             |
| Glossop Town Hall, Glossop                          | 0.129954        | 0.354112        | 0.484066       | 0.344118       | 0.99271         | 0.179106        |            | 1.515934                 | 2              |        |                      | High Peak Borough Council      |
| LEP Management                                      |                 | 0.035           | 0.035          |                |                 |                 | 0.2        | 0.2                      | 0.235          |        |                      |                                |
| Lindhurst, Mansfield                                | 0.151386        | 0.326751        | 0.478137       | 1.217684       | 1.215784        | 0.088395        |            | 2.521863                 | 3              |        |                      | Nottinghamshire County Council |
| MRC Midlands, Derby                                 |                 | 0.095           | 0.095          | 1.997          | 2.608           | 2.15            |            | 6.755                    | 6.85           |        |                      | Derby City Council             |
| Transforming Nottingham's Southside                 | 0.567           | 1.072           | 1.639          | 2.591854       | 2.631854        | 1.127292        |            | 6.351                    | 7.99           |        |                      | Nottingham City Council        |
| UK Electrification of Aerospace Propulsion Facility | 0.101902        | 2.212955        | 2.314857       | 2.371548       | 2.834677        | 0.078918        |            | 5.285143                 | 7.6            |        |                      | University of Nottingham       |
| <b>Total GBF Commitments</b>                        | <b>1.359242</b> | <b>5.657818</b> | <b>7.01706</b> | <b>10.4932</b> | <b>11.83303</b> | <b>16.92371</b> | <b>0.6</b> | <b>39.84994</b>          | <b>46.867</b>  |        |                      |                                |
| <b>Total GBF funding</b>                            |                 |                 | 22.2           |                |                 |                 |            | 22.2                     | 44.4           |        |                      |                                |
| <b>Annual (under)/over commitments</b>              |                 |                 | -15.1829       |                |                 |                 |            | 17.64994                 |                |        |                      |                                |
|   |                 |                 |                |                |                 |                 |            | <b>Overall overspend</b> | <b>2.467</b>   |        |                      |                                |

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### D2N2 Investment Board – October 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 – 12 <sup>th</sup> October 2020 |   |   |
| Subject          | D2N2 Milestones Update                                |   |   |
| Author           | T Goshawk   | Total no of sheets<br>(Excluding cover sheet) | 6 |

|                          |  |                                     |                                      |
|--------------------------|--|-------------------------------------|--------------------------------------|
| Papers are provided for: | Approval <input checked="" type="checkbox"/> | Discussion <input type="checkbox"/> | Information <input type="checkbox"/> |
|--------------------------|--|-------------------------------------|--------------------------------------|

| Summary and Recommendation(s)   |
|---|
| <p>The Board are asked to note the Milestones report on the D2N2 Local Growth Fund and Getting Building Fund programmes.</p> <p>The report shows the Milestones that each project will be held accountable to and will be continuously monitored through to Final Business Case delivery.</p> <p>Recommendations will follow each project and their milestone progress.</p> |

### Local Growth Fund Milestones

| Project Details                             | FBC Approval to Board                          | 20/21 Profile       | Outputs                   | Current Position  | Milestones to track   |
|---|--|---------------------|---------------------------|---|---|
| <b>Becketwell</b><br><br>Derby City Council | <b>January 2021</b><br>(Revised December 2020) | Allocation utilised | 250 Jobs<br><br>224 homes | The reserved matters submission has been submitted to Derby City Council in September. Originally a decision was due in December 2020 however Derby City Council will now not have a planning committee until the 7 <sup>th</sup> of January. | Outline planning - <b>February 2020 (Achieved)</b><br><br>Reserved Matters submission – <b>September 2020 (Complete)</b><br><br>Reserved Matters Decision – <b>January 2021 (Revised December 2020)</b> |

**Recommendation** – The board is advised to note the change to a January Business Case for approval due to the Planning Committee taking place in January. The board are requested to approve the new January FBC submission date.

| Project Details   | FBC Approval to Board | 20/21 Profile | Outputs  | Current Position   | Milestones to track   |
|---|-----------------------|---------------|----------|--|---|
| <b>A46 Corridor (Phase 3)</b><br><br>Rushcliffe Borough Council | December 2020         | £0.75 million | 133 Jobs | Rushcliffe Borough Council are continuing to work through the milestones for delivery of the Chapel Lane phase of the A46 Project. Planning permission for the site has been was granted in April. | Detailed Design complete – <b>December 2019 (Complete)</b><br><br>Planning permission Secured - <b>April 2020 (Granted)</b><br><br>Tender issued – <b>September 2020 (Complete)</b> |

| Project Details | FBC Approval to Board | 20/21 Profile | Outputs | Current Position | Milestones to track   |
|-----------------|-----------------------|---------------|---------|------------------|---|
|                 |                       |               |         |                  | Contractor approved and Business case for decision – <b>December 2020</b> |

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

### Getting Building Fund Milestones

| Project Details   | FBC Approval to Board | GBF Funding | Outputs  | Current Position   | Milestones to track                                  |
|---|-----------------------|-------------|----------|--|--|
| <b>Glossop Town Hall</b><br><br>High Peak Borough Council | November 2020         | £2m         | 105 Jobs | The business case for the project is continuing to be progressed and should be submitted to the LEP in advance of the deadline for the November meeting. | Final Business Case to the LEP – <b>October 2020</b> |

**Recommendation** – The Board are recommended to note the milestones and await the final business case for approval in November 2020

| Project Details            | FBC Approval to Board | GBF Funding | Outputs                 | Current Position   | Milestones to track                                  |
|----------------------------|-----------------------|-------------|-------------------------|--|--|
| <b>Bridge Court Campus</b> | November 2020         | £3.5m       | 300 Learners<br>40 Jobs | Bassetlaw District Council are continuing to work with partners towards the submission of a Final Business Case for the project. The | Final Business Case to the LEP – <b>October 2020</b> |

| Project Details            | FBC Approval to Board | GBF Funding | Outputs | Current Position   | Milestones to track |
|----------------------------|-----------------------|-------------|---------|--|---------------------|
| Bassetlaw District Council |                       |             |         | project is still expected to be submitted in advance of the deadline for the November meeting. |                     |

**Recommendation** – The Board are recommended to note the milestones and await the final business case for approval in November 2020

| Project Details  | FBC Approval to Board | GBF Funding | Outputs      | Current Position   | Milestones to track  |
|--|-----------------------|-------------|--------------|--|--|
| <b>Digital Advanced Manufacturing and Engineering Centre</b><br><br>Chesterfield College | December 2020         | £0.5m       | 300 Learners | Chesterfield College are continuing to progress with the development of works ready for a business case submission in November. The Final Business Case for the project is being prepared currently. | Chesterfield College Funding ratified – <b>October 2020</b><br><br>Final Business Case to the LEP – <b>November 2020</b> |

**Recommendation** – The Board are recommended to note the milestones and await the final business case for approval in November 2020

| Project Details   | FBC Approval to Board | GBF Funding | Outputs                   | Current Position  | Milestones to track   |
|---|-----------------------|-------------|---------------------------|---|---|
| <b>Drakelow Park</b><br><br>Drakelow Developments Limited | December 2020         | £2.2m       | 2,046 Homes<br>1,100 Jobs | The project promoter has convened a working group of all parties involved with the project to drive the milestones. Discussions around obtaining the appropriate certificates | Confirmation of Highways approvals – <b>October 2020</b><br><br>Identification of contractor – <b>November 2020</b> |

| Project Details | FBC Approval to Board | GBF Funding | Outputs | Current Position   | Milestones to track   |
|-----------------|-----------------------|-------------|---------|--|---|
|                 |                       |             |         | for the bridge are underway with the Highways Authority and are progressing. Legal discussions are ongoing surrounding the development and the business case is anticipated on time. | Final Business Case to the LEP – <b>November 2020</b><br><br>Start on site – <b>December 2020</b> |

**Recommendation** – The Board are recommended to note the milestones and await the final business case for approval in December 2020

| Project Details  | FBC Approval to Board | GBF Funding | Outputs                  | Current Position   | Milestones to track   |
|--|-----------------------|-------------|--------------------------|--|---|
| <b>UK Electrification of Aerospace Propulsion Facility</b><br><br>University of Nottingham | February 2021         | £7.6m       | 300 Jobs<br>150 Learners | The procurement process has been initiated by the University and all timescales are showing that the returns will be received in early 2021. The project is on track to deliver a Final Business Case to the Investment Board in February. | Tenders out for equipment – <b>September 2020 (Complete)</b><br><br>Contracts Issued to suppliers – <b>January 2021</b><br><br>Final Business Case to the LEP – <b>January 2021</b> |

**Recommendation** – The Board are recommended to note the milestones and await the final business case for approval in February 2021

| Project Details   | FBC Approval to Board | GBF Funding | Outputs               | Current Position  | Milestones to track  |
|---|-----------------------|-------------|-----------------------|---|--|
| <b>Transforming Nottingham's Southside</b><br><br>Nottingham City Council | March 2021            | £7.99m      | 868 Homes<br>733 Jobs | Works to gain vacant possession on the site are ongoing and discussions have been engaged with business owners. The master planning exercise for the site is due to start and D2N2 have held a meeting with the project sponsor to monitor progress. This will continue through to Final Business Case and beyond to ensure that the project delivers on the outcomes profiled. | Initiation of Master planning and technical team appointment– <b>October 2020</b><br><br>Contractor Cost proposals received – <b>December 2020</b><br><br>Final Business Case to the LEP – <b>February 2021</b><br><br>Start on site – <b>April 2021</b> |

**Recommendation** – The Board are recommended to note the milestones and await the final business case for approval in March 2021

| Project Details                               | FBC Approval to Board | GBF Funding | Outputs                | Current Position  | Milestones to track   |
|---|-----------------------|-------------|------------------------|---|---|
| <b>MRC Midlands</b><br><br>Derby City Council | March 2021            | £6.85m      | 70 Jobs<br>50 Learners | Derby City Council are continuing to work through the development stages of the project and confirmed their match funding for the development at their September cabinet meeting. The project sponsor will continue to work through to a planning approval in January 2021. | Confirmation of Match funding – <b>September 2020 (Complete)</b><br><br>Planning permission approved – <b>January 2021</b><br><br>Final Business case submission – <b>February 2021</b> |

**Recommendation** – The Board are recommended to note the milestones and await the final business case for approval in March 2021



| Project Details                            | FBC Approval to Board | GBF Funding | Outputs    | Current Position   | Milestones to track   |
|--|-----------------------|-------------|------------|--|---|
| <b>SmartParc</b><br><br>Derby City Council | October 2021          | £12m        | 2,300 Jobs | Derby City Council are continuing to work through the development of the project with due diligence and planning submission preparations taking place. The LEP are meeting with the City Council and potential occupier to discuss the development plans and the steps forward. This will happen on an ongoing basis until the Final Business Case is delivered. | Derby City Council Cabinet Approval – <b>December 2020</b><br><br>Outline Business Case submitted – <b>December 2020</b><br><br>Site Due Diligence complete – <b>January 2021</b><br><br>Hybrid Planning submission – <b>January 2021</b><br><br>Planning Determination – <b>April 2021</b><br><br>Phase 1 remediation and infrastructure construction – <b>July 2021</b> |

**Recommendation** – The Board are recommended to note the milestones and await the final business case for approval in October 2021

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### D2N2 Investment Board Cover Sheet – 12<sup>th</sup> October 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> | Investment Board 12 <sup>th</sup> October 2020 |                           |    |
| <b>Subject</b>          | Project for approval-Turbine Innovation Centre |                           |    |
| <b>Author</b>           | T Goshawk                                      | <b>Total no of sheets</b> | 15 |

|                                 |  |                                     |                                      |
|---------------------------------|--|-------------------------------------|--------------------------------------|
| <b>Papers are provided for:</b> | Approval <input checked="" type="checkbox"/> | Discussion <input type="checkbox"/> | Information <input type="checkbox"/> |
|---------------------------------|--|-------------------------------------|--------------------------------------|

| Summary and Recommendation(s)   |
|---|
| <p>In July 2020, D2N2 was allocated £44.4 million from the governments Getting Building Fund towards the delivery of a range of projects across the region to stimulate economic activity and aid recovery from the impacts of Covid-19 on the region. The funding is subject to each of the 10 identified projects submitting a business case that is fully compliant with the D2N2 Local Assurance Framework (LAF).</p> <p>In order to support D2N2 and the accountable body, independent expertise has been procured from Thomas Lister Ltd and Amion consultants to assess each of the projects against the requirements of the local assurance framework.</p> <p>This project being put before the Investment board has now been assessed and is being recommended for consideration and approval based on its full compliance with the LAF.</p> |

## D2N2 INVESTMENT BOARD

12<sup>th</sup> October 2020

### Project for Approval-Turbine Innovation Centre

|  |  |   |   |
|--|--|---|---|
| Project Name                             | Turbine Innovation Centre (TIC)        | Project Applicant                         | Nottinghamshire County Council (NCC)  |
| Construction Start Date                  |  | Construction End Date                     | March 2022  |
| Getting Building Fund Requested          | £592,000                               | Total Project cost and Sources of funding | £592,000 capital cost for refurbishing the building (D2N2)<br>£401,275 revenue costs to fund building operation from 5G Connected Forest  |
| Gross Value Added/<br>Benefit Cost Ratio | BCR of 2.1:1<br><br>Gross GVA of £3.4m | Expected Outputs                          | <ul style="list-style-type: none"> <li>• Match funding of £401,275 public investment levered.</li> <li>• 8 jobs created</li> <li>• 100 learners</li> <li>• 2,270 sq m floorspace refurbished</li> <li>• 100 new learners supported</li> <li>• 75 business assisted</li> <li>• 3 Graduate Internships provided</li> <li>• 10 School engagement events</li> </ul> |

### 1.0 Project Description

The Turbine Innovation Centre (TIC) is located on the Shireoaks Triangle Business Park in Shireoaks near Worksop in North Nottinghamshire. Shire Oaks Triangle was formerly a coalfield site, which transferred as part of a national portfolio from the Coal Authority to English Partnerships (now Homes England) and following remediation and infrastructure provision has been successfully fully developed out for a range of industrial and business uses. The existing TIC was built over ten years ago by NCC as a managed business centre, offering good quality business units to businesses on a flexible basis. The business centre has performed reasonably well since completion, although having being constructed around

ten years ago, lacks modern digital and communications infrastructure necessary to support highly evolving small and growing digital businesses within the local economy and market place.

Funding is therefore being sought from D2N2 to refurbish the TIC to enable upgrade to a comprehensive digital IT infrastructure, to enable the creation of a 5G Innovation Hub. The completed building will provide;

- 5G enabled prototype equipment.
- Demonstrator facilities for 5G capabilities including augmented/virtual extended reality applications (AR, VR and XR).
- Hosting 5G accelerator programmes.
- Providing business innovation workshops and training events.
- Access to modern 5G communications capability, to enable tenants and users of the centre to develop new business innovations and build local digital skills.

The completed building will remain in the ownership of Nottinghamshire County Council (NCC) who have partnered 5G Connected Forest Project Consortium Partners and the Department of Digital, Culture, Media and Sport both in designing proposals for the centre, providing a network for connectivity to the wider 5G Connected Forest Project and to provide ongoing support services, training and events to all users of the centre. The outcomes from the project have been identified as;

- Realised benefits for existing 40+ current businesses within the building accommodating around 350 staff in addition to those utilising meeting rooms within the building.
- Improving retention rates of jobs and skills to Worksop.
- Increase the attractiveness of Worksop and the centre as a destination for digitally evolving businesses.
- Provide an environment for showcasing the latest 5G related technologies and attracting industry leaders to events in the area all through hosting major events online.
- Supporting businesses across all sectors.
- Building collaboration with local schools and colleges around 5G related technologies.
- Address a social mobility cold spot as identified by the Social Mobility Commission in North Nottinghamshire, through promoting technical collaboration and innovation within the existing business network and to help create new high value jobs.

The project is ready to proceed subject to completing final site surveys and design work over a period of four weeks. The refurbishment and installation of 5G technology within the building will follow on-site around January 2021 due to extend over a period of five months completing around May 2021.

## 2.0 Summary of Strategic Case/Fit

The project has been identified to support the following strategies;

- i. D2N2 Strategic Economic Plan (SEP)

The vision within the SEP is for the LEP area to become a transformed high value economy, which is prosperous, healthy and inclusive, as one of the most productive in Europe. Specifically, the SEP identifies a strategic need to;

- Develop our knowledge and innovation strengths.
- Inspire the careers and skills choices of our current and future workforce.
- Support businesses to gain the skills needed to drive productivity in the modern economy.

The subject scheme is explicitly designed to support and encourage the adoption and development of 5G technologies and workspaces suitable for new and developing businesses exploiting these technologies.

ii. D2N2's New Digital Strategy

Whilst this strategy is currently being developed the objectives will focus on upscaling digital infrastructure and associated skills within the region to secure sustainable growth of businesses at the forefront of digital and technological advancement. This project and the 5G opportunities that it will be able to offer to the region will support this future strategy.

iii. D2N2's Local Industrial Strategy (LIS)

The LIS seeks to ensure that the D2N2 region has a strong and sustainable industrial base, that incorporates the advancement of modern technology and is wholly inclusive to enable continued growth opportunities for businesses to thrive.

This project supports this strategy through providing the existing business base, new and growing companies, opportunities to access 5G infrastructure to support growth and maintain a presence at the forefront of emerging technological advancements.

iv. 'Your Nottinghamshire Your Future'

Strategic plan, sets out an ambitious vision for the future of Nottinghamshire of which the county is at the forefront of modern Britain. This project directly supports two of the county's strategic ambitions, a 'great place' to fulfil your ambition and a 'great place' to start and grow a business.

v. UK Government Policy Objectives

The Government has a clear ambition that the UK should be a global leader in 5G, so that it can take advantage of its business potential and help create a world leading digital economy that works for everyone.

Under this initiative, NCC submitted a successful submission in response to the 5G Rural Connected Communities Competition, see NCC leading a major consortium with £10 million funding, to launching a 25-month test bed and trial programme. This programme has enabled the creation of the world's first 5G Connected Forest at the Sherwood Forest Visitor Centre and surrounding visitor centre locations throughout Nottinghamshire benefitting from satellite 5G facilities.

The 5G connected forecast centre currently hosts new research to provide businesses with access to facilities to trial new ideas and innovation, along with an education and skills programme for local people in businesses. The centre will also enable various testing and trialling of digital technologies and applications and will link directly with the TIC at Worksop. The centre focuses upon environmental and educational programmes and proposals for the TIC will complement and enhance facilities and training to be offered.

**Assessors  
Comments**

**The TIC project is therefore identified to have strong strategic fit.**

### 3.0 Summary of Economic Case and expected outcomes

The economic case for this project has been based upon three option scenarios;

i. Option 1; Do nothing – Reference case

In the do-nothing scenario, the TIC would continue to operate as managed workspace offering small units of accommodation and meeting room facilities to businesses, existing tenants and visitors to the centre comprising basic office facilities and amenities.

Whilst the building is relatively modern, the evolution of technology, digital technologies and the 5G Network have significantly advanced over time. The inability of this building to be able to offer modern digital infrastructure that many businesses require as standard facilities and services as an integral part of business operations are likely to hamper future occupancy of the building and preservation of the local business base.

Over time therefore, occupancy levels within the building are likely to deteriorate, as businesses seek more modern premises that can better accommodate evolving needs. The opportunity to capitalise on establishment of the 5G Connected Forest Hub and future projects, within this part of Nottinghamshire along with business growth will potentially be forgone.

ii. Option 2; Create a 5G Innovation Hub within the 5G Connected Forest Project

This recently established project undertakes research in the role of 5G in rural settings and to explore how 5G and 5G enabled technologies can be used in the preservation of Forest as well as creating new and enhanced experiences for visitors. Whilst a small innovation hub will be established, this specifically focuses on the visitor and environmental protection sectors. This Hub will not have the capacity to stage events, training school engagements or to showcase fully the AR/VR/XR technologies on site or provide facilities for the wider business environment.

Therefore, the 5G Innovation Hub as proposed within the TIC cannot be accommodated within the 5G Connected Forest Project and without this investment the project as proposed cannot be delivered.

iii. Preferred Option; to Create a Bespoke Innovation Hub within the TIC

As referred the TIC is an existing asset with a mix of existing tenants and meeting rooms and has suitable space in order to incorporate the 5G Innovation Hub. The use of existing space within the TIC will revitalise, refurbish and significantly upgrade the building and its facilities to underpin the local economy and businesses within it and help support post COVID growth.

As a launch pad for innovation, skills transfer and capability demonstration and working in partnership with the 5G Connected Forest Project, the sharing of assets will compliment investment in the TIC and deliver a sector wide approach for the delivery of digital technologies.

#### Outputs and Outcomes of the Project.

The outcomes emanating from the proposed investment to use the TIC as a 5G Innovation Hub are noted as follows;

- £401,275 public investment leveraged at a ratio of 1.47:1 (Barclays report April 2019).
- 8 new jobs created. These new jobs, plus the three graduate internships which will be created (see below) will create new gross GVA. Based on current average GVA per job in Bassetlaw, this GVA benefit is estimated at just over £2m over the benefits assessment period.
- Potential increases in revenue to the UK economy as a result of 5G has been placed at around £13.5 billion by 2025. At local level a model has shown that share of revenue emanating from 5G could be in the region of £1 billion by 2025.
- The applicant notes that the impacts of 5G investment are not yet known, and highlights research indicating a potential 0.2% year-on-year GDP improvement. At the Nottinghamshire level, this would indicate a £35m uplift per annum (with the full roll-out of 5G across the county)
- Based on the number of jobs accommodated within the Turbine Centre and estimated GVA per job, this would amount to nearly £300,000 gross GVA (discounted) over a ten year period.
- Investment in the TIC will also underpin ongoing viability of the site and improve sustainability for the existing 350 jobs and 40 businesses that operate within the centre.
- In the immediate post COVID period, upgraded communications facilities in the TIC provides immediate benefits to local businesses using the centre, enabling the development of digital services to complement existing offerings and greatly reducing the reliance to travel to use such facilities elsewhere when these can be better accessed locally. This is also important where a physical presence on a site is no longer seen to be always necessary or attractive.
- The TIC will also be a venue for a combination of innovation (virtual) workshops, 5G skills and training programmes and demonstration events for schools.
- Over a two-year period, it is envisaged that around 75 businesses will participate in 5G innovation workshop and training events at a cost of £7,813 per business. Nominal value of innovation workshop engagements is around £10,000 per participating business. With 75 potential participants utilising the centre, this could generate a revenue of £750,000 with the potential to grow the 5G innovation base of the region.



- Over a two-year period, it is estimated that around 100 individuals will access 5G innovation and training at a cost of £5,920 per individual. It is expected that, as a result of the increased skills and productivity of the 100 workers who will be provided with 5G skills training at the centre, there will be an increase in GVA. Based on benchmark data from BIS on the wage uplift associated with different types of qualifications, it is estimated that a further £1m in gross discounted GVA will be added as a result of improved skills.
- In total, through the increased employment, take-up of 5G technologies and enhanced skills, gross discounted GVA of £3.4m is expected to be generated.
- Three student internships will be created during the life of the 5G Connected Forest Project and Partnership with the Nottingham Trent University Graduate Internship Scheme.
- Scope for collaboration with further and higher education providers including North Nottingham College, Birmingham City University and University of Wolverhampton to provide additional enhanced skills training and education in 5G and related technology skills.
- Provision of facilities for other local providers to use the centre to support entry level skills development for local residents and young people.

To estimate a BCR, the gross GVA figures have been converted to a GVA uplift and additionality adjustments have been applied to convert them from gross to net estimates. The net additional GVA uplift is £1.7m. It is also estimated that there will be £140,000 of labour supply benefits over a ten year period (as additional workers are attracted into the labour market to take up some of the eight new roles), plus distributional benefits worth c. £360,000, reflecting the positive contribution that the project will make to the 'levelling up' agenda, by encouraging greater levels of investment in a part of the country where (because disposable household income is below average), the marginal utility of income is greater than one (1.2 in the case of Bassetlaw).

The BCR is a ratio of net marginal economic benefits, which have a monetised value of £2.15m, to total public sector economic costs (including an allowance for optimism bias). Total public sector cost is £993,275 in financial terms. When converted to 2020 prices, discounted and with 5% OB allowance included, this equates to £1.03m.

The ratio of economic benefits to economic costs is therefore 2.1, which is classed as 'high' value for money, in line with MHCLG appraisal guidance.

|                               |  |
|-------------------------------|--|
| <b>Assessors<br/>Comments</b> | <b>Value for money assessed against core outputs for D2N2 is relatively poor, reflecting the relatively low number of jobs which will be created. However, the investment will generate other economic benefits, including GVA uplift as a result of higher skills levels and 5G uptake. This results in a BCR which is greater than 2.0, representing 'high' value for money. This, together with the strong strategic fit of the project in accordance with Government and COVID recovery policies and significant wider impacts and outcomes the project, should deliver justify the investment proposed.</b> |
|-------------------------------|--|

#### 4.0 Summary of Commercial Case

The commercial case is presented to assess the best means to deliver the preferred option along with setting out the delivery and procurement arrangements.

i. Market Assessment

An assessment of market conditions has been undertaken by NCC to establish demand and need for the scheme. The findings of the assessment are detailed as follows;

- The digital technology sub sector has been identified as one of the most productive and fastest growing areas of the UK economy and plays a major role in wider productivity. Across the D2N2 LEP area, IT software and computer services make up 60% of total employment within the creative and digital sector. This is in comparison to 39% in growth in Great Britain overall. Nottinghamshire is therefore well positioned to play a major role in supporting further development to growth of this sector, supporting the governments ambitions to establish the UK as a world leader in the market for modern technology especially 5G.
- Early engagement with the market undertaken by NCC has evidenced strong demand for upgraded facilities to assist business preservation and sustainability along with opportunities for growth.
- Engagement with local schools and colleges has generated positive levels of feedback and a keenness to explore potential for co-creation of accredited learning courses.
- D2N2 LEP and East Midlands chamber discussions held on synchronising project work with support for an EMC digital upscaler programme. This collaboration is to identify and support new initiatives for embedding 5G and related technologies within the fourth coming digital strategy.
- Birmingham City University – a 5G Connected Forest partner who have been consulted for the specification of a 5G Innovation Hub equipment and accommodation of three newly created researcher posts within the centre. The University remain interested in being a partner to the completed TIC.
- Nottingham Trent University – already a partner of the 5G Connected Forest Project who have been consulted for the creation of three student/graduate internships throughout the life of the project. The University will have a continued input into the TIC along with other project partners.
- To capitalise on the potential for the world's first 3.8 – 4.2 GHz 5G transceiver and user equipment being launched in north Nottinghamshire. This will promote a 5G enabled private wireless network with localised spectrum licences.

ii. Procurement Strategy

As the project will supplement the existing 5G Connected Forest Project, it is proposed to be delivered by the existing DCMS approved 5G Connected Forest Partners. Component elements of the project will therefore be procured as follows;

- 5G Infrastructure – through the 5G Forest Project Consortium partner Netmore IoT Solutions.
- The AR/VR/XR research and test equipment, hardware and software to be procured through the 5G Connected Forest Partners, Gooii Ltd and Birmingham City University.
- Innovation Hub and training equipment and delivery project management board to be procured through the 5G Connected Forest Partner ISPB.
- Additional equipment as required to be procured from NCC's contracted providers all through a 5G connected forest consortium partner as and when required.

- All partners will utilise their own existing procurement framework agreements and commercial procedures to provide efficient and economical procurement. All such procurement agreements have been previously assessed to be in accordance with public sector regulations

The overall procurement strategy will be managed and monitored by NCC working in association with the TIC centre manager.

**Assessors  
Comments**

**The commercial case has demonstrated need, demand and opportunity in the market place for the successful establishment of the TIC project. In terms of delivery of the scheme, NCC through the 5G Connected Forest project have a public sector compliant procurement process established that can be utilised for this scheme.**

## 5.0 Summary of Financial Case

The affordability of the proposal, funding arrangements and basis of viability assessment have been set out by NCC as follows;

- The total GBF sought from D2N2 is £592,000 which will enable the acquisition and installation of all of the equipment and fitout works required to be undertaken in the centre. NCC have confirmed there are no other sources of funding available to deliver this scheme and that the funding is not scalable.

Match funding of £401,275 is in place from the 5G Connected Forest Project. The match funding will support 5G research and development equipment to be used by the newly created research post, to showcase technology and by businesses engaged in the accelerator programme.

The cost of acquiring the equipment has been sourced by the specialist suppliers and partners in place for the 5G Connected Forest Project and thus cost estimates are considered to be reasonable and robust.

- NCC have confirmed that the programme for delivery is in accordance with proposed suppliers for the TIC. Any slippage in overall delivery programme is confirmed will not affect the overall cost of the project, providing this does not extend beyond 6-9 months. This would of course result in some spend moving across to the subsequent financial year; however, with an award of GBF in October 2020 and commencement onsite by November 2020 works could be fully complete by May 2021.

On the basis that the project is deemed to be low financial risk and that costs have been provided by specialist suppliers and partners to the 5G Connected Forest Project, the scheme should be deliverable within the budget and programme provided by NCC.

In the event that costs increase over the amount of GBF funding, it is recommended that NCC confirm they will underwrite any cost increases in this regard.

**Assessors  
Comments**

**The TIC delivery arrangements mirror those successfully utilised for the 5G Connected Forest Project and are considered to be compliant with public procurement**

|  |   |
|--|---|
|  | <b>regulations NCC have also confirmed that without the funding sought from GBF, the project will be unable to proceed.</b> |
|--|---|

## 6.0 Summary of Management Case

NCC have provided the structure delivery management arrangements for the project including change and risk management control provisions and future monitoring and evaluation of the project post completion. Arrangements are summarised as follows;

### i. Project Management and Resourcing

Resources to deliver the project will be provided within the 5G Connected Forest Partners and their existing supply chains. All suppliers will report to a dedicated project manager at NCC who will undertake overall management of the project and ensure integration of the various work streams.

### ii. Governance Arrangements

NCC operates with a committee form of governance whereby the day to day operational decision making is undertaken by committees comprised of councillors from all political groups. Meetings are held fortnightly with the Chair of the Council and the policy committees attending, so that all updates on projects can be reviewed.

The subject project will sit within NCC's Place Departments Operational and Governance processes. A specific project team has been established to oversee the development of the project through NCC's Nottinghamshire Digital Connectivity Manager. The subject project will also sit within the governance structure of the 5G Connected Forest Project given its direct associations and linkages.

### iii. Project Performance Management and Monitoring.

The project will be monitored throughout delivery to ensure adherence to time and cost programme and budget on a day to day basis.

Outputs will be evaluated and managed within the 5G Connected Forest Project and also in accordance with D2N2 monitoring and evaluation processes defined within the GBF Grant Agreement.

Quality assurance and audit processes will be implemented in accordance with NCC's internal procedures, 5G Connected Forest processes and managed to ensure compliance with the D2N2 Grant Confirmation document.

In the event that any changes are required to be implemented to the scheme these will be in accordance with DCC's processes and those within the D2N2 Grant Confirmation document. This is particularly relevant to any changes in project activities or outputs likely to be generated of which D2N2 are required to be notified.

Delivery of the project will be managed under the PRINCE2 system, which is appropriate for a relatively small scale/forward project.

Post completion of the scheme, along with evaluation of take-up of available facilities, training and overall output delivery, ongoing demand for services and facilities will also be monitored to ensure that the project remains in accordance with demand in the market place.

A detailed project plan has been provided as part of the management case which is anticipated to now start onsite January 2021. If the project is approved, a Grant Agreement then needs to be put in place along with a two to four-week lead in period to complete site surveys and design of the 5G infrastructure within the building.

In reality this means that a start onsite is unlikely to be until January 2021, which would then delay completion of the project until May 2021.

Whilst the project is anticipated to end by May 2021, follow on works will primarily focus on pilot training and testing of equipment and facilities along with devising workshops and engaging with businesses, learners and schools prior to the centre becoming fully operational.

Assuming practical completion is adhered by May 2021 the centre should be fully operational by January 2022.

iv. Risk Assessment

Risk has been assessed against resource, time and delivery. No major risks have been identified given that resource and project delivery arrangements are already in place both within NCC and through the 5G Connected Forest Project.

As referred earlier, cost estimates are deemed to be robust given these have been provided by specialist 5G Connected Forest Partners and incorporate the contingency for slippage for around six to nine months which would not have any implications on delivery of the project, cost or GBF timescales.

Delivery risks in relation to unexpected delays are mitigated through proactive management through the PRINCE2 system with suppliers for the required equipment already being in place with the capacity to be able to undertake the work within the TIC.

Therefore, subject to any external factors to the control of NCC such as further lockdown restrictions being imposed by government in relation to the COVID-19 pandemic, there are no other identified factors that could present a risk to the delivery of this project.

**Assessors  
Comments**

**NCC have demonstrated within the Business Case that appropriate governance, management monitoring and risk mitigation arrangements are in place.**

## 7.0 Assessors Recommendation



The TIC project is at an advanced stage of design and procurement and is deemed to be shovel ready, subject to the final surveys being undertaken within the building. Contracts can be formerly placed for the acquisition for all required equipment within an existing supply chain established through the 5G Connected Forest, with the building to become fully operational by January 2022.

A detailed structure for the management and delivery of the project is already in place in accordance with NCC's internal policies and protocol working in association with the 5G Connected Forest Project.

Upon approval of the scheme from D2N2, the project can be moved forward to implementation and will include confirmation with a wide range of businesses, education and further education providers in order to promote availability of the 5G Hub to the market and on a regional basis.

In supporting GBF of £592,000 for this project, we would recommend the following conditions be attached to any funding award;

- i. An updated programme for the delivery of the project and drawdown of GBF is provided by NCC prior to commencement of the project.
- ii. Written confirmation by NCC that any cost overruns will be met by NCC so as to enable delivery of the project as detailed within this paper.
- iii. Any matters which are identified during the final survey work to be undertaken to be immediately reported to D2N2, along with proposals as to how any such issues will be resolved, if this results in a variation to the project and/or outputs to be delivered.
- iv. An updated risk register to be provided once contracts have been awarded for the implementation of the scheme.

## 8.0 Officer's Recommendations

Following a review of the business case alongside the independent assessment, officers would recommend the Investment Board to approve the request of £592,000 of Getting Building Fund to be released to Nottinghamshire County Council.

The project has been tested against the conditions of the Local Assurance Framework and fully complies with the document and is therefore eligible for funding to be released.

Strategically the project aligns with the delivery plans and strategic documentation from the LEP. In particular the project supports the Emerging Recovery Strategy in supporting the growth of our towns and economic corridors, along with D2N2's emerging Digital Strategy and Government policy objectives. The grant funding requested for this intervention will result in the delivery of a business centre at the forefront of latest IT and technological advancements, for the benefit of existing businesses and the wider surrounding communities. The scheme will also capitalise

and expand upon the facilities and benefits being delivered by the established 5G Connected Forest Hub.

The recommendations attached to the request for the project to be approved primarily relate to updated information to reflect the passage of time since the business case was originally drafted. The recommendations are considered unlikely to identify any showstoppers; however, are required to provide comprehensive timescales for the delivery of the scheme and meeting any cost overruns. The conditions are summarised below:

- i. An updated programme for the delivery of the project and drawdown of GBF is provided by NCC prior to commencement of the project.
- ii. Written confirmation by NCC that any cost overruns will be met by NCC so as to enable delivery of the project as detailed within this paper.
- iii. Any matters which are identified during the final survey work to be undertaken to be immediately reported to D2N2, along with proposals as to how any such issues will be resolved, if this results in a variation to the project and/or outputs to be delivered.
- iv. An updated risk register to be provided once contracts have been awarded for the implementation of the scheme.

## Getting Building Fund Checklist

|  |   |
|--|---|
| 1. A detailed 'Green Book' compliant business case has been completed detailing the project and its alignment to the 5 case model. 'The Checklist <sup>1</sup> ' published by HM Treasury is a useful one page guidance paper. | <i>Nottinghamshire County Council have submitted a Green Book compliant Business Case for the Berry Hill redevelopment which aligns with the 5-case model.</i>  |
| 2. A VFM assessment must be completed. This VFM assessment will be independently assessed by D2N2 and must show an overall score of 'High'.  | <i>The projects business case and Value for Money has been independently assessed by Amion and Thomas Lister and they have confirmed that the project demonstrates High Value for Money.</i>  |
| 3. Details confirming that all planning consents have been granted and that all pre start conditions have been met.  | <i>The project does not require planning permission.</i>  |
| 4. Confirmation that any Section 106 or other agreements have been entered into.   | <i>A section 106 or other planning associated agreements are not required for this project.</i>   |
| 5. Confirmation of the results of the procurement exercise detailing:<br>-the tenders received (along with detailed costs)<br>-the tender accepted (along with timescales/conditions)  | <i>The capital equipment required to fit out the building has been sourced under the procurement process in place for the 5G Connected Forest project, which is a process compliant with public procurement regulation.</i>   |
| 6. Details of the construction contract to be entered into by the promoter detailing:<br>-start date<br>-completion date<br>-liquidated damages/cost over runs   | <i>A standard construction contract will not be entered into as the scheme relates to fitting out the building with specialist IT infrastructure to enable 5G connectivity within the building.</i><br><br><i>Works are programmed to start on site in November 2020 and compete by May 2021; however, an up to date programme is required from NCC in this regard.</i> |



|   |   |
|---|---|
| 7. Confirmation that the promoter will be responsible for any variations to the contract price and that once entered into, the contract will be completed in line with the details submitted. The promoter should submit a separate letter appended to the Business Case which confirms this from their Financial Director or equivalent. | <i>The promoter has confirmed that they will be responsible for any cost overruns associated with the project.</i>  |
| 8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.   | <i>Not applicable as the project is not a construction project but is the fitting out of an existing building with 5G equipment and IT.</i>   |
| 9. Details of any outstanding points preventing/delaying the start-up of the construction contract.   | <i>D2N2 funding only from the GBF programme.</i>  |
| 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.  | <i>No significant changes have been recorded since the submission of the expression of interest.</i>  |
| 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.   | <i>The project promoter has confirmed that all funding for the project is in place.</i>   |
| 12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project  | <i>All land is ownership of the project promoter</i>  |
| 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.   | <i>An indicative plan for the delivery of the scheme is required and requires to be updated once GBF funding has been confirmed. As quotations have been obtained from the existing suppliers on the 5G Connected Forest scheme, the project will be capable of early implementation once GBF is confirmed.</i> |

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.

*An updated risk register requires to be provided.*

D2N2 Investment Board Cover Sheet – 12<sup>th</sup> October 2020

|                         |                                     |                                     |  |
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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 | Investment Board 12 <sup>th</sup> October 2020 |                    |    |
| Subject          | Project for approval-Lindhurst, Mansfield      |                    |    |
| Author           | T Goshawk                                      | Total no of sheets | 11 |

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| 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>In July 2020, D2N2 was allocated £44.4 million from the governments Getting Building Fund towards the delivery of a range of projects across the region to stimulate economic activity and aid recovery from the impacts of Covid-19 on the region. The funding is subject to each of the 10 identified projects submitting a business case that is fully compliant with the D2N2 Local Assurance Framework (LAF).</p> <p>In order to support D2N2 and the accountable body, independent expertise has been procured from Thomas Lister Ltd and Amion consultants to assess each of the projects against the requirements of the local assurance framework.</p> <p>This project being put before the Investment board has now been assessed and is being recommended for consideration and approval based on its full compliance with the LAF.</p> |

## **D2N2 INVESTMENT BOARD**

**12<sup>th</sup> October 2020**

### **Project for Approval-Lindhurst, Mansfield**

|  |                               |   |  |
|--|-------------------------------|---|--|
| Project Name                             | Lindhurst                     | Project Applicant                         | Nottinghamshire County Council                               |
| Construction Start Date                  | 5 January 2021                | Construction End Date                     | 16 November 2021   |
| Getting Building Fund Requested          | £3 Million                    | Total Project cost and Sources of funding | Total Cost - £3.3m<br><br>Lindhurst Group - £300,000         |
| Gross Value Added/<br>Benefit Cost Ratio | BCR = 3.8/GVA PVB<br>£52.371m | Expected Outputs                          | 475 New Homes<br>£246.7m of funding to the Total Development |

### **1.0 Project Description**

A £250 million investment, the Lindhurst Mansfield Development off the Mansfield and Ashfield Regeneration Route, is a sustainable urban development strategic housing site. Overall, the Lindhurst Development will deliver:

- up to 1,700 new homes, including 30% affordable
- 188,000 m<sup>2</sup> of employment floorspace
- 31,000 m<sup>2</sup> of commercial space
- a Local Centre
- a Community Park
- local bus links and green routes
- a local school
- up to 4,000 jobs

The government-backed scheme received £8.5 million in loan funding from the Homes and Communities Agency (now Homes England) in 2017 enabling infrastructure works for the first phase of development to be launched that year. Housebuilders such as Avant Homes moved on site shortly after. Phase 1 to deliver 530 units is 87% complete and progressing to timescale.

A £3 million grant from the Getting Building Fund would secure Phase 2 to proceed, unlocking not just 475 homes but also community facilities of the Local Centre, school and bus routes. With local unemployment expected to rise significantly through 2020, Phase 2 is primed for delivery, and includes some much-needed jobs.

## 2.0 Summary of Strategic Case/Fit

The Strategic Case initially provides further information about the Lindhurst project and specifically Phase 2, including what the project will deliver and details about the site. To consider the strategic fit of the proposals, the report makes reference to the evolving D2N2 Local Industrial Strategy and the wider National Industrial Strategy and explains how Phase 2 will contribute towards themes such as clean growth and education and skills development. The recent Plan for Jobs announcement by the government is also considered and the importance of the construction industry in driving the recovery from Covid-19 in the UK. The Strategic Case continues by discussing the market failures associated with the site (imperfect information, coordination failure, positive externalities and market power), and makes clear that without grant funding, construction of the Spine Road is not financially viable and the Lindhurst site will remain stalled.

Specifically:

- Phase 2 includes brand new educational facilities, which will serve the new Lindhurst community. Project partners are on board to open up new approaches to learning and skills. This also chimes with D2N2 'Vision 2030' Strategic Economic Plan where one of its three core themes are "delivering skills and knowledge for the future"
- The Lindhurst Mansfield Development is mixed use and includes some 188,000 m<sup>2</sup> of employment floorspace. In a post-COVID-19 world this makes the new settlement more future-proof, with work closer to home. Back to D2N2's SEP, it also lists seven high level economic targets for 2030. Of significance to Lindhurst, the SEP states that the LEP will support partnership working with local authorities, the development community and Homes England to accelerate the completion of new housing to support D2N2's growth ambitions and to deliver against Government targets.
- Under theme 3, 'quality of place', the SEP states that investment in physical infrastructure will support business and housing growth ambitions as well as enhancing the natural environment. It states that in supporting and enhancing D2N2's 'quality of place', as a great location to live, work and invest – the roles of local authorities as 'place makers', with statutory housing, planning and transport roles, will be fundamental to effective partnership working.

The specific objectives of the wider Lindhurst scheme are set out, as well as a consideration of stakeholder interests and key dependencies associated with the project.

|                               |  |
|-------------------------------|--|
| <b>Assessors<br/>Comments</b> | <b>The Lindhurst scheme has a very strong strategic fit with objectives from GBF, including 475 housing units. There</b> |
|-------------------------------|--|

|  |   |
|--|---|
|  | <b>is a compelling strategic rationale to support Phase 2 of this development in particular given the current pandemic.</b> |
|--|---|

### 3.0 Summary of Economic Case and expected outcomes

|   |  |
|---|--|
| <p>Within the Economic Case, a long list of options for the Lindhurst development is initially considered. Five options are considered at the long-list stage, ranging from 'Do nothing' to a 'Do more' intervention. Using SWOT analysis, 3 options are short-listed for more detailed economic appraisal – Option 1 (do nothing) as the base case, Option 3 as the preferred option, and Option 4 (a delayed project) as the variant option. The methodology and modelling assumptions which have been used as part of the economic modelling are made clear, including the approach to additionality, before setting out the outputs associated with each short-listed option – housing, construction and operational jobs, and GVA.</p> <p>The economic costs of the Lindhurst project are displayed with consideration of Optimism Bias and weighed up against the economic benefits which take the form of land value uplift. Wider benefits are scored, with the Economic Case concluding will the calculation of a BCR of 3.8 for the preferred option. Sensitivity analysis is used to test the robustness of the VfM calculation, as well as scenario testing. Overall, given the VfM calculation, sensitivity analysis and wider benefits of the preferred option, it is recommended that Option 3 is taken forward as the preferred strategy.</p> |  |
| <b>Assessors Comments</b>   | <p><b>The economic analysis has been conducted in accordance with Green Book methodology. Based on the analysis within the Economic Case, it is recommended that Option 3 is taken forward as the preferred strategy. This scenario performs best in overall value for money terms. This analysis shows that Option 3 results in a BCR = 3.8:1 when then the benefits relate to land value uplift. which indicates a project providing “High” value for money.</b></p> <p><b>The sensitivity analysis presented indicates that the BCR is robust to significant changes to the additionality of housing outputs and costs. There is also a range of wider benefits that arise including employment, amenity and health benefits. The overall scheme has been reviewed and approved for funding by Homes England as part of the HIF appraisal process (with a requirement to demonstrate overall social and economic return to public funds).</b></p> |

## 4.0 Summary of Commercial Case

The Commercial Case provides an overview of the East Midlands property market before considering trends within Mansfield and the Nottingham Outer Housing Market Area, where the Lindhurst site is located. Commentary is provided on elements of the Lindhurst scheme which have been delivered to date as part of Phase 1. Innes England have prepared an independent residential and commercial market review, with an overview being provided in the Business Case. This report adds context to the development appraisal and considers the benefits derived from delivering the Phase 2 spine road in a single phase.

The appraisal highlights that over recent years there has been a noted rise in demand for larger family type housing from residents moving out of Nottingham looking for “value for money” whilst retaining the ability to commute easily using public and private transport.

Lindhurst is ideally placed to capitalise on this trend, being situated on the south side of the town and therefore accessible to Nottingham to the south and Newark to the south west.

Despite these positive market dynamics, the landowners faced significant challenges in bringing the Lindhurst site forward for development due to the substantial infrastructure costs associated with opening the site up and bringing the first phase forward. The landowner secured funding from the HCA to address these challenges, following which successful land sales were secured to a number of national house builders who are bringing forward the development of 518 dwellings across a range of house types. The product was well received by the occupier market with the house builders achieving a typical sales rate of 20 completions per month for the 9-month period from June 2019 to March 2020 across the four active sites.

The Commercial Case continues by summarising the procurement process to be adopted, as well as a profile of the anticipated housing outputs for the site. It is confirmed that the project is State Aid compliant, following advice from Weightmans LLP.

|                               |   |
|-------------------------------|---|
| <b>Assessors<br/>Comments</b> | <b>The Commercial Case has demonstrated the need and demand for the Lindhurst scheme. Good use of independent agency advice (i.e. Innes England). Property annex provided; and development appraisal.</b> |
|-------------------------------|---|

## 5.0 Summary of Financial Case

The Financial Case sets out information about the development appraisal which has been prepared by NCC surveyors for Phase 2 of the Lindhurst development. Attached as a separate appendix, the Business Case summarises the approach to



the appraisal and the key assumptions which have been adopted, resulting in the conclusion that without grant funding, the land at Lindhurst has a negative value and would not be delivered. The Financial Case then provides a profile of the proposed D2N2 funding over the period Q1 2021/22 to Q3 2021/22.

The applicant has undertaken a standard residual value development appraisal for the scheme. The analysis shows set out the case that in the absence of grant funding, the appraisal demonstrates that even with zero land value there is a **significant shortfall in development profit** at 16.85% on GDV demonstrating that without any funding the scheme is unviable and therefore would not deliver any of the residential units (including affordable), a 2 FE school, local centre and employment opportunities. Overall, with no grant funding the scheme is not viable.

Alternatively, with grant funding, the land residual at £2,563,364 (benchmark £2,520,000) demonstrates that with grant funding and the Lindhurst contribution the scheme delivers the minimum return to a landowner – the scheme is therefore viable and importantly delivers residential units (including affordable housing), a 2-FE school and local centre alongside much needed employment land. Therefore, with grant funding the scheme is viable.

Ultimately, the development viability appraisal demonstrates that there are a range of costs that will be incurred to deliver the development, including public open space, the education allocation for the site and the bus route to the centre of Mansfield. These costs have a significant impact on the development viability of the scheme and hence its ability to provide affordable housing and other planning contributions as well as several environmental, social and economic benefits.

**Assessors  
Comments**

**The Financial Case clearly demonstrated the affordability of the Lindhurst proposals, confirm the funding arrangements and the basis of the viability assessment (prepared by Notts in house MRICS surveyor). A cashflow statement is appended to Business Case.**



## 6.0 Summary of Management Case

The Management Case sets out the governance and management arrangements for the Lindhurst scheme, the key milestones for the delivery of the Phase 2 Spine Road and the change request process that will be followed if necessary. Communication and stakeholder management to date is detailed, followed by Nottinghamshire County Council's Risk Management Strategy and an approach to monitoring and evaluation.

By using the Scape National Civils Framework (a pre-tendered approach), this allows the project to be on site much quicker than a conventional approach and this gives surety to the planned timeline for delivery. The key milestones of the Phase 2 Spine Road include:

- **Acquisition** – the site is already in the ownership of the consortium
- **Outline planning** permission secured – 2013
- **Reserved Matters** registered w/c 3 August 2020
- **No procurement barriers** to delay delivery - via Nottinghamshire County Council
- **Start on site** – January 2021
- **Practical Completion** of Spine Road by August 2021
- **Full Occupation/disposal** of Phase 2 – March 2022

### Assessors Comments

**The Management Case outlined how the delivery of the Lindhurst project will be planned and overseen to ensure its success. Making good use of the ARC consultancy resources. Detailed Risk Register and Programme provided.**

## 7.0 Assessors Recommendation

Lindhurst is a £250 million Development off the Mansfield and Ashfield Regeneration Route, is a sustainable urban development strategic housing site. Overall, the Lindhurst Development will deliver: up to 1,700 new homes, including 30% affordable, public infrastructure (Local Centre, Community Park a local school) and up to up to 4,000 jobs.

**There is a compelling strategic rationale to support Phase 2 of this development in particular given the current pandemic.** The analysis has demonstrated that there is a need for gap funding to enable the scheme to progress.

A £3 million grant from the GBF would secure Phase 2 to proceed, unlocking not just 475 homes but also community facilities of the Local Centre, school and bus routes. With local unemployment expected to rise significantly through 2020, Phase 2 is primed for delivery, and includes much-needed jobs. **There is also a range of wider benefits that arise including amenity and health benefits.**

**By de-risking the site an immediate economic stimulus will be provided through the jobs associated with the Phase 2 build, supporting a faster recovery from COVID-19. Moreover, it would ensure that momentum is maintained such that future phases can be progressed post COVID-19.**

This project exemplifies the GBF programme, and we strongly recommend its approval.

## 8.0 Officer's Recommendations

Following a review of the business case alongside the independent assessment, officers would recommend the Investment Board to approve the request of £3.3m of Getting Building Fund to be released to Nottinghamshire County Council.

The project has been tested against the conditions of the Local Assurance Framework and fully complies with the document and is therefore eligible for funding to be released.

Strategically the project aligns with the delivery plans and strategic documentation from the LEP. In particular the project supports proposition 3.3 of the Emerging Recovery Strategy in supporting the growth of our towns and economic corridors. The grant funding requested for this intervention unlocks the delivery of space for housing and job creation in the LEP area.

No specific recommendations or caveats are attached to the request for the project to be approved.

## Getting Building Fund Checklist

|  |   |
|--|---|
| 1. A detailed 'Green Book' compliant business case has been completed detailing the project and its alignment to the 5 case model. 'The Checklist <sup>1</sup> ' published by HM Treasury is a useful one page guidance paper. | <i>Nottinghamshire County Council have submitted a Green Book compliant Business Case for the Lindhurst redevelopment which aligns with the 5-case model.</i>                                       |
| 2. A VFM assessment must be completed. This VFM assessment will be independently assessed by D2N2 and must show an overall score of 'High'.  | <i>The projects business case and Value for Money has been independently assessed by Amion and Thomas Lister and they have confirmed that the project demonstrates High Value for Money.</i>        |
| 3. Details confirming that all planning consents have been granted and that all pre start conditions have been met.  | <i>The promoter has confirmed that all planning consents for the project have been met and the final agreement was completed on the 29<sup>th</sup> of September 2020.</i>                          |
| 4. Confirmation that any Section 106 or other agreements have been entered into.   | <i>All section 106 agreements have been met for the project.</i>  |
| 5. Confirmation of the results of the procurement exercise detailing:<br>-the tenders received (along with detailed costs)<br>-the tender accepted (along with timescales/conditions)  | <i>NCC have used their internal Arc Partnership contract framework to procure the works for the Lindhurst project.</i>  |
| 6. Details of the construction contract to be entered into by the promoter detailing:<br>-start date<br>-completion date   | <i>Following the procurement exercise, Wates have been chosen as the main contractor for the project through the SCAPE Framework process. The project will operate on the following timescales:</i> |

|   |  |
|---|--|
| -liquidated damages/cost over runs  | <ul style="list-style-type: none"> <li>- <i>Start on Site – January 2021</i></li> <li>- <i>Completion – November 2021</i></li> </ul> |
| 7. Confirmation that the promoter will be responsible for any variations to the contract price and that once entered into, the contract will be completed in line with the details submitted. The promoter should submit a separate letter appended to the Business Case which confirms this from their Financial Director or equivalent. | <i>The promoter has confirmed that they will be responsible for any cost overruns associated with the project.</i>                   |
| 8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.   | <i>The project promoter has confirmed that the design has reached RIBA Stage 4.</i>  |
| 9. Details of any outstanding points preventing/delaying the start-up of the construction contract.   | <i>No outstanding points are preventing the start of the construction contract.</i>  |
| 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.  | <i>No significant changes have been recorded since the submission of the expression of interest.</i>                                 |
| 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.   | <i>The project promoter has confirmed that all funding for the project is in place.</i>  |
| 12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project  | <i>All land is ownership of the project promoter</i>   |
| 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.   | <i>An up to date phasing plan of the project has been included as part of this business case.</i>                                    |

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.

*The project promoter has submitted an up to date risk register which includes mitigations to the issues identified.*

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D2N2 Investment Board Cover Sheet – 12<sup>th</sup> October 2020

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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 | Investment Board – 12 <sup>th</sup> October 2020 |                    |    |
| Subject          | Pipeline Projects Paper                          |                    |    |
| Author           | T Goshawk  | Total no of sheets | 16 |

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| 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 report sets out the results of the D2N2 Pipeline call which was announced in August 2020. The aim of the call was to build a pipeline of strong projects which could either act as reserve projects for the existing Capital Programme or could be utilised to present to Government should any further short term funding calls be announced.</p> <p>Each project that was submitted has been independently appraised using the help of Thomas Lister to provide external scrutiny and expertise to the process. The projects are being presented to the Investment Board at this meeting for consideration and endorsement on to the reserve list.</p> <p>All projects are subject to funding being available and a full business case.</p> |

**D2N2 INVESTMENT BOARD****12<sup>th</sup> October 2020****Pipeline Projects Paper****Introduction**

As we are now in the last year of the Local Growth Fund and have 2 years to deliver the newly announced Getting Building Fund, having a pipeline of reserve lists is a key part of our contingency and risk management in the event that any of the existing projects are unable to deliver within the short timescales. Furthermore, given the experience of the short turnaround time for applying for the Getting Building Fund, the reserve list would also serve as a ready pipeline should any further funding be announced by government at short notice.

Therefore, D2N2 launched a call for capital projects to come forward for consideration through a competitive process in August. The process invited projects that would contribute towards supporting economic recovery, including job creation, the acceleration of housing and providing new learners with new skills. In line with the short time frame, projects were also required to demonstrate that they were delivery ready or would be able to show spend by March 2022 to coincide with the end of the Getting Building Fund expenditure period.

Projects were invited to submit Expressions of Interest by the 11<sup>th</sup> of September 2020 for review.

**Submissions**

D2N2 received 40 applications from 27 prospective project applicants, with a total funding ask of £160m against total development values of £1.3 Billion.

**Assessment of the projects**

All projects were independently scored and verified by Thomas Lister Ltd in conjunction with the D2N2 LEP and were scored based on their expression of Interest. The projects were scored on the following 4 key overarching themes of criteria:

- Strategic Fit and Outputs
- Project Programme and Deliverability
- Market Evidence and Planning status
- Financial risk and options appraisal

Projects were scored out of a total of 81, with a minimum threshold of 61 and above for a project to be considered as being deliverable based on the current information provided.

**Next Steps**

Subject to the discussion at the Investment Board, the proposed projects will make up the D2N2 Capital Programme Pipeline and will act as reserve projects to the existing capital programme and can be utilised as potential submissions to any future funding calls from Government. Should funding become available from the existing allocations in the Capital



Programme then the LEP will bring forward projects based on the output and funding gaps within the programme.

Given the level of over subscription for funding, scoring criteria to refine the long list of projects based on strategic need and gaps in the programme will be agreed with the Investment Board. Increasingly as we begin to assess the impact of Covid-19 and we agree the region's Recovery Plan, moving forward we will be in a stronger position to identify the key gaps in the region and bring forward strategic projects to address the emerging challenges and opportunities alongside ensuring that we maintain our ability to meet the contractual obligations on output and outcome targets as set by Government.

Before being brought forward for a potential funding award, all projects will be required to re-confirm their ability to meet the objectives set out within their expressions of interests.

Following consideration by the Investment Board, all projects will receive formal feedback based on their submissions.

Where projects have shown good strategic fit but are not yet delivery ready, the LEP team will continue to work with the project applicant to see if the barriers to delivery can be progressed towards being ready and re-assessed accordingly.

### **Projects Scoring 61 and Above**

All projects that score 61 and above following the pipeline review process are deemed to be deliverable by the LEP. As stated previously the LEP will still stress test each submission before being formally invited to submit a full business case for funding.

From the submissions there are 11 out of 40 submissions that scored over 61 and this accounts for a total ask to the LEP of £14.21 million. These projects come from across the region and collectively would deliver 677 Jobs, 1,275 learners and up to 1,300 homes cumulatively.

## List of Submissions

Below is a list of all the submissions made to the current D2N2 Pipeline Call alongside a brief project description and their final score from the evaluation process.

| Project Name             | Project Applicant           | Funding Request | Project Description   | Feedback/ Issues   | Score |
|--------------------------|-----------------------------|-----------------|---|--|-------|
| Hillcrest Business Park  | Gedling Borough Council     | £550,628        | The project is to construct four small business units under Use Classes B1/B2, totalling 459 sq m, as an extension to the existing business park, which comprises of 8 small business units.  | The project presents good VFM based on the figures in the application and has improved its score since the last submission.  | 66    |
| Confetti Esports Complex | Nottingham Trent University | £1.25 Million   | NTU are looking to develop a new educational and commercial Esports offer at their Confetti in Nottingham. The project will provide state of the art facilities for teaching of Esports based courses and usages from professional and amateur events in the sector.  | The project delivers a good return on investment in terms of learner outputs. Minor issues around land agreements need to be resolved but the project is very deliverable.             | 66    |
| MMC Testbed              | Bolsover District Council   | £0.5 Million    | The Council are working in partnership with Robert Woodhead to develop a modular housing product for 70% off-site and 30% on-site construction. The Council want to use this product to deliver 400 new homes over the next four years. The design is now at an advanced stage of design and the Council are seeking to build several prototypes in a range of house types across a number of test bed sites. The | Initial VFM would be considered low however the whole development would be considered high. Delivery risks remain over the timescales and potential for all units not to be delivered. | 65    |

| Project Name             | Project Applicant             | Funding Request | Project Description   | Feedback/ Issues   | Score |
|--------------------------|-------------------------------|-----------------|---|--|-------|
|                          |                               |                 | funding sought will be used to fund the full cost of construction of the prototypes for 10 houses to be delivered on council owned land.  |  |       |
| Future Food Hub          | Nottingham Trent University   | £1.659 Million  | The refurbishment and small extension of an existing agricultural building within Nottingham Trent University campus which is currently vacant to deliver a Future Food Hub. The Hub will provide production facilities to undertake teaching, training and research in respect of alternative sources of protein production, plant growth room to support the existing vertical farming facility, a pilot scale vertical mushroom growing facility and a state-of-the-art livestock feed research centre to provide essential data on growth food intake and metabolism. | The VFM for the project shown is good in terms of learners and Business assists. Potential query over the status of match funding contributions. The project is deliverable and fits well strategically. | 64    |
| Millennium Business Park | Coalfields Regeneration Trust | £307,926        | The speculative development of 557.42 sq m (6,000 sq ft) of industrial floorspace for B1/B2/B8 use at Millennium Business Park, Mansfield. The application states that public sector assistance is required to fill the gap created by low values and high costs.   | The project presents good VFM based on the EO1 submitted. Costs are estimated now however they are thought to be in line with market prices.   | 63    |

| Project Name        | Project Applicant         | Funding Request | Project Description   | Feedback/ Issues  | Score |
|---------------------|---------------------------|-----------------|---|---|-------|
| Buxton Gateway      | High Peak Borough Council | £954,769        | The project involves the delivery of a roundabout and two spur roads east and west to provide highways capacity and appropriate means of access to three housing sites with the capability to deliver 640 units, and the 2 hectare extension of an existing industrial estate.  | The project delivers strong strategic fit with the LEPs priorities and good output returns. Some land remains to be assembled but the project is seen as deliverable.       | 63    |
| Oakfield Road       | Broxtowe Borough Council  | £100,000        | The development of 5, 1-bedroom flats for rent to ex-service personnel on a site of currently comprising residential garages. Funding is required to improve the energy efficiency of the proposed building, to achieve the council's high energy efficiency and decarbonisation targets.   | The project delivers good inclusion outcomes for the LEP. The project could be facilitated without LEP funding but would not gain the same energy efficiency benefits.      | 62    |
| Make and Trade Zone | Derby City Council        | £4.5 Million    | The project will facilitate the acquisition of 5 targeted commercial properties and capital fit-out works to transform vacant properties in Derby city centre into a commercial area for creative businesses with an element of residential conversion. This will involve the re-purposing of vacant and redundant retail and office space. | The project showed a very strong need and market assessment in the submission. Some potential planning issues may be in place but are considered minor and can be resolved. | 62    |

| Project Name | Project Applicant                    | Funding Request | Project Description  | Feedback/ Issues  | Score |
|--------------|--------------------------------------|-----------------|--|---|-------|
| Durban House | Broxtowe Borough Council             | £350,000        | The conversion and refurbishment of Durban House, a vacant, former museum to provide 318 sq m (NIA) of office space, aimed to provide office space for SME businesses.   | The project offers good VFM based on the assessment. The project is highly deliverable but needs some internal consents to be finalised, these are not deemed to be difficult to attain.  | 61    |
| Yorke Drive  | Newark and Sherwood District Council | £3.587 Million  | Yorke Drive as a regeneration area in total extends over 11.5 hectares accommodating 355 existing homes and large areas of open space and playing fields. Whilst the whole regeneration area is being brought forward for development following a developer selection process, Phase 1 of the scheme is subject to the application to D2N2 and proposes 91 new homes, a new sports pavilion and environment enhancements to take place exclusively on the Lincoln Road playing fields. | The project offers a good return on investment in terms of the job and housing outputs delivered from the intervention. Issues within the bid have been clarified from the previous submission, minor clarifications are needed over the funding package. | 61    |

| Project Name                                  | Project Applicant                 | Funding Request | Project Description  | Feedback/ Issues  | Score |
|---|-----------------------------------|-----------------|--|---|-------|
| Covid Response, Increased Skills Capacity     | West Notts College                | £460,500        | The project seeks to help the local community and businesses respond to a post COVID environment across three key themes being improving digital skills, improving health and fitness and addressing skills shortages in the health and social care sector. D2N2 Investment would support acquisition of IT to enable training to be provided across Mansfield and Ashfield.                                       | The project is highly deliverable and supports good learner outputs. These outputs would need to be further scrutinised to assess whether they are accredited. An issue is potentially in place around the use of funding and whether its intended use is strategically aligned to this funding allocation. | 61    |
| Digital & Media industry centre of excellence | Champions                         | £500,000        | The project comprises the development of a two-storey head office expansion extending to 644sq m GIA, to provide the company with room to grow a particular area within their business to assist with post COVID-19 recovery and to secure 20 jobs. The new building is aimed to assist with local university leavers and students, offering them employment by partnering with a local educational establishment. | The project looks to deliver good VFM based on the outputs submitted. Issues remain around securing third party funding, formal support from a delivery partner and potential issues with State Aid.  | 59    |
| Matlock Market Hall                           | Derbyshire Dales District Council | £350,000        | Conversion of the existing Market Hall to enable provision of a new leisure attraction (cinema), enabling of ancillary commercial use, enabling of pedestrian access and the enclosure of part of the existing covered bus bay.  | Final funding needs to be agreed. The project represents reasonable VFM Minor issues over one occupier need to be fixed.  | 59    |
| Junction 26 Business Park                     | Junction 26 BP                    | £1.314 Million  | The development of 14 industrial units comprising a mix of B1 Office Light Industrial, B2 General Industrial and B8 Distribution or  | The project is deliverable and has the relevant permissions in place to   | 59    |

| Project Name                   | Project Applicant              | Funding Request | Project Description   | Feedback/ Issues   | Score |
|--------------------------------|--------------------------------|-----------------|---|--|-------|
|                                |                                |                 | Storage, on a two-acre site which currently comprises brownfield land. The Applicant claims that funding is required due to the inability to secure funding from lending facilities to fund the development.  | proceed. Possible issues with the use of grant for this project and it may need to look at alternative funding mechanisms.   |       |
| Great British Car Journey      | Great British Car Journey      | £600,000        | The funding is required for the resurfacing of the car park, resurfacing of internal roads and widening the access in accordance with the planning consent, to facilitate the Great British Car Journey event and exhibition to open. The event focuses of classic cars, allowing visitors to drive the cars, whilst also aiming to offer training and apprenticeships in automotive engineering. | The project is deliverable and aligns to the visitor economy strategic sector. The lease for the development site is yet to be achieved by the applicant. Issues remain around the levels of funding required and figures stated within the documentation. | 58    |
| Bestwood to Calverton Greenway | Nottinghamshire County Council | £655,000        | The project consists of an area of existing railway line which is to be converted to a greenway and deliver an 8km off-road route for cyclists, pedestrians and horse riders. The land is owned by Nottinghamshire County Council.  | The project is deliverable - but the project does not deliver on any of the key output metrics for LEP funding. Planning permission for the development is still required.   | 58    |
| Zero Carbon Demonstrator       | Nottinghamshire County Council | £5.95 Million   | Creation of 2,640m <sup>2</sup> of new office floor space on the Top Wighay Farm site which would provide three floors of office space. One floor would be dedicated to the green technology and digital sectors. The other two floors are identified for use by Nottinghamshire County Council.  | The project has various deliverables secured and milestones identified as to when the remaining issues will be resolved. Uncertainty over the uses of all of the   | 58    |

| Project Name  | Project Applicant            | Funding Request | Project Description  | Feedback/ Issues   | Score |
|---|------------------------------|-----------------|--|--|-------|
|   |                              |                 |  | building remain. Questions remain over the outputs from the facility and what additionality would be achieved.   |       |
| Ash to Aggregates                                   | Tarmac                       | £2.2 Million    | Development of a new Air Pollution Control residues (APCr) recycling plant in Buxton. The project involves the collection and processing of ash reserves from energy generated by a waste facility to form a manufactured limestone aggregate. The aim of the project is to recycle up to 30,000 tons of APCr per year to produce 75,000 tons per year of manufactured aggregate. The new recycling plant will eliminate transport of material from other plants saving 2,736 truck journeys and 482 tons of CO <sup>2</sup> per year. | The project delivers in line with the LEPs strategic aim for green and innovative technologies. The development appraisal needs further consideration to ensure that the project is State Aid compliant. A number of approvals are required such as planning/ environmental permits to guarantee delivery. | 58    |
| Chesterfield Rd reuse and Sustainable Refurbishment | West Nottinghamshire College | £682,500        | Refurbishment of a landmark building in the ownership of West Nottinghamshire College situated within the Mansfield conservation zone. The project has three elements being the base refurbishment to bring the site operational use and to use the project as a training facility to support young people gain skills in installing energy measures to support the growth in employment supporting the governments launch of the initiative to stimulate the economy via investment in energy efficiency.                             | The applicant has presented various funding ranges for the project which indicates the project may be able to proceed without intervention. The project is however very deliverable.   | 57    |



| Project Name             | Project Applicant            | Funding Request | Project Description  | Feedback/ Issues  | Score |
|--------------------------|------------------------------|-----------------|--|---|-------|
| DRIIVe                   | Chesterfield Borough Council | £4 Million      | Construction of an innovation and training centre, incorporating R&D laboratories, offices and rail engineering workshop space. The centre will provide through project partners training from Levels 2 – 7 to become part of an accredited national network of training provision. The centre will also enable connectivity to the rail related supply chain and access to latest rail research and innovation via university partners. | The project delivers a good variety of outcomes for the LEP and in particular good learner numbers. Land assembly remains an issue and match funding needs to be confirmed.                                     | 56    |
| Stanton Employment Site  | Erewash Borough Council      | £6 Million      | Building of two new roundabouts and a link road to aid traffic flow to development site. This will in-turn unlock 23 ha at Stanton Employment Site for development with the potential to unlock over 2,500 jobs.   | The project would deliver good VFM based on the outputs presented. Site acquisition has not yet completed and consents around planning etc remain to be approved. Potential state aid issues are also in place. | 56    |
| Creative Village Phase 2 | Bassetlaw District Council   | £1.5 Million    | The project comprises the conversion and refurbishment of 550m <sup>2</sup> of existing buildings to provide green technology educational facilities also including a new foot bridge to link the Worksop waterside gateway project to the Canal.  | The project still needs to complete some due diligence (Building surveys etc.) and full planning is required for the development. Timescales for delivery are slightly elongated beyond 2022.                   | 56    |

| Project Name               | Project Applicant                      | Funding Request | Project Description  | Feedback/ Issues   | Score |
|----------------------------|--|-----------------|--|--|-------|
| Megapoint Spec Development | HE2 UK Enterprises 1GP Limited         | £3.25 Million   | Acquisition of land in third party ownership followed by extensive remediation to bring it into a safe state for redevelopment along with abnormal costs relating to offsite highway improvements and costs associated with forming an access bridge structure to facilitate the future restoration of the Derby and Sandiacre Canal. The developer is then intending to build 13,889 sq m of speculative industrial space across three units. | Potential land ownership issues with the site. Match funding is still subject to final approval. Potential issues with regards to State Aid on the site.                               | 56    |
| Harrier Park               | Muse                                   | £4 Million      | The project will deliver new buildings for industrial, manufacturing and distribution requirements. The proposed funding would accelerate the delivery of the remaining roads and infrastructure to open all remaining plots for development which when complete will provide a further 60,000 m <sup>2</sup> of B2/B8 of employment development.  | Potential issues of the direct nature of the output delivery. Uncertainty also over the level of outputs. Potential state aid issues from the development.                             | 56    |
| The Avenue                 | North East Derbyshire District Council | £7.1 Million    | The Avenue Scheme proposes the delivery of up to 847 new homes, a new primary school, employment provision, community, and leisure facilities and a 70-hectare country park. The scheme is currently stalled based on fragmented land ownership and inadequate highways infrastructure to service the balance of residential and the commercial development proposed on the site.  | This project would deliver good VFM based on the assessment. The full red book valuation for the development needs to be carried out. Land ownership is still an issue to the project. | 56    |
| Bulwell Stables            | Nottingham City Council                | £200,000        | Bulwell Hall Stables is a Grade II listed building, which is at risk given its complete dereliction  | Planning permission for the development has yet to be  | 56    |

| Project Name                         | Project Applicant         | Funding Request | Project Description  | Feedback/ Issues  | Score |
|--------------------------------------|---------------------------|-----------------|--|---|-------|
|                                      |                           |                 | from fire damage and vandalism. The renovation project proposes to provide a regional centre of excellence for Heritage Construction and Craft skills. Capital funding (the requested amount) is requested to stabilise the building and enable the delivery phase to commence.  | obtained. Risks remain around the heritage aspects of the facility. The project is at the early stages of development.                                    |       |
| Bolsover Institute of Technology     | Bolsover District Council | £4.5 Million    | Construction of a new education facility to host a new Institute of Technology being brought forward in conjunction with Nottingham Trent University. Funding is required to contribute towards 50% of the estimated cost of constructing the building. The IoT will provide a new curriculum offer under Engineering and Manufacturing Technologies.  | The outputs for the project need to be fully defined and the project remains at conceptual stage. Match funding for the development is still needed.      | 55    |
| City Living Economic Aid to Recovery | Derby City Council        | £2 Million      | The CLEAR Project (City Living Aid to Recovery) is a two-year £2 million grant programme for the conversion of redundant city centre buildings, formerly offices, shops and other commercial buildings, with viability challenges into good quality residential accommodation and live-work units above commercial property. Grants up to a maximum of £20,000 per home created are proposed to be granted to assist with the above. | Cabinet approval for the project is still outstanding. Individual sites present potential issues around site conditions and potential state aid concerns. | 55    |

| Project Name            | Project Applicant                 | Funding Request | Project Description  | Feedback/ Issues  | Score |
|-------------------------|-----------------------------------|-----------------|--|---|-------|
| Swadlincote Town Centre | South Derbyshire District Council | £3.5 Million    | The physical regeneration of the town centre in Swadlincote following a site assembly process which has largely been completed forming part of the One Public Estate scheme. The land that has currently been assembled is proposed to be delivered in two phases being a new Civic Hub of around 9,290 sq m providing shared space for joined up delivery of public services.   | The project is a longer-term plan and therefore may fall out of the realms of the current timescales for delivery. Multiple land ownerships are required for the project to take place. | 55    |
| Elvaston Castle         | Derbyshire County Council         | £5 Million      | The project is to provide the enabling infrastructure including driveway access and car parking to facilitate the redevelopment and regeneration of Elvaston Castle and Gardens to provide conferencing and events accommodation, holiday lets, artisan retail and plant sales, office and workshop space.   | The project still requires planning consent and further cabinet approvals before delivery. Timescales for delivery could present an issue.  | 54    |
| Angel Row               | Nottingham City Council           | £1.266 Million  | The former Nottingham City Central library (Angel Row building) is proposed to be refurbished into a centre for cultural and creative activity, as an educational resource, to incorporate experiential technology, studios, flexible offices, a city gallery and conference space. The front of the former library building will accommodate the co-operative creative uses incorporated to the rear of the building, which is proposed to be sold prior to being demolished and subsequently redeveloped | Planning for the development remains a risk and this is yet to be finalised. More information is needed with regards to the costs of the development. VFM could be improved.            | 53    |

| Project Name               | Project Applicant                  | Funding Request | Project Description   | Feedback/ Issues  | Score |
|----------------------------|------------------------------------|-----------------|---|---|-------|
| D2 Market Towns Programme  | Derbyshire County Council          | £6.07 Million   | A programme of projects across the local authorities within Derbyshire County Council which aims to reimagine local places in response to Covid. The programme will deliver a series of targeted interventions across the County to deliver town centre renewal.  | The project shows good strategic fit around town centre renewal however, the projects within the programme sit at differing stages of development. Planning consents are not in place for all submissions and details between the individual projects are inconsistent. | 52    |
| D2N2 Emergency Growth Fund | Derby City/ Upper Tier Authorities | £6 Million      | DCC propose to expand their LEP-wide capital fund to support business growth, stimulate private sector investment and job creation across all sectors, in particular advanced manufacturing businesses, which have the ability to deliver high-skilled jobs. This will support the dwindling number of existing business grant schemes currently available (Derby Enterprise Growth Fund and Invest 2 Grow are depleted and Business Investment Fund provides a low economic impact). Applicants will be able to apply for up to 50% of eligible project costs. | Issues remain about the suitability of this project for the current funding remit. Delivery risks remain about the individual investments needed to be made.  | 53    |

| Project Name         | Project Applicant                    | Funding Request | Project Description   | Feedback/ Issues  | Score |
|----------------------|--------------------------------------|-----------------|---|---|-------|
| Kelham Hall          | Kelham Hall Limited                  | £7 Million      | The proposed scheme is to convert the building into a 105 bedroom luxury hotel incorporating a training academy and to become a Centre of Excellence for hospitality, providing high quality, accredited training for its own staff and other hotels and hospitality venues in the area. In addition, the Great Hall will be utilised to host weddings for up to 1,200 people and for around 2,000 people for concerts and performance.   | Value for Money based on the outputs presented is not high. Potential that the funding gap is not viability based and therefore other delivery mechanisms should be sought. | 52    |
| Stodman Street       | Newark and Sherwood District Council | £2 Million      | The building was formerly occupied by M&S in this prominent location of the town centre. The council acquired the building in March 2020, in order to take control of the needed regeneration the building for a reduced commercial use and much needed high-quality residential development to the upper floors.   | The costs in the development appraisal for the facility need further substantiation. Uncertainty also over the output figures from the development.                         | 52    |
| Toton Lane Link Road | Nottinghamshire County Council       | £10 Million     | The 1km Link Road features as a part of the East Midlands HS2 station proposals: it proposes to open up a first phase of development, minimising the impact of increased traffic on local infrastructure (A52/B6003) and unlock development land for commercial and residential plots. The project proposes to deliver a high-quality tree-line street with excellent public transport, pedestrian and cycle infrastructure, connecting Chetwynd Barracks with the new Toton HS2 station. | Planning is still to be determined. CPO could pose a risk to the delivery of the project. The project is more of a long-term delivery prospect.                             | 52    |

| Project Name                               | Project Applicant          | Funding Request | Project Description   | Feedback/ Issues   | Score |
|--|----------------------------|-----------------|---|--|-------|
| Harworth Retail and Employment development | Bassetlaw District Council | £2.435 Million  | The delivery of 1,626.4 sq m of retail floorspace, a 1,424.6 sq m enterprise centre and 128 car parking spaces in the heart of Harworth & Bircotes Town Centre.   | The potential timescales for the delivery of the project may be too optimistic. Cabinet approvals are still required for the project and the market assessments could do with being refreshed.                                       | 51    |
| Derby City and University Business Centre  | University of Derby        | £15 Million     | A two-phase project to establish a co-location for city and University business support units within the existing Friargate Studios in the first phase. The Phase 2 scheme is to deliver a business education and support centre in Derby where businesses and students can access teaching, research, innovation, and skills in order to grow. | Cabinet and funding approvals for the facility are yet to be obtained by the two project applicants. The project could potentially look at other options for delivery. There is potential the project would count displaced outputs. | 51    |

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PUBLIC

Agenda Item 3

**MINUTES** of a meeting of the **D2N2 INVESTMENT BOARD** held on 12 October 2020 via Microsoft Teams

### **PRESENT**

E Fagan (D2N2 LEP) (In the Chair)

Councillors P Gilby (Chesterfield Borough Council), M Holmes (Derby City Council), R Jackson (Nottinghamshire County Council), and J White (Bassetlaw District Council)

Also in Attendance: D Ashcroft (Derbyshire County Council), J Battye (Derbyshire County Council), C Clulow (Nottinghamshire County Council), N Cockrell (Bassetlaw District Council), J Davies (Gedling Borough Council), C Durrant (Chesterfield Borough Council), A Evans (Nottinghamshire County Council), Tim Gregory (Derbyshire County Council), T Goshawk (D2N2 LEP), J Lake (Derbyshire County Council), R Lister (Thomas Lister Ltd), N Mc-Coy Brown (Nottinghamshire County Council), W Morlidge (D2N2 LEP), S Rose (D2N2 LEP), I Sankey (Erewash Borough Council), P Seddon (Nottingham City Council), N Stevens (Nottinghamshire County Council), N Taylor (Bassetlaw District Council) D Tuer (D2N2 LEP), Sarah Wainwright (Accountable Body) C Williams (Derby City Council) and D Wright (CLGU)

Apologies for absence were submitted on behalf of, Councillors W J Clarke (Gedling Borough Council), C Hart (Erewash Borough Council), B Lewis (Derbyshire County Council), S Webster (Nottingham City Council) and D Williams (D2N2 LEP) and J Bradley-Fortune (Inclusion Representative).

**91/20      DECLARATIONS OF INTEREST** There were no declarations of interest

**92/20      MINUTES RESOLVED** to confirm the non-exempt Minutes of the meeting of the D2N2 Investment Board held on 9 September 2020

**93/20      D2N2 CAPITAL PROGRAMME PERFORMANCE OVERVIEW** Board members were given an overview of the LEPs Local Growth Fund programme and Getting Building Fund programme including an update on progress against the financial targets for this year.

Coming into the last year of the Local Growth Fund 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 have recorded £8,977,821 of actual spend in the first financial quarter of the year. Q2 monitoring submissions were being fed in to the LEP currently and a report of the progress on spend would be presented at the next meeting .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 that this figure could be met.

Following the September Investment Board there were now only two projects left to approve in the Local Growth Fund Programme and these were detailed further in the Capital Programme milestones paper to be considered at this meeting.

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

A full budget breakdown is included within in a separate report t this meeting 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.

No specific projects are being raised as high risk to this meeting of the Investment Board and all projects with spend allocations remaining were continuing to spend to the profile.

Specific highlights to note from the Local Growth Fund programme were:

- **NTU MTIF Centre** – The first phase of the project had now reached practical completion on the NTU Clifton Campus and the facility was now being furnished to be ready for new businesses to move into the facility. Work continues on the Boots Enterprise Zone phase of the project.
- **Museum of Making** – The project had now sourced additional funding to be able to facilitate all the original works to the site as planned and will now be completed ready for an official opening next spring.
- **City Hub** – After minor delays the college would be achieving completion of the build in October and subsequently the remainder of the Enabling works around the site will take place after this. The college were preparing to open the facility to students in January.

The D2N2 Pipeline call closed on the 11<sup>th</sup> of September and had received 40 applications to the call from 27 project sponsors. All of the projects had been independently scored and assessed and are presented in a separate item to this meeting

On the 21<sup>st</sup> of September, the D2N2 LEP team and Accountable Body had the Mid-year review of its performance with colleagues from the BEIS Local team to discuss the progress of the LEP and its capital programme. The review incorporated discussions around Strategy, Governance and Delivery to date within this financial year and serves as a check on how well the LEP is performing before the Annual Performance Review which is anticipated to take place in January 2021.

Overall the BEIS Local team were pleased with the performance of the LEP and its Capital Programmes so far within this year and could see that good progress that had been made in particular on the performance of LGF. The discussions also included future planning and forecasting with regards to the Getting Building Fund which would begin to deliver projects in this financial year.

Whilst progress had been good to date the government were still expecting that the LEP would fully utilise its allocation of LGF by the 31<sup>st</sup> of March 2021 deadline and were keen to see that Getting Building Fund projects were approved and delivered in anticipation of the 31<sup>st</sup> of March 2022 end date.

Following the announcement of the Getting Building Fund projects in August, D2N2 had now received the formal confirmation of their grant funding with the grant offer letter from MHCLG on the 25<sup>th</sup> of September. The LEP had been given an even split of funding with £22.2m to spend in the 2020/21 financial year and £22.2m in the 2021/22 financial year.

In line with the final submission sent to Government of the finalised projects list the LEP would not be able to draw down the full Getting Building Fund allocation within this financial year. The LEP would continue to work with project sponsors to accelerate spend where possible and any underspends would be utilised by Derbyshire County Council's capital reserve in line with the Governments acceptance of freedoms and flexibilities in Capital funding management.

Milestones for each project were included within papers to be considered at this meeting and the first two projects were presented for approval at this meeting.

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

**RESOLVED** to note the current position on the programmes and the update on projects

**94/20      CAPITAL PROGRAMME BUDGET** In relation to the Local Growth Fund current forecasts showed that in 2020/21 the programme was over committed by £1.85 m.

The LEP and Accountable Body continued to work closely with projects regarding grant profiles and expenditure figures for the remaining projects 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 2020.

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.

In relation to the Getting Building Fund, on the 25<sup>th</sup> September 2020 D2N2 received their grant offer agreement from Government confirming the £44.4m allocation and the payments schedule of £22.2m in 2020/21 and £22.2m in 21/22.

All projects within the programme had now submitted their spend profiles to the LEP and Accountable Body and were detailed at Appendix 3 to the report.

LEP's had been given permission to utilise their freedoms and flexibilities with their Accountable Body to allow any cash underspends in 20/21 to be spent using other capital expenditure from the Accountable Body, with the funding being returned to the LEP in the following year.

The programme was overcommitted by £2.432m which would be funded by using the Growing Places Fund (GPF).

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

**RESOLVED** that the report be noted.

**95/20      D2N2 MILESTONES - UPDATE** The Board were asked to note the Milestones report on the D2N2 LGF and Getting Building Fund Programmes

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.

### **Local Growth Fund**

**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.

### **Getting Building Fund**

**Glossop Town Hall (High Peak Borough Council)** - The Investment Board are recommended to note the milestones and await the final business case for approval in November 2020.

**Bridge Court Campus (Bassetlaw District Council)** - The Investment Board are recommended to note the milestones and await the final business case for approval in November 2020.

**Digital Advanced Manufacturing and Engineering Centre (Chesterfield College)** - The Investment Board are recommended to note the milestones and await the final business case for approval in November 2020.

**Drakelow Park (Drakelow Developments Limited)** - The Investment Board are recommended to note the milestones and await the final business case for approval in December 2020.

**UK Electrification of Aerospace Propulsion Facility (University of Nottingham)** - The Investment Board are recommended to note the milestones and await the final business case for approval in February 2021.

**Transforming Nottingham's Southside (Nottingham City Council)** - The Investment Board are recommended to note the milestones and await the final business case for approval in March 2021.

**MRC Midlands (Derby City Council)** - The Investment Board are recommended to note the milestones and await the final business case for approval in March 2021.

**SmartParc (Derby City Council)** - The Board are recommended to note the milestones and await the final business case for approval in October 2021

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.

#### **96/20      PROJECT FOR APPROVAL – TURBINE INNOVATION CENTRE**

Members were informed of a request for £592,000 from Nottinghamshire County Council from the Getting Building Fund to support the Turbine Innovation Centre.

In order to support D2N2 and the accountable body, the project had been independently assessed against the requirements of the local assurance framework by Thomas Lister Ltd and Amion consultants

This project being put before the Investment board has now been assessed and was being recommended for consideration and approval based on its full compliance with the LAF.

The Turbine Innovation Centre (TIC) was located on the Shireoaks Triangle Business Park in Shireoaks near Worksop in North Nottinghamshire. Shire Oaks Triangle was formerly a coalfield site, which transferred as part of a national portfolio

from the Coal Authority to English Partnerships (now Homes England) and following remediation and infrastructure provision has been successfully fully developed out for a range of industrial and business uses. The existing TIC was built over ten years ago by NCC as a managed business centre, offering good quality business units to businesses on a flexible basis. The business centre has performed reasonably well since completion, although having being constructed around ten years ago, lacks modern digital and communications infrastructure necessary to support highly evolving small and growing digital businesses within the local economy and market place.

Funding was therefore being sought from D2N2 to refurbish the TIC to enable upgrade to a comprehensive digital IT infrastructure, to enable the creation of a 5G Innovation Hub. The completed building will provide;

- 5G enabled prototype equipment.
- Demonstrator facilities for 5G capabilities including augmented/virtual extended reality applications (AR, VR and XR).
- Hosting 5G accelerator programmes.
- Providing business innovation workshops and training events.
- Access to modern 5G communications capability, to enable tenants and users of the centre to develop new business innovations and build local digital skills.

The completed building would remain in the ownership of Nottinghamshire County Council (NCC) who had partnered 5G Connected Forest Project Consortium Partners and the Department of Digital, Culture, Media and Sport both in designing proposals for the centre, providing a network for connectivity to the wider 5G Connected Forest Project and to provide ongoing support services, training and events to all users of the centre. The outcomes from the project had been identified as;

- Realised benefits for existing 40+ current businesses within the building accommodating around 350 staff in addition to those utilising meeting rooms within the building.
- Improving retention rates of jobs and skills to Worksop.
- Increase the attractiveness of Worksop and the centre as a destination for digitally evolving businesses.
- Provide an environment for showcasing the latest 5G related technologies and attracting industry leaders to events in the area all through hosting major events online.
- Supporting businesses across all sectors.
- Building collaboration with local schools and colleges around 5G related technologies.
- Address a social mobility cold spot as identified by the Social Mobility Commission in North Nottinghamshire, through promoting technical

collaboration and innovation within the existing business network and to help create new high value jobs.

The project was ready to proceed subject to completing final site surveys and design work over a period of four weeks. The refurbishment and installation of 5G technology within the building will follow on-site around January 2021 due to extend over a period of five months completing around May 2021.

Detailed summaries were given of the Strategic Case/Fit; Economic Case and expected outcomes; Commercial Case; Financial case and Management Case along with the assessors comments in each area and their recommendation

Ceren Clulow (Nottinghamshire County 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.

Following a review of the business case alongside the independent assessment, D2N2 LEP recommended that the Investment Board approve the request of £592,000 of Getting Building Fund to be released to Nottinghamshire County Council.

The project had been tested against the conditions of the Local Assurance Framework and fully complied with the document and is therefore eligible for funding to be released.

Strategically the project aligned with the delivery plans and strategic documentation from the LEP. In particular the project supported the Emerging Recovery Strategy in supporting the growth of our towns and economic corridors, along with D2N2's emerging Digital Strategy and Government policy objectives. The grant funding requested for this intervention would result in the delivery of a business centre at the forefront of latest IT and technological advancements, for the benefit of existing businesses and the wider surrounding communities. The scheme will also capitalise and expand upon the facilities and benefits being delivered by the established 5G Connected Forest Hub.

The recommendations attached to the request for the project to be approved primarily related to updated information to reflect the passage of time since the business case was originally drafted. The recommendations were considered unlikely to identify any showstoppers; however, were required to provide comprehensive timescales for the delivery of the scheme and meeting any cost overruns. The conditions were summarised below:

- i. An updated programme for the delivery of the project and drawdown of GBF is provided by NCC prior to commencement of the project.
- ii. Written confirmation by NCC that any cost overruns will be met by NCC so as to enable delivery of the project as detailed within this paper.

- iii. Any matters which were identified during the final survey work to be undertaken to be immediately reported to D2N2, along with proposals as to how any such issues will be resolved, if this results in a variation to the project and/or outputs to be delivered.
- iv. An updated risk register to be provided once contracts had been awarded for the implementation of the scheme.

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

**RESOLVED** to approve the project and to release the £592,000 of GBF grant to Nottinghamshire County Council, subject to the conditions listed.

**97/20      PROJECT FOR APPROVAL - LINDHURST, MANSFIELD** Members were informed of a request for £3m from Nottinghamshire County Council from the Getting Building Fund to support the Lindhurst, Mansfield.

In order to support D2N2 and the accountable body, the project had been independently assessed against the requirements of the local assurance framework by Thomas Lister Ltd and Amion consultants

This project being put before the Investment board had now been assessed and was being recommended for consideration and approval based on its full compliance with the LAF.

Board Members were informed that this was a £250 million investment. The Lindhurst Mansfield Development off the Mansfield and Ashfield Regeneration Route, was a sustainable urban development strategic housing site. Overall, the Lindhurst Development would deliver:

- up to 1,700 new homes, including 30% affordable
- 188,000 m<sup>2</sup> of employment floorspace
- 31,000 m<sup>2</sup> of commercial space
- a Local Centre
- a Community Park
- local bus links and green routes
- a local school
- up to 4,000 jobs

The government-backed scheme received £8.5 million in loan funding from the Homes and Communities Agency (now Homes England) in 2017 enabling infrastructure works for the first phase of development to be launched that year. Housebuilders such as Avant Homes moved on site shortly after. Phase 1 to deliver 530 units is 87% complete and progressing to timescale.



A £3 million grant from the Getting Building Fund would secure Phase 2 to proceed, unlocking not just 475 homes but also community facilities of the Local Centre, school and bus routes. With local unemployment expected to rise significantly through 2020, Phase 2 was primed for delivery, and includes some much-needed jobs.

Detailed summaries were given of the Strategic Case/Fit; Economic Case and expected outcomes; Commercial Case; Financial case and Management Case along with the assessors comments in each area and their recommendation

Andy Evans (Nottinghamshire County 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.

Following a review of the business case alongside the independent assessment, officers would recommend the Investment Board to approve the request of £3.3m of Getting Building Fund to be released to Nottinghamshire County Council.

The project had been tested against the conditions of the Local Assurance Framework and fully complies with the document and is therefore eligible for funding to be released.

Strategically the project aligned with the delivery plans and strategic documentation from the LEP. In particular the project supported proposition 3.3 of the Emerging Recovery Strategy in supporting the growth of our towns and economic corridors. The grant funding requested for this intervention unlocked the delivery of space for housing and job creation in the LEP area.

No specific recommendations or caveats were attached to the request for the project to be approved.

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

**RESOLVED** to approve the project and to release the £3m of GBF grant to Nottinghamshire County Council.

**98/20      PIPELINE PROJECTS** Board Members were informed of the results of the D2N2 Pipeline call which was announced in August 2020. The aim of the call was to build a pipeline of strong projects which could either act as reserve projects for the existing Capital Programme or could be utilised to present to Government should any further short term funding calls be announced.

Each project that was submitted had been independently appraised using the help of Thomas Lister Ltd to provide external scrutiny and expertise to the process. The projects are being presented to the Investment Board at this meeting for consideration and endorsement on to the reserve list.

All projects are subject to funding being available and a full business case.

D2N2 had received 40 applications from 27 prospective project applicants, with a total funding ask of £160m against total development values of £1.3 Billion

All projects were independently scored and verified by Thomas Lister Ltd in conjunction with the D2N2 LEP and were scored based on their expression of Interest. The projects were scored on the following 4 key overarching themes of criteria:

- Strategic Fit and Outputs
- Project Programme and Deliverability
- Market Evidence and Planning status
- Financial risk and options appraisal

Projects were scored out of a total of 81, with a minimum threshold of 61 and above for a project to be considered as being deliverable based on the current information provided.

Following consideration by the Investment Board, all projects will receive formal feedback based on their submissions.

Where projects had shown good strategic fit but were not yet delivery ready, the LEP team would continue to work with the project applicant to see if the barriers to delivery can be progressed towards being ready and re-assessed accordingly.

All projects that scored 61 and above following the pipeline review process were deemed to be deliverable by the LEP. As stated in the report the LEP would still stress test each submission before being formally invited to submit a full business case for funding.

From the submissions there were 11 out of 40 submissions that scored over 61 and this accounted for a total ask to the LEP of £14.21 million. These projects come from across the region and collectively would deliver 677 Jobs, 1,275 learners and up to 1,300 homes cumulatively.

Appended to the report was a list of all the submissions made to the current D2N2 Pipeline Call alongside a brief project description and their final score from the evaluation process.

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

**RESOLVED** to approve that the proposed projects detailed in the appendix to the report would make up the D2N2 Capital Programme Pipeline and would act as reserve projects to the existing capital programme and could be utilised as potential submissions to any future funding calls from Government.

**99/20**      **DATE OF NEXT MEETING** The next meeting of the Investment Board would take place on 4 November 2020 at 10.00am

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