

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

PRESENT

E Fagan (D2N2 LEP) (In the Chair)

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

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

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

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

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

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

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

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

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

The Financial Milestones agreed for this year were:

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

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

The output targets up to Q3 for this year were:

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

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

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

- A52 Wyvern
- Infinity Park
- Vision University Centre

- N2 Towns Centre

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

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

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

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

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

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

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

RESOLVED that the report be noted.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

RESOLVED to approve the recommendations as detailed in the report.

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

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

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

Jobs

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

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

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

Homes

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

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

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

Learners

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

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

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

RESOLVED to note the report.

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

34/20 **EXCLUSION OF THE PUBLIC** **RESOLVED** that the public be excluded from the meeting during the consideration of the remaining items on the agenda to avoid the disclosure of the kind of exempt information detailed in the following summary of proceedings:

SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC WERE EXCLUDED FROM THE MEETING

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