

D2N2 Investment Board Cover Sheet – 16th June 2020

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Meeting and Date	Investment Board 16 th June 2020		
Subject	Output Performance Update-Quarter 4		
Author	T Goshawk/S Wainwright	Total no of sheets	6

Papers are provided for:	Approval <input type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>
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Summary and Recommendation(s)
<p>This paper delivers an update on the output performance of the Local Growth Fund (LGF).</p> <p>The Investment Board are requested to note the information.</p>

D2N2 INVESTMENT BOARD

16th June 2020

Local Growth Fund Output Performance Update-Quarter 4

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

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

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

This paper provides an update on the following metrics:

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

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

Delivery to Date – Up to Q4 2019/20

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

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

Jobs

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

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

Homes

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

Learners

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

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

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

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

Overall Programme

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

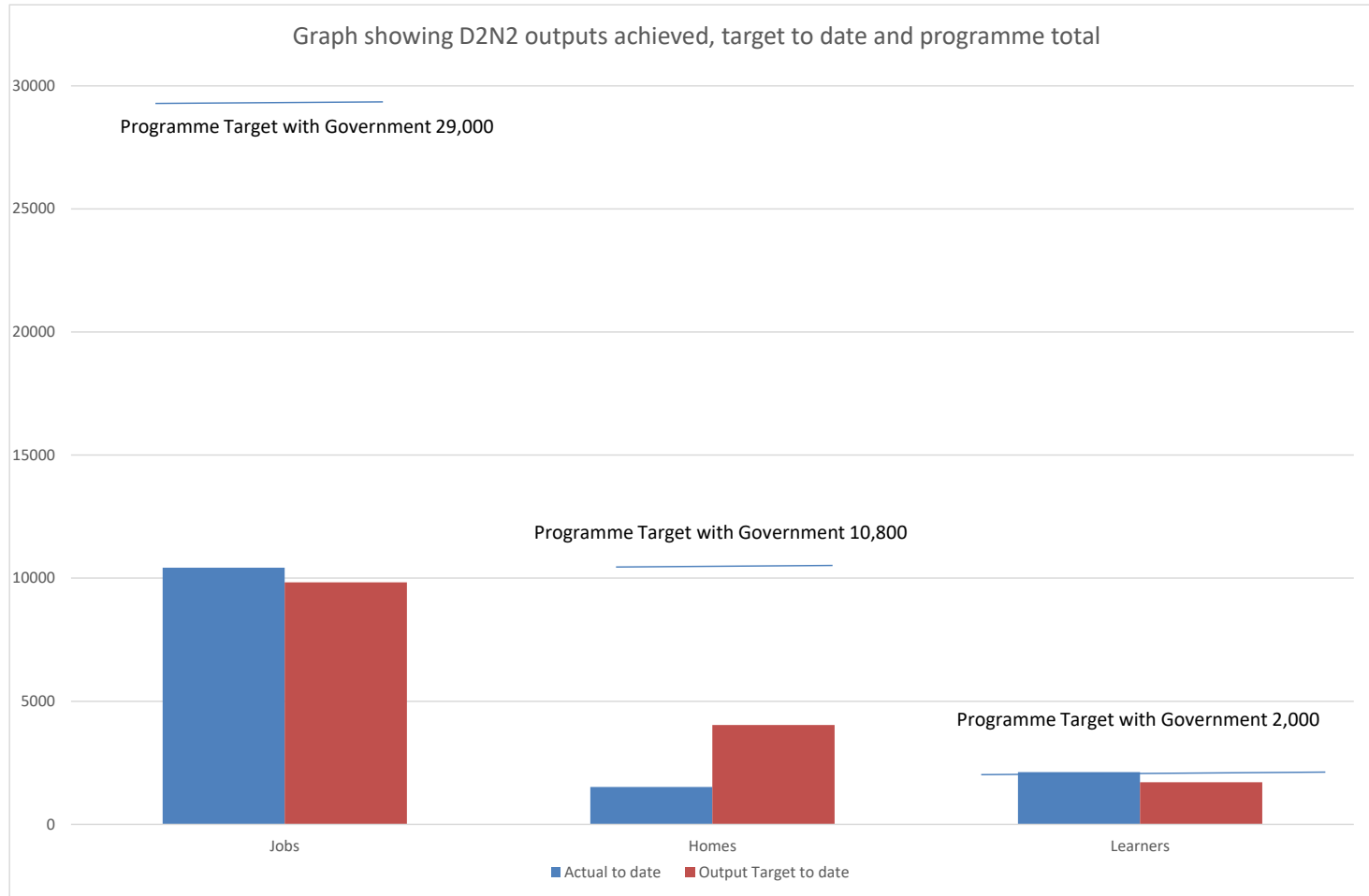
	Jobs	Homes	Learners
Contracted Target with Government up to 2035	29,000	10,800	2,000
Actual to Date (Up to and including Quarter 4 2019/20)	10,447	1,516	2,122
Percentage	36%	14%	106%
Forecast based on current contracts	46,233	11,222	6,875

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

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

Appendix B shows analysis of the outputs by project.

Appendix A



Appendix B

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