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D2N2 Investment Board (IB) Cover Sheet – 9th September 2020

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Meeting and Date	9 th September 2020		
Subject	Approval of the Smart Wireless Innovation Facility (SWIFt)		
Author	T Goshawk/S Wainwright	Total no of sheets	9

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

D2N2 INVESTMENT BOARD

9th September 2020

Smart Wireless Innovation Facility (SWIFt)

1.0 Background

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

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

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

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

2.0 Scheme Overview

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

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

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

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

There are two major elements to this project:

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

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

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

The funding for the project is sourced from the following:

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

3.0 Approvals

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

4.0 Procurement

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

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

5.0 State Aid

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

6.0 Business Case

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

7.0 Delivery Programme

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

8.0 Outputs and Outcomes

5 Direct jobs

45 Indirect jobs

9.0 Spending profile

20/21 £800,000

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10.0 Local Assurance Framework

A Full Business Case has now been submitted in line with the approval process. The Accountable Body and D2N2 have assessed the Full Business Case submission and approval is recommended

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

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

Appendix 1

Local Assurance Framework

Final stage Approval Check List:

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

Appendix 1

<p>6. Details of the construction contract to be entered into by the promoter detailing: -start date -completion date -liquidated damages/cost over runs</p>	<p>Work will begin on 12 September.</p> <p>Completion is March/April/ 2021</p> <p>Liquidated damages/cost over runs not applicable in this case as no construction contract due to the way NTU will be managing this project.</p>
<p>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.</p>	<p>Due to the way of managing this refurbishment NTU will cover any cost over runs.</p>
<p>8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent.</p>	<p>n/a</p>
<p>9. Details of any outstanding points preventing/delaying the start-up of the construction contract.</p>	<p>n/a</p>
<p>10. Details of any changes for the project from the initial EOI and OBC submissions with reasoning behind these changes. Including an updated viability report as submitted in point 5 of the OBC.</p>	<p>n/a</p>
<p>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.</p>	<p>Confirmation has been provided by the Director of Finance from NTU that the funding is in place to support the development.</p>

Appendix 1

<p>12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project</p>	n/a		
<p>13. A phasing plan identifying the start and completion elements of the project along with costs associated with each phase and the outputs/outcomes that will be delivered on a quarterly basis.</p>		Direct jobs	Indirect jobs
	Q3 20/21	1	
	Q4 20/21	3	
	Q1 21/22	1	
	22/23		4
	23/24		6
	24/25		10
	25/26		12.5
	26/27		12.5
	Total	5	45
<p>14. An updated risk register identifying the key risks and the project manager responsible. The risk</p>	A risk register has been provided including any mitigations		

Appendix 1

register needs to be scored and include a mitigation plan.	
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