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

Document Classification	Restricted <input type="checkbox"/>	Controlled <input type="checkbox"/>	Public <input checked="" type="checkbox"/>
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Meeting and Date	9 th September 2020		
Subject	Approval of the Facility for OMIC Research in Metabolism		
Author	T Goshawk/S Wainwright	Total no of sheets	7

Papers are provided for:	Approval <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input type="checkbox"/>
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Summary and Recommendation(s)
<p>This paper sets out a request for £850,000 of Local Growth Funding to support the Facility for OMIC research in metabolism project.</p> <p>The full business case for the project has been reviewed by D2N2 and the Accountable Body officers and is now compliant with the Local Assurance Framework and is therefore recommended for approval by the Investment Board.</p>

D2N2 INVESTMENT BOARD

9th September 2020

Facility for OMIC Research in Metabolism (FORM)

1.0 Background

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

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

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

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

2.0 Scheme Overview

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

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

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

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

The project aims to:

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

The funding for the project is sourced from the following:

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

3.0 Approvals

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

4.0 Procurement

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

5.0 State Aid

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

6.0 Business Case

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

7.0 Delivery Programme

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

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- FORM Launch Event for businesses-October 2021

8.0 Outputs and Outcomes

12 direct jobs

15 indirect jobs

893 learners

9.0 Spending profile

20/21 £850,000

10.0 Local Assurance Framework

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

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

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

Appendix 1

Local Assurance Framework

Final stage Approval Check List:

<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 of Derby uses the Oracle Cloud System to publish its tendering opportunities. Tender scoring criteria will include due diligence checks, capability and capacity and price. Tender selection panels include at least two technical specialists in addition to a Procurement Officer (as moderator), input is also sought from the University's IT Services and Estates departments if appropriate. The tender process commenced in June 2020 with quotes being received by the 30th July, suppliers were selected in August.</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>Award of contract and agreement to supplier terms and conditions for the equipment will be overseen by the university of derby's legal team based in the Finance department.</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>West Nottinghamshire College have confirmed they will be responsible for any cost overruns.</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>The University of Derby have confirmed that all match funding is in place for the development.</p>
<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>	<p>n/a</p>

Appendix 1

<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>	<table border="1"> <thead> <tr> <th></th> <th>Direct Jobs</th> <th>Indirect jobs</th> <th>Learners</th> </tr> </thead> <tbody> <tr> <td>21/22</td> <td>2</td> <td></td> <td>52</td> </tr> <tr> <td>22/23</td> <td>3</td> <td></td> <td>119</td> </tr> <tr> <td>23/24</td> <td>3.3</td> <td>2</td> <td>145</td> </tr> <tr> <td>24/25</td> <td>2.1</td> <td>3</td> <td>170</td> </tr> <tr> <td>25/26</td> <td>1.6</td> <td>5</td> <td>191</td> </tr> <tr> <td>26/27</td> <td></td> <td>5</td> <td>216</td> </tr> <tr> <td>Total</td> <td>12</td> <td>15</td> <td>893</td> </tr> </tbody> </table>		Direct Jobs	Indirect jobs	Learners	21/22	2		52	22/23	3		119	23/24	3.3	2	145	24/25	2.1	3	170	25/26	1.6	5	191	26/27		5	216	Total	12	15	893
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<p>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.</p>	<p>A risk register has been provided including any mitigations</p>																																