

D2N2 Investment Board – March 2021

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Meeting and Date	D2N2 Investment Board – 10 th March 2021		
Subject	Scrutiny Annual Report		
Author	Cllr T Kemp/ Roz Savage	Total no of sheets (Excluding cover sheet)	2

Papers are provided for:	Approval <input type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>
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Summary and Recommendations
<p>This paper summarises the activities of the scrutiny working group.</p> <p>The Investment Board are recommended to note the report.</p>

D2N2 INVESTMENT BOARD**10 March 2021**

A scrutiny working group was established in December 2019 to scrutinise the activities of the D2N2 Local Enterprise Partnership (LEP). The group was made up of representatives invited from the relevant district and borough councils and Derbyshire County Council's Resources Improvement and Scrutiny Committee. It was convened to undertake an overseeing role to ensure the strategic effectiveness of the LEP's stated way of working and it was acknowledged that its function was not to monitor the progress of individual projects and duplicate work conducted elsewhere by LEP officers and the Investment Board. It was also agreed that the scrutiny working group would meet twice a year, be chaired by the Chairman of the County Council's Resources Improvement and Scrutiny Committee and explore a specific theme at each meeting.

The purpose of this paper is to provide a summary of the scrutiny activities that have taken place and to share the findings with the Investment Board.

The working group first met on 2 December 2019. The initial topic scrutinised was programme delivery. In particular, the focus was on the Local Growth Fund (LGF) Programme and the effectiveness of mitigation measures put in place in response to the "Requires Improvement" rating for Delivery. A presentation was given by Sajeeda Rose (Chief Executive D2N2) and Tom Goshawk (Head of Capital Programmes) regarding the structures and procedures in place to ensure programme delivery. Members enquired about the actions taken when a project fails to meet its stated milestones, they asked about what happens when a project is identified as high risk and how subsequent mitigation measures are monitored. They were advised that any project deemed to be 'High Risk' by the Investment Board had to provide regular updates on progress and mitigation measures. It was also noted that any changes to the approved contract had to be formally ratified by the Investment Board through a project change process. Following the discussion Members were satisfied that the LEP's programme and risk management procedures were proactive, timely and robust.

On 11 June 2020 the meeting again focused on the delivery of LGF programme. The elected members thought this was an important issue to scrutinise given that the programme was entering its final year and all funding for the programme would have to be spent by 31st March 2021. There was concern amongst the working group that the lockdown conditions introduced in response to the Covid-19 pandemic would have a negative impact on the LGF programme and they sought reassurance of the measures that were being taken. Members were advised that Lockdown conditions had initially halted progress on several projects and that for some projects social distancing and supply chain issues had created additional cost and time pressures.

Members were reassured that LEP officers were working closely with projects to look at what flexibilities were possible. It was noted that many projects that required final approval had continued to progress and that some had been able to submit full business cases and move forward for approval. Members commented on the swift and effective process for identifying projects from the “pipeline” that could potentially be brought forward to address underspend. They also commented on the good outcomes for jobs and learners but expressed concern at the significant target shortfall for homes. It was duly noted that the shortfall related to one scheme that had been delayed because the cost of delivering a link road had risen significantly and further funding was being sought. Finally, the Chairman congratulated the LEP team for the “Delivery” rating moving from “Requires improvement” to “Good” and commented on the efficiency and professionalism of Investment Board meeting held in March 2019 at which he was an observer.

On 30 November 2020, the working group considered the LEP’s utilisation of evidence and data. Members received a presentation on the intelligence that is gathered and monitored to inform strategy development, with particular focus on the three priority areas, Low Carbon Growth, Productivity and, Inclusion and Connectivity. Will Morlidge, Head of Strategy and Policy and Sajeeda Rose were both present to respond to questions. Members were mindful of how important it is to have a clear understanding of what and where the skills gaps are in the region. Their questions focused on what measures were being taken to monitor and address those gaps and what opportunities had been identified for the region. It was noted that the LEP collates data from many sources including working in partnership with local universities and that careful consideration is given to how the data is interrogated, cross referenced and presented. It was also noted that potential opportunities for growth include low carbon energy generating projects, the manufacture of components for low carbon technologies and business activities associated with modular house building.

Cllr Tony Kemp

Chairman of the Resources Improvement and Scrutiny Committee