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D2N2 Local Enterprise Partnership

Local Growth Fund Evaluation

November 2019

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1.0 Introduction, Background and Approach

In September 2019, Focus Consultants was appointed by D2N2 Local Enterprise Partnership to undertake a thematic evaluation of their Local Growth Fund (LGF) Programme and specifically an outcomes and impact evaluation of the completed LGF projects to date. The evaluation seeks to understand the outcomes of the programme and the difference the investment has made to date on the relevant priorities set out in the D2N2 Strategic Economic Plan.

1.1 Background and Context

In May 2010, the Coalition Government announced its plans to close the Regional Development Agencies and replace them with more locally-accountable business bodies, the Local Enterprise Partnerships (LEPs). D2N2 was formed in 2010 with the remit of driving forward the regeneration and growth of the Derby, Derbyshire, Nottingham and Nottinghamshire economy. D2N2 is one of the largest LEPs in England, covering an area with a population of more than two million people and with an economic output of over £45billion GVA. The D2N2 vision is that, by 2030, D2N2 will have "a transformed high-value economy; which is prosperous, healthy and inclusive, and one of the most productive in Europe".

D2N2's Strategic Economic Plan (SEP) provides a framework for the LEP's vision and the strategy of how it will deliver economic growth and prosperity to the area. This document has recently been refreshed and was republished in 2019. The SEP provides a bridge between local authorities' plans for local economic growth, and national and regional strategies. Alongside the SEP, D2N2 are currently working towards publishing a Local Industrial Strategy (LIS). The Plan prioritises innovation and inclusive growth, encompassing D2N2's primary themes: supporting productive and growing businesses, delivering skills and knowledge for the future, and enhancing the quality of the places.

1.1.1 Local Growth Deals and the Local Growth Fund

Following the review on local economic growth by Lord Heseltine, the Government created a £12bn 'Local Growth Fund'; all 39 (now 38) Local Enterprise Partnerships across the UK bid for a share of the fund. Local Growth Deals were developed between Central Government and the LEPs agreeing funding for projects that benefitted the local area and economy. To secure funds, LEPs were required to submit a portfolio of projects to Government.

Growth Deals were initially announced in two phases in 2014 and 2015 and a third phase in 2017. In total, D2N2 were allocated over £257.5m for the operating period 2015-2021. This can be seen in the table below:

D2N2 – Growth Deal funding		
Growth Deal 1 (July 2014)	**Growth Deal 2 (Jan 2015)**	**Growth Deal 3 (Nov 2016)**
£174 million	£22.2 million	£62.99 million
Total Award: £257.49 million		

Government disburse funds to the LEP annually in advance. The LEP were expected to deliver the projects highlighted in the Deals, but had flexibility over the management of these projects in order to deliver the greatest economic benefits to the area.

Through the Deal, D2N2 is supporting a portfolio of 49 distinct capital projects, implemented over a period of six years. Projects within the programme cover digital infrastructure, innovation, transport, skills and employment schemes. Through the three rounds of the LGF the projects will create new jobs and homes, and support learners in the local area, driving growth in the local economy.

The LGF Programme is managed by D2N2. The accountable body for the funding is Derbyshire County Council. The LEP and County Council work closely together to ensure the programme is effectively governed and financially managed to achieve spend targets.

1.1.2 D2N2 LGF Priorities

The Growth Deals have funded a series of infrastructure developments across Derbyshire and Nottinghamshire that were designed to provide benefits to local communities and people. Financial investment in key development areas was supported to deliver enhanced economic growth and jobs to the area, alongside training opportunities and housing growth.

Infrastructure investments across the D2N2 area were planned to help to unlock new commercial space for business occupation, encouraging growing business stock and economic growth. Infrastructure works have also enabled housing sites to be developed and will support the growing housing demand across the LEP area.

Investments in the series of projects across Growth Deal Rounds 1 to 3 intended to have the following impacts for the D2N2 region:

- Increased regeneration and development opportunities
- Increase in transport capacity (road, rail, bus, cycleways and footpaths) and travel times
- Reduced congestion
- Graduate opportunities
- Improved learner success, retention and employment outcomes
- Increased tourism
- Jobs growth
- Increase in GVA
- Increased sustainable economic activity.

1.2 Evaluation Approach

The approach to the evaluation is summarised below:

- **Project Identification** – The team at D2N2 identified a selection of completed or nearly completed LGF funded projects to be included in the evaluation. These were:

  - A46 Corridor – Rushcliffe
  - Ada Lovelace House
  - A57/A60 Junction Workshop
  - BioCity Discovery Building
  - Better Broadband for Nottinghamshire
  - Digital Derbyshire
  - Bulwell Market
  - Chesterfield Centre for Higher Level Skills
  - Nottingham City Cycle Ambition Programme
  - Derby College Technology Hub
  - Harworth Access Road
  - Institute of Advanced Manufacturing
  - Infinity Park
  - MediCity
  - Rail Research and Innovation Centre
  - Sherwood Energy Village
  - Seymour Link Road
  - Southern Growth Corridor
  - Sutton Indoor Market
  - Sherwood Forest Visitor Centre
  - Vision University Centre.

- **Project Review -** a desktop review of the above LGF projects including business cases, grant agreements, and monitoring reports was undertaken.

- **Consultation -** telephone or face-to-face consultation was undertaken with a selection of the projects to add further detail and context to the project review. There was a particular focus on project impact, as well as the wider social and environmental outcomes.

- **Metrics and Measures -** a list of outputs achieved to date and forecasted by the projects was established, from which a series of indirect metrics were identified. This then enabled an analysis to be undertaken to determine the total impact of the projects, looking at both the actual impact to date as well as the anticipated impact by the end of the programme. Approaches to understanding both the direct and indirect employment impacts of the programme have been considered.

- **Value for Money -** having identified the impact and projected future impact by the end of the programme, a value for money assessment was undertaken comparing the impact against the LGF Investment. In addition, value for money was analysed in terms of return on investment.

2.0 Project Summaries

The evaluation is focused on completed Local Growth Fund projects as identified by D2N2 and therefore we have considered 21 completed or near completed projects as part of this evaluation. We have gathered data from a range of sources on each project, including monitoring reports, business cases and monitoring data.

Detailed case studies of some projects have been undertaken but a summary of each is provided below.

Project: A46 Corridor Rushcliffe
Grant Recipient: Rushcliffe Borough Council
Total Project Cost: £14,510,000
LGF Funding: £6,250,000 (£3m for completed phases 1 and 2)
Timing (phases 1 and 2): October 2016 to September 2019

The 'A46 Corridor' regeneration scheme around Cotgrave in Rushcliffe, is being delivered in four phases, with the aim of delivering an estimated 2,800 jobs, 27 hectares of employment land and 1,600 homes. Phase One, to create extra employment space on the site of the former Cotgrave Colliery was completed in 2017 and Phase Two, to regenerate Cotgrave Town Centre and create around 70 jobs was completed in 2019. Regeneration of Cotgrave town centre, under Phase Two of the project, included improvements to shop units including upstairs business accommodation, improved public spaces; and the building of a new centre to house police, library, Rushcliffe Borough Council contact point, GP and health centre services.

Project: Ada Lovelace House
Grant Recipient: Ashfield District Council
Total Project Cost: £287,892
LGF Funding: £143,946
Timing: December 2016 to April 2017

Ada Lovelace House on Urban Road, Kirkby has been developed into seven office spaces for local start-up businesses and small to medium sized enterprises. Formerly Ashfield Urban Council Offices, and more recently a police station, the building is a well-known local landmark, named after Lord Byron's daughter Ada Lovelace. Prior to investment, it was in a state of disrepair and required some demolition works and an internal refurbishment to bring it back to current market standards for offices of this type. Ada Lovelace House offers seven high quality offices with shared communal space and open-plan meeting areas. The £280,000 project was funded with £140,000 from the D2N2 Local Enterprise Partnership's Local Growth Fund allocation and £140,000 from Ashfield District Council.

Project: A57/A60 Junction Worksop
Grant Recipient: Nottinghamshire County Council
Total Project Cost: £2,438,000
LGF Funding: £1,830,000
Timing: February 2016 to December 2016

The A57/A60/B6024 Millhouse roundabout, south-west of Worksop, is located between and close to both the M1 motorway and A1. This £2.4million project saw the installation of traffic signals at key route points, improving overall connectivity and providing access to new opportunities for property developers.

D2N2 provided £1.8million for the project, joint funding improvement of this area with the Sheffield City Region Local Enterprise Partnership and Nottinghamshire County Council. It is estimated that this £2.4m project will help provide access to more than 75 hectares of employment land, mainly along Worksop's A57 corridor; which could then directly host up to 4,900 jobs and indirectly generate around a further 1,100 in the town, due to the expected increases in trade and retail footfall. It is also expected to accelerate housing growth, creating at least 1,600 homes.

Project: BioCity Discovery Building
Grant Recipient: Nottingham City Council
Total Project Cost: £32,302,933
LGF Funding: £6,500,000
Timing: April 2015 to April 2017

BioCity's Discovery building, which adds to the original BioCity building in the centre of Nottingham, will create around 700 jobs over a 30-year span, whilst safeguarding a further 250 jobs. Of the 50,000 square feet of lab and office space available in the Discovery building, 30,000 sq ft has already been reserved for expanding current BioCity tenants Sygnature Discovery; meaning more space will be available in the original building for life sciences start-ups.

Project: Better Broadband for Nottinghamshire
Grant Recipient: Nottinghamshire County Council
Total Project Cost: £29,046,726
LGF Funding: £2,630,000
Timing: June 2014 to March 2018

The BBfN programme spanned the period 2013-2018. By the end of the programme, close to98% of premises in Nottinghamshire had access to superfast broadband through the new fibre infrastructure; up from 86% that would have been achieved access without public sector investment. In total, it is estimated that over 80,000premises in Nottinghamshire (over 8,300 of which are business premises, will have gained access to fibre broadband that would not have had this without the BBfN programme. This will make Nottinghamshire one of the best served counties in the country and will be a key attractor for new investment in business growth in the area and will drive housing growth.

Project: Digital Derbyshire
Grant Recipient: Derbyshire County Council
Total Project Cost: £34,961,863
LGF Funding: £2,190,000
Timing: June 2014 to March 2018

The Digital Derbyshire programme spanned the period 2013-2018. By the end of the programme the aim was that close to 98% of premises in Derbyshire and Derby City will have access to superfast broadband through the new fibre infrastructure. In total, it is estimated that over 200,000premises in Derbyshire and Derby City, over 10,000 of which are business premises will have gained access to fibre broadband that would not have had this without the DD programme directly tackling market failure. This will make Derbyshire and Derby City one of the best broadband served areas in the country and will be a key attractor for new investment in business growth in the area and will drive housing growth.

Project: Bulwell Market
Grant Recipient: Nottingham City Council
Total Project Cost: £300,000
LGF Funding: £100,000
Timing: November 2016 to Q1 2019/20

Works worth £300,000 to improve Bulwell Market in Nottingham, helping local traders, were undertaken in early 2017 – with £100,000 of the costs met through D2N2's Local Growth Fund allocation. The Bulwell Market works around Pilkington Street were to create an improved area and extra seating for shoppers and visitors, as well as larger space for the existing Market area. This will enable the space to host different types of markets, such as craft fairs and food markets, to generate extra customer footfall.

Project: Chesterfield Centre for Higher Level Skills
Grant Recipient: University of Derby
Total Project Cost: £7,706,338
LGF Funding: £3,482,500
Timing: October 2015 to October 2016

In October 2016 the University of Derby opened its new £7.6million campus in Chesterfield. Located on the site of the former St Helena Grammar School on Sheffield Road, Chesterfield, the new campus offers students the latest in training and learning, and is also a place for business development. Project costs were met by the University and £3.48m from D2N2's LGF allocation.

A focus of the new Chesterfield Campus is the training of students from the area, particularly adults, in higher level vocational skills. Facilities include a mock hospital ward, used to simulate some of the situations healthcare students may encounter when working in the sector. There is also an Innovation Centre, allowing SMEs to develop new business ideas. It is estimated the campus will be used by over 1,000 students in its first five years.

Project: Nottingham Cycle City Ambition
Grant Recipient: Nottingham City Council
Total Project Cost: £9,380,000
LGF Funding: £6,100,000
Timing: October 2015 to June 2017

Nottingham City Council secured £6.1million LGF funding to invest in the city's cycling infrastructure and facilities. The Nottingham Cycle City Ambition Programme (NCCAP) involved the development of new 'cycling corridors' running:

- **East-West** – **Eastern cycle corridor** extends from the city centre, out through Daleside Road, and as far as Vale Road in Colwick; and the **western corridor (pictured)** from the city along Castle Boulevard, over Abbey Bridge, connecting to University Boulevard via City Road, taking the route to the city boundary at the Broadgate roundabout.
- **North-South** – The **northern corridor** exits the city centre via North Sherwood Street, goes up Mansfield Road and follows Hucknall Road, picking up the National Cycle network just north of Bulwell; and the **southern corridor** goes from Nottingham Station, along Queen's Walk to Nottingham Trent University's Clifton Campus, mainly following the cycle routes already set down along the NET tram route to Clifton.

The scheme's aims include a recorded increase in bike use, less commuting by car, associated health benefits and reductions in traffic pollution levels; to aid the overall economic growth of Nottingham.

Project: Derby College Technology Hub
Grant Recipient: Derby College
Total Project Cost: £1,750,000
LGF Funding: £1,300,000
Timing: September 2017 to July 2019

D2N2 invested £1.3million of LGF into the Mechatronics Lab at Derby College. The state-of-the-art laboratory aims to further increase the skills and employment opportunities of Engineering and Professional Construction students and apprentices.

Students who use the lab will learn a wide range of industry-relevant practical and theoretical skills including operating pneumatic, hydraulic, and robotic manufacturing control systems as well as computer programming and skill maintenance of the equipment. The lab was opened in the summer of 2019 and welcomed its first cohort in September.

Project: Harworth Access Road
Grant Recipient: Nottinghamshire County Council
Total Project Cost: £1,555,000
LGF Funding: £1,100,000
Timing: November 2016 to June 2017

Harworth and Bircotes is a small conurbation, located about eight miles north of Worksop. Harworth and Bircotes achieved town status in 2010 and is administered locally by Haworth and Bircotes Town Council. The £1.5million Harworth Access Road scheme consisted of planned improvements to four junctions in the area:

- A614 Bawtry Road/ Blyth Road junction – the introduction of traffic signal control;
- Blyth Road/ Scrooby Road/ Tickhill Road/Main Street junction – removal of two mini-roundabouts and replacement with traffic signal control;
- A1/ A614 junction – entry arm improvements and circulatory carriageway closure on part of one of the two feeder roundabouts to the A1 (M) junction at Blyth;
- A614/ Scrooby Road junction – conversion to traffic signal control and junction widening.

The project aimed to aid the area's economic growth, ensure smoother traffic flow; and to make Harworth and Bircotes more attractive to potential residents and businesses looking to locate to an area with good access to the A1 (M), M1 and M18 roads. Over ten years it is estimated the project will 'unlock' the potential for an additional 5,000-plus direct and indirect jobs, and enable the building of 855 new homes. Work began on site in autumn 2016 and was completed in May 2017.

Project: Institute for Advanced Manufacturing
Grant Recipient: University of Nottingham
Total Project Cost: £23,100,000
LGF Funding: £5,000,000
Timing: August 2016 to September 2018

D2N2 invested £5 million of LGF into the construction of the Institute of Advanced Manufacturing at the University of Nottingham. The £24 million pound project is a 96,000 square foot centre for world-class research; particularly for the aerospace, automotive, food, biomedical, energy generation, chemical products and digital manufacturing sectors and was completed in January 2018.

It is anticipated by the University that the building will create dozens of jobs in its first five years; as well as proving a huge help to manufacturing businesses in the D2N2 area, providing technical expertise and assistance in the creation of new products.

Project: Infinity Park
Grant Recipient: Derby City Council
Total Project Cost:
LGF Funding: £12,995,000
Timing: February 2015 to March 2021

Infinity Park is a 100 acre commercial and technology park, located just south of Derby city centre. It is being developed as a collaboration between partners Derby City Council, the Harpur Crewe Estate, Rolls-Royce and developers Cedar House, Wilson Bowden and Peveril Securities. Infinity Park is one of the sites in the Nottingham and Derby Enterprise Zone (EZ). EZ sites nationally offer companies benefits including business rate discounts and enhanced capital allowances on first year investment in plant and machinery, as well as support from UK Trade and Investment to help reach overseas markets.

At Infinity Park's heart is the iHub, an £11.8m 'Centre for Supply Chain Innovation in Transport Engineering'; which specialises in hosting research and technology firms relating to the aerospace, automotive and rail sectors. In July 2016 the Park officially opened the T12 Link Road (known as Infinity Park Way), connecting it to the existing A50 main road. D2N2 is investing £12.9million in Infinity Park's roads and other infrastructure over six years, through its LGF allocation.

Project: MediCity
Grant Recipient: MediCity
Total Project Cost: £1,400,000
LGF Funding: £740,000
Timing: January 2017 to June 2016

1.4million investment in a redundant building a the Boots UK site in Nottingham has provided more space for companies working in Life Sciences, a key D2N2 sector. MediCity is an ongoing collaboration between Boots UK - part of the Walgreen Boots Alliance - and BioCity, the UK's leading life sciences incubation business. It is a business incubation site for health, wellbeing and life sciences enterprises. D2N2 has funded the refurbishment of further areas within MediCity to create an additional 29,800 square feet of space to host a cluster of new and growing health, medical technology and life sciences sector companies. It is estimated the newly expanded facility, which opened in spring 2017, could directly create more than 150 jobs over the next 18 years (up to 2034).

Project: Rail Research & Innovation Centre
Grant Recipient: University of Derby
Total Project Cost: £1,400,426
LGF Funding: £497,826
Timing: June 2018 to 2020

D2N2 have invested £902,600 of LGF into the construction of the Rail Research & Innovation Centre and the University of Derby. The £1.4 million project is designed to help transform the rail industry by working closely with industry partners, helping them become more innovative and productive. The funding has enabled the University of Derby to purchase three technology demonstrators showcasing current working practices in Advanced Rail Composite Design & Manufacture, Rail Data Analytics & Artificial Intelligence, and Future Rail Propulsion. It is hoped that the RRIC will upskill upwards of 80 rail sector employees, while also supporting around 80 supply chain businesses, 15 new collaborative research projects, and shepherding 20 companies through innovation funding applications by 2022. The Rail Research & Innovation Centre was opened in June 2019.

Project: Sherwood Energy Village
Grant Recipient: CRT Property Investments Ltd
Total Project Cost: £3,301,083
LGF Funding: £500,000
Timing: January 2017 to Q1 2018/19

D2N2 have invested £500,000 from the Local Growth Fund into the Sherwood Energy Village. The site, developed on a former coalfield, houses ten mixed-use units covering 32,000 ft of workspace for both business and industry. The 2-acre site features strong transport links as well as a campus-style layout with a gated boundary and will create around 38 jobs will safeguarding 26 more. The remaining funding for the £3.3m project came from CRT Property Investments Limited (a subsidiary of the Coalfields Regeneration Trust).

Project: Seymour Link Road
Grant Recipient: Derbyshire County Council
Total Project Cost: £7,560,000
LGF Funding: £2,520,000
Timing: October 2015 to November 2016

The Seymour Link Road, which links the Markham Vale Enterprise Zone with junction 29a of the M1 motorway, officially opened in March 2017; to help 'unlock' development land with the potential to create over 1,000 new jobs.

This project was part-funded by both D2N2 (contribution £2.5million) and the Sheffield City Region Local Enterprise Partnerships (£3.78m), as well as Derbyshire County Council (£1.26m).

Located on the site of the former Seymour Colliery, Markham Vale is being redeveloped for industry – particularly the manufacturing, technology, environmental and logistics sectors. Part of the Markham

Vale site was given Enterprise Zone status in 2011, meaning businesses which locate there can receive tax relief and other benefits. The Seymour Link Road has opened up the north side of Markham Vale Enterprise Zone with direct access to Junction 29a of the M1 motorway. Companies which have recently located to Markham Vale and built main sites there include logistics firm Great Bear Distribution and vehicle parts supply firm Ferdinand Bilstein UK, both of which are set to create hundreds of jobs in coming years.

Project: Southern Growth Corridor
Grant Recipient: Nottingham City Council
Total Project Cost: £9,620,000
LGF Funding: £3,500,000
Timing: October 2016 to September 2018

The £9.62million 'Southern Growth Corridor' project – now also referred to as the 'Nottingham Eco-Expressway' – has created a high capacity, high frequency, low carbon (emissions) and sustainable transport bus corridor running east-west through Nottingham. This ten kilometre long corridor of bus lanes will connect the proposed Gedling Access Route (GAR) in the former Gedling Colliery area east of Nottingham to the Boots Enterprise Zone site (part of the Nottingham and Derby Enterprise Zone) to the west; and enhance links to existing bus-based park and ride sites, the electric Medilink and Centrelink services, and Nottingham city centre bus stations. The corridor is designed to serve existing employment sites and to cater for the travel demand predicted from new housing, employment and leisure developments along its length. Electric buses and, it is proposed, private electric vehicles will use the route.

Project: Sutton Indoor Market
Grant Recipient: Ashfield District Council
Total Project Cost: £1,600,000
LGF Funding: £375,000
Timing: January 2017 to October 2017

A £1.8million refurbishment of a popular indoor market has been financed by its landlord, Ashfield District Council and D2N2. Sutton-in-Ashfield Indoor Market, within the Nottinghamshire town's Idlewells Shopping Centre, was updated and improved in a £1.8m project. Works were begun and completed in 2017. The proposed improvements included:

- a new market entrance
- roof space, allowing in more natural light
- better accessibility for people with mobility problems
- a new seating and café area
- new trader stall counters.

The cost of the £1.8m works was met by Ashfield District Council, the market's landlord and with £375,000 from D2N2's LGF allocation. The refurbishment is designed to make the market more attractive to customers and draw in new traders, increasing its profitability. The project is linked to other regeneration works in Sutton-in-Ashfield town centre and a wider Nottinghamshire 'town centres programme'.

Project: Sherwood Forest Visitor Centre
Grant Recipient: Nottinghamshire County Council
Total Project Cost: £7,400,000
LGF Funding: £500,000
Timing: January 2018 to Q3 2018/19

D2N2 invested £500,000 via the Local Growth Fund into the construction of a new Visitor Centre at one of the most famous attractions in the region, Sherwood Forest. The new visitor centre replaced the original 1970s-built building after the RSPB won a competitive tender in 2015 to manage the Sherwood Forest National Nature Reserve, along with partners Nottinghamshire County Council, Sherwood Forest Trust, The

Woodland Trust, Thoresby Estate and Continuum Attractions. Work began in 2017 and was completed in October 2018. In 2019 the Visitor Centre scooped a hat-trick of awards for its design and in its first year of opening attracted over 370,000 visitors.

Project: Vision University Centre
Grant Recipient: West Nottinghamshire College
Total Project Cost: £6,500,000
LGF Funding: £2,610,000
Timing: October 2015 to October 2016

This project created a new teaching and learning space to increase the capacity of the college to delivery Higher Level skills–including the expansion of the existing HE offer (HND/HNC, Foundation Degrees and TopUp degrees), new post-graduate opportunities and increased opportunities for higher level vocational courses, including Higher Apprenticeships. The new building is located on the current Derby Road college campus of West Nottinghamshire College.

3.0 Local Growth Fund Allocations

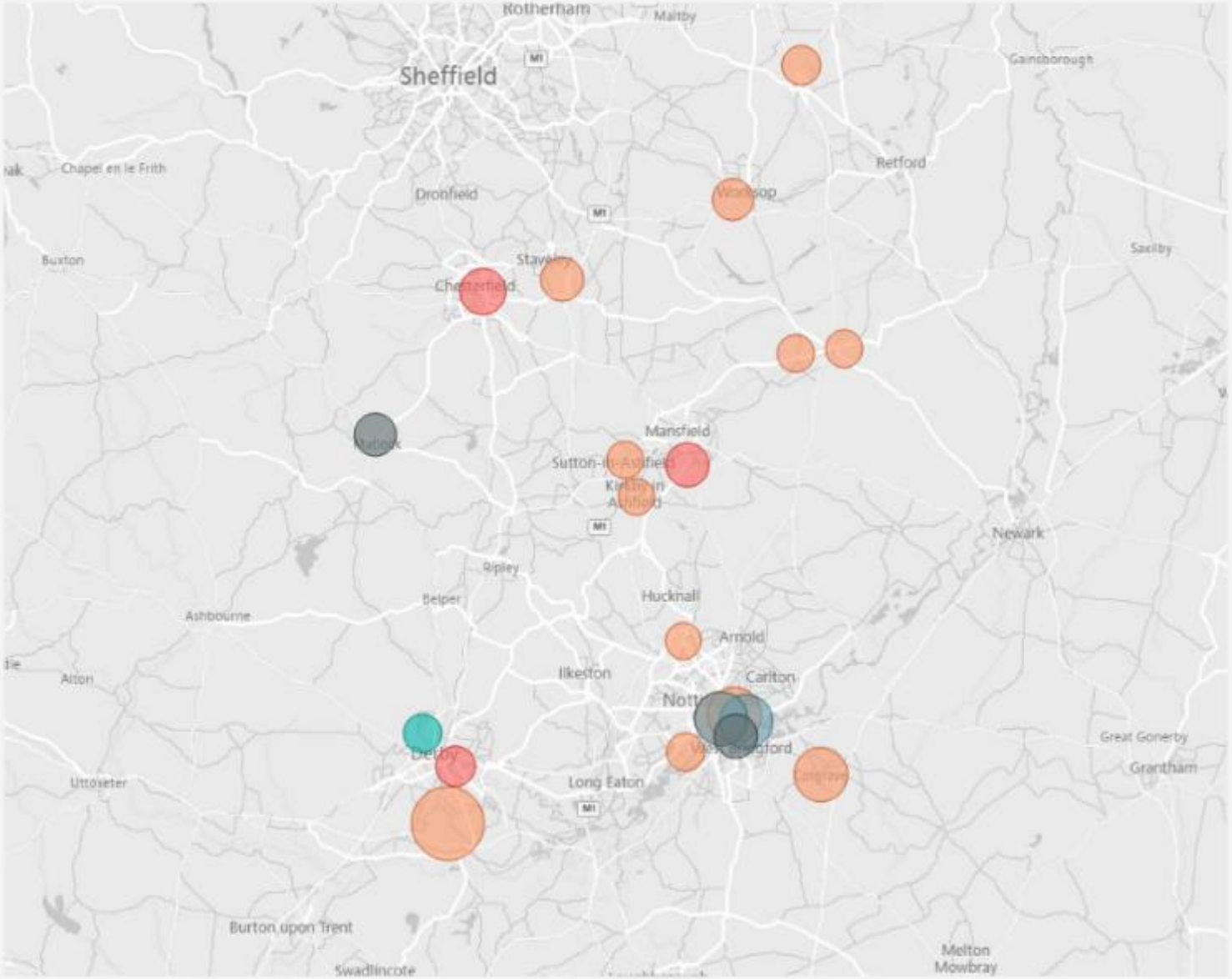
The map overleaf illustrates the geographical location of the projects reviewed in this evaluation and demonstrates the breadth and depth of investment across Derbyshire and Nottinghamshire. The associated graphs show the LGF allocations by project and show that the level of LGF investment has ranged from £100,000 to nearly £13m per project.

On the map, projects have been categorised under the following themes:

- Digital infrastructure
- Innovation
- Transport
- Skills
- Employment.

The size of the circles is proportionate to the funding invested as part of the LGF.

COMPLETED PROJECTS



DIGITAL INFRASTRUCTURE
Better Broadband for Nottinghamshire
Digital Derbyshire

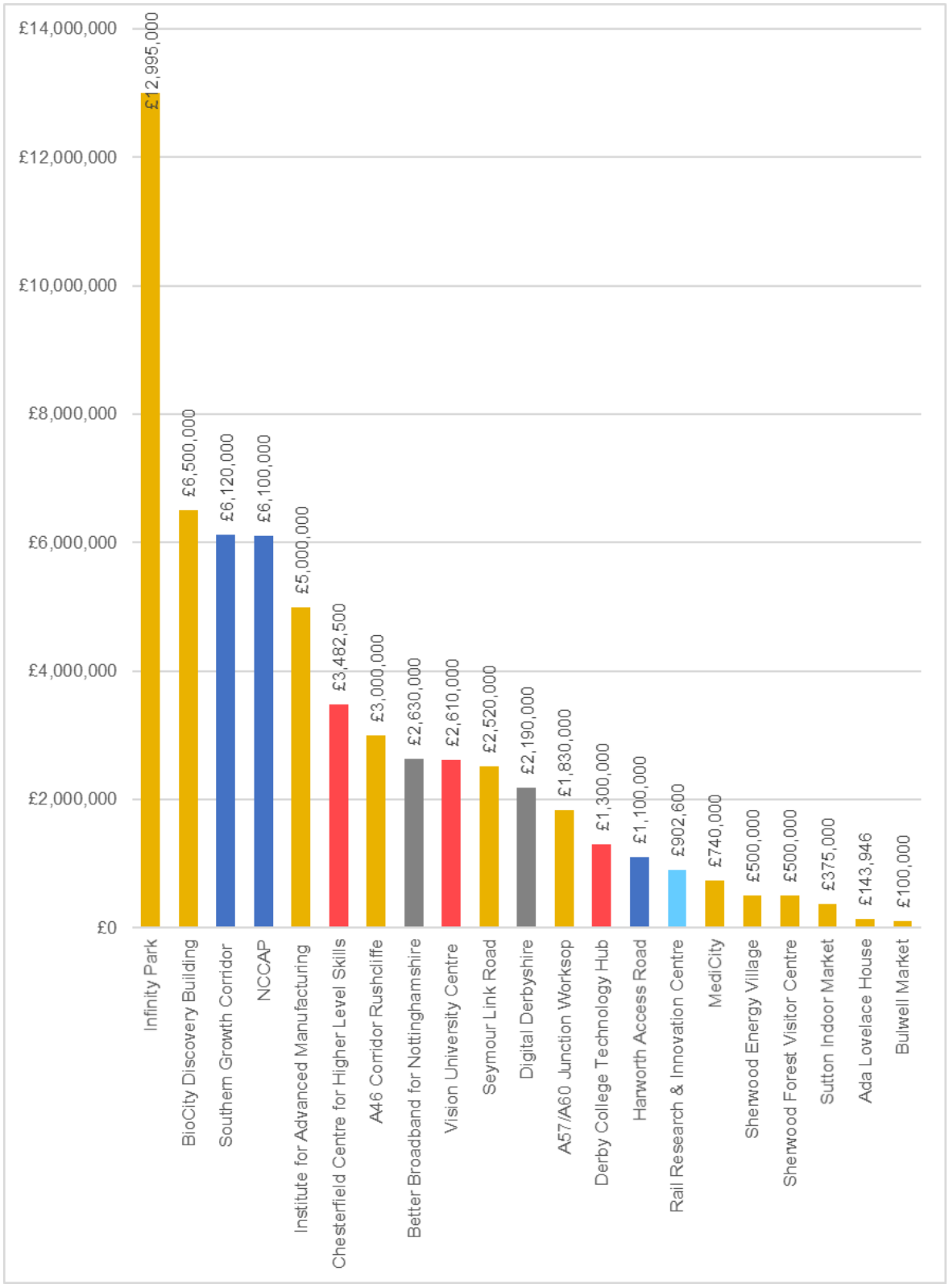
INNOVATION
Rail Research and Innovation Centre

TRANSPORT
Nottingham Cycle City Ambition Programme
Southern Growth Corridor

SKILLS
Vision University Centre
Chesterfield Higher Level Skills Centre
Derby College Technology Hub

EMPLOYMENT
A46 Corridor Rushcliffe
A57/A60 Junction Worksop
Ada Lovelace House
BioCity Discovery Building
Bulwell Market
Institute for Advanced Manufacturing
Infinity Park
MediCity
Sherwood Energy Village
Seymour Link Road
Sutton Indoor Market
Sherwood Forest Visitor Centre

LGF Project Allocations by Theme



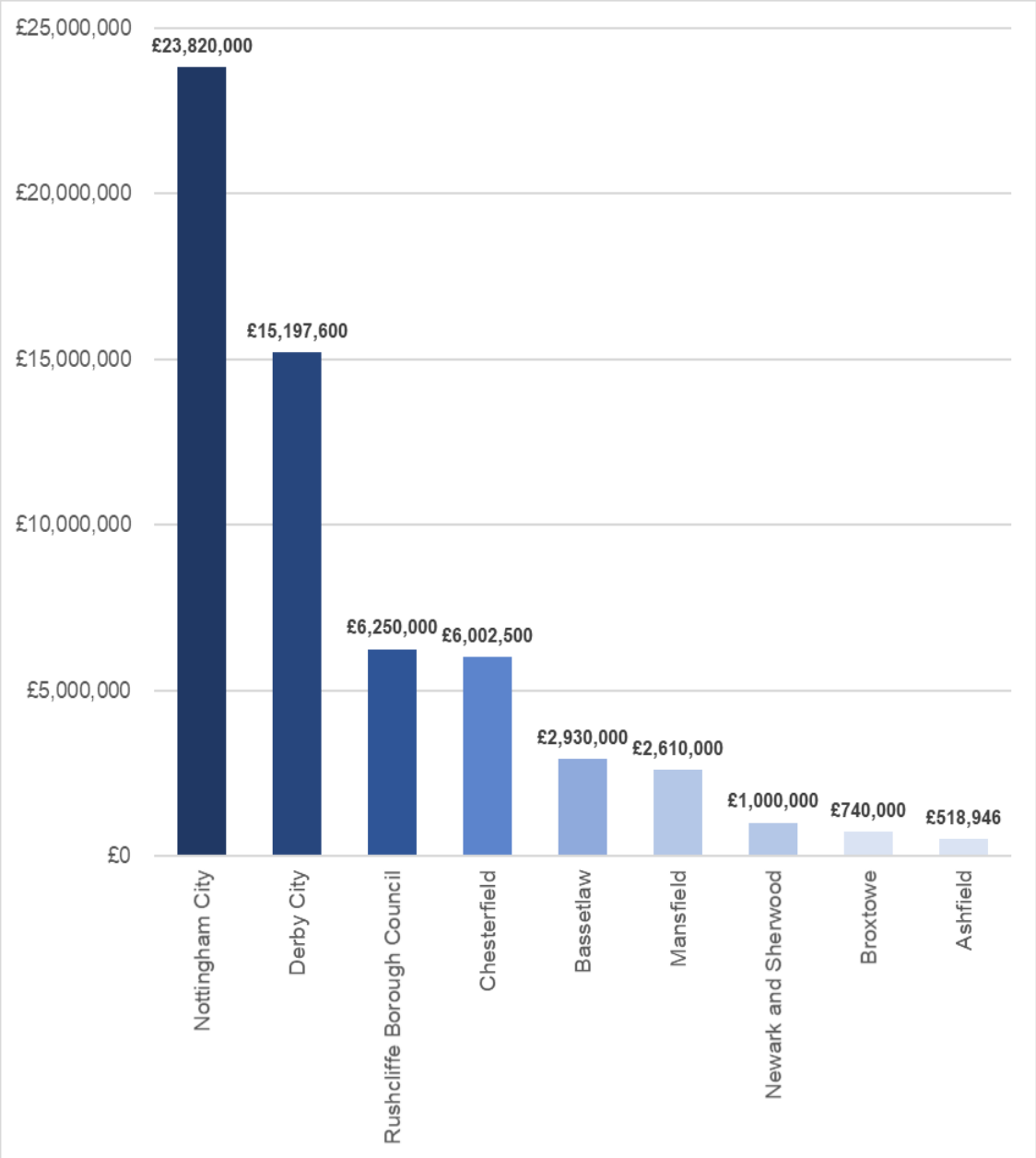
The graph above demonstrates that most of the LGF funding for completed projects has been allocated to employment-centric projects. This aligns with D2N2's Strategic Economic Plan's priorities particularly the target to create 55,000 new jobs.

3.1 Local Growth Fund Allocations by District, Borough or City

The table and graph below show where each funded project considered in this evaluation is located. Where a project covered more than one area, it is shown in the location where it is considered the majority of the investment took place.

Project Split by Geography				
Location	**Project**	**Sector**	**LGF Allocation**	**Total for Area**
Nottingham City	Biocity Discovery Building	Bioscience facility	£6,500,000	£23,820,000
	Bulwell Market	Refurbishment of market space	£100,000	
	Nottingham Cycle City Ambition	Cycling infrastructure	£6,100,000	
	Institute for Advanced Manufacturing	University facility	£5,000,000	
	Southern Growth Corridor	Electric bus infrastructure	£6,120,000	
Derby City	Derby College Technology Hub	Engineering, learning space	£1,300,000	£15,197,600
	Infinity Park	Infrastructure, sustainable transport	£12,995,000	
	Rail Research & Innovation Centre	Capital equipment	£902,600	
Chesterfield	Chesterfield Centre for Higher Level Skills	Refurbishment, skills facility	£3,482,500	£6,002,500
	Seymour Link Road	Road infrastructure	£2,520,000	
Newark and Sherwood	Sherwood Energy Village	High quality commercial floorspace	£500,000	£1,000,000
	Sherwood Forest Visitor Centre	Rebuild of visitor centre	£500,000	
Bassetlaw	A57/A60 Junction Worksop	Transport improvements	£1,830,000	£2,930,000
	Harworth Access Road	Transport improvements	£1,100,000	
Ashfield	Ada Lovelace House	Refurbishment, employment space	£143,946	£518,946
	Sutton Indoor Market	Refurbishment of market space	£375,000	
Rushcliffe	A46 Corridor Rushcliffe - Cotgrave Town Centre (Phase 2)	Town Centre Regeneration	£6,250,000	£6,250,000
Broxtowe	Medicity	Medical science space	£740,000	£740,000
Mansfield	Vision University Centre	Skills facility	£2,610,000	£2,610,000
Nottinghamshire	Better Broadband for Nottinghamshire	Broadband infrastructure	£2,630,000	County Wide
Derbyshire	Digital Derbyshire	Broadband infrastructure	£2,190,000	County Wide

The graph below shows the total spend on the projects being evaluated by their geographical location.



Nottingham City followed by Derby City have received the largest allocation of LGF investment when considering the completed or near completed projects. Of the areas that have received funding, Ashfield has had the lowest level of funding, although there are a number of local authority areas which have not received any funding for the portfolio of projects considered. Of the portfolio analysed, it is clear that Nottinghamshire has received a higher proportion of funding than Derbyshire.

This may be that there were more projects in Nottinghamshire in a position to move forward early on in the programme as analysis of the wider programme indicates that more Derbyshire-based projects received funding through the Growth Deals 2 and 3 allocations and subsequently are less likely to have reached completion.

The distribution of funding may also be an indication of the capacity within smaller local authorities to bring forward suitable growth projects and potentially a lack of match funding.

It is also important to note that the north Derbyshire areas of Derbyshire Dales, North East Derbyshire, Chesterfield and Bolsover as well as Bassetlaw in Nottinghamshire have all also been part of Sheffield City Region Local Enterprise Partnership and therefore may have looked more towards this LEP for LGF funding.

3.2 Analysis of Spend by Project Location – Spend per Head and Spend Per Business

To put the above figures into more context there has been further analysis of level of funding per area against the population per district and number of businesses per district.

3.2.1 Spend per Head

Both Nottingham City (£71.94 per person) and Derby City (£59.09 per person) have a higher level of funding per head any other local authority area in D2N2.

Both Rushcliffe Borough Council and Chesterfield each also have a spend of more than £50 per head – Rushcliffe benefit solely from the A46 Corridor project including the regeneration of Cotgrave Town Centre.

Local Growth Fund Allocation by District - Spend per Head			
District	LGF Received	Population	Spend per head
Nottingham City	£23,820,000	331,100	£71.94
Derby City	£15,197,600	257,174	£59.09
Rushcliffe Borough Council	£6,250,000	117,700	£53.10
Chesterfield	£6,002,500	104,628	£57.37
Bassetlaw	£2,930,000	116,900	£25.06
Mansfield	£2,610,000	108,900	£23.97
Newark and Sherwood	£1,000,000	121,600	£8.22
Broxtowe	£740,000	113,300	£6.53
Ashfield	£518,946	127,200	£4.08

The table shows a significant difference in spend per head – residents in Nottingham benefitted from a spend per head over 18 times larger than those living in Ashfield.

This is something that should be re-visited after the end of the programme to analyse whether there is a more equitable spend per head across the area.

3.2.2 Spend per Business

As the LGF has been designed to support economic growth in the D2N2 area we have also considered spend per business in the various different cities, boroughs and districts. The results can be seen in the table below.

Nottingham City and Derby City have a higher proportionate spend allocation per business than the other districts, at £2,566 and £2,080 respectively.

Local Growth Fund Allocation by District - Spend per Business

District	LGF Received	Nr of Businesses	Spend per Business
Nottingham City	£23,820,000	9,283	£2,565.98
Derby City	£15,197,600	7,305	£2,080.44
Chesterfield	£6,002,500	3,280	£1,830.03
Rushcliffe Borough Council	£6,250,000	5,400	£1,157.41
Mansfield	£2,610,000	2,775	£940.54
Bassetlaw	£2,930,000	4,020	£728.86
Broxtowe	£740,000	3,270	£226.30
Newark and Sherwood	£1,000,000	4,865	£205.55
Ashfield	£518,946	3,010	£172.41

From the data we can see that average spend per business in Nottingham City was almost 15 times higher than in Ashfield. There is a significant difference between those at the top of the above table and those at the bottom.

3.3 Summary

Based on the information above we can see that there is a significant disparity between the spend per head and spend per business across the D2N2 area. This will need to be further reviewed at the end of the LGF programme to see whether there has a change in the spread of funding across the D2N2 area.

This approach to higher spending in the city areas may be something that could be further investigated in the emerging Local Industrial Strategy. The strategy could consider whether funding should continue be concentrated in the major urban areas and to what extent the secondary centres such as Newark, Ollerton, Mansfield etc are considered for investment.

Creating jobs in the regions market towns and secondary centres is something that is likely to be a priority for the future, with rising fuel costs and a focus on reducing travel, transport and commuting costs workers will be looking for employment closer to home. This is particularly relevant given the Government's announcement of the £3.6bn Town Fund which combines the Future High Street Fund with a series of 'Town Deals' and includes funding for a number of towns in the D2N2 area including Buxton, Clay Cross, Heanor, Kirkby-in-Ashfield, Mansfield, Newark on Trent, Stapleford, Sutton-in-Ashfield and Staveley.

4.0 Meeting the LGF Outputs

This section summarises the outputs that have been achieved to date by the projects being considered as part of this evaluation. It shows the overall outputs that have been achieved by the portfolio of projects as a whole and then goes into project level detail.

As part of the analysis we have considered the outputs at a city/ borough/ district level to allow us to understand the benefits that have been realised in each area.

4.1 Output Profile - Programme

The table below shows the outputs that have been achieved to date by all of the projects considered as part of this evaluation. It also shows those projected to be achieved by the end of the programme and those forecast to be achieved in the future.

D2N2 Growth Deal Projects - Outputs Overall			
Output	Achieved to date	Forecast to be achieved by End of Programme (2021)	Forecast to be achieved after the Programme (post-2021)
Shop units and business units refurbished	18	18	-
New multiservice Centre created	1	1	-
Jobs created	3,138	6,966	11,748
Indirect Jobs Created	949	2207	3388
Housing units completed	919	1474	1597
Refurbishment of commercial / office space	109,658	114,458	0
Support the creation/growth of businesses	7	7	-
Renewal of Brownfield Land (acres)	1.43	1.43	-
Premises with access to superfast broadband	6,607	16,607	-
Premises connected to fibre broadband by March 2018	99,526	101,525	-
Improved, refurbished or landscaped market place (sqm)	21,000	21,000	-
Pedestrianised space for further additional temporary larger national business outdoor promotional spaces (sqm)	150	150	-
Learner Numbers [Number of New Learners Assisted (in courses leading to a qualification)]	568	2,843	2,250
Number of Knowledge Transfer Partnerships (KTPs)	9	16	-
Number of CPD modules/short courses	1,293	1,449	-
Refurbishment of training / learning space	20,930	21,930	-
km of segregated cycle corridor	25	25	-
km of City Centre cycle route	1.9	1.9	-
km of off road route alongside the River Leen	3.65	3.65	-
km of both on and off road cycle routes through Nottingham's Parks (strategic connections)	3.95	3.95	-
km of non and segregated on road cycle lane (Neighbourhood	3.1	4.65	-

D2N2 Growth Deal Projects - Outputs Overall			
Output	Achieved to date	Forecast to be achieved by End of Programme (2021)	Forecast to be achieved after the Programme (post-2021)
level)			
Support enterprises to cooperate with the University across a range of manufacturing technologies	27	54	-
Assist enterprises supported to introduce new to the firm products	11	25	-
Provision of services to 7 acres net developable area of land (acres)	0	7	-
New road (m)	790	790	-
New spur roads (m)	0	305	-
Enhanced road (m)	0	270	-
Flood alleviation facility (sqm)	0	150,000	-
Number of D2N2 Rail supply chain companies supported	-	80	-
Number of Collaborative Research/Innovation projects started	-	15	-
Number of Postgraduate research & innovation students engaged	-	30	-
Number of companies supported to apply for complementary innovation funding programmes/providers	-	20	-
Number of D2N2 rail sector employees upskilled	-	80	-
Provide operational single decker electronic buses to operate Citylink services 1&2 and a charging point	13	13	-
Provide priority bus lane (km)	5.5	5.5	-
Reduce bus journey times along corridor by 5%	-	5%	-
Increase bus patronage along corridor by 2-3%	-	2-3%	-
Additional visitors	18,000	35,000	15,000

4.2 Output Profile – Project Level

The table below breaks down the outputs that have been achieved at a project level as at November 2019. This information has been collated using claim forms and discussions with projects.

D2N2 Growth Deal Projects - Outputs Progress (November 2019)						
Project	Outputs	LGF Allocation	Target (Overall)	Achieved to date	Forecast to be achieved by End of Programme (2021)	Forecast to be achieved after the Programme (post-2021)
A46 Corridor Rushcliffe (Phases 1 and 2)		£3,000,000				
	Shop units (9) and business units (9) refurbished		18	18	18	-
	New multiservice Centre created		1	1	1	-
	Jobs created		70	92	92	-
	Indirect Jobs Created		-	486	486	-
	Housing units completed		180	463	463	-
A57/A60 Junction Worksop		£1,830,000				
	Jobs created (unlocked)		6000	771	981	5,019
	Housing created (unlocked)		995	203	758	995
Ada Lovelace House*		£143,946				
	Refurbishment of space (sqm), which will create 7 office units to let		1,658	1,658	1,658	-
	Jobs created		9	11	11	-
	Support the creation/growth of businesses		7	7	7	-
Biocity Discovery Building		£6,500,000				
	Bioscience space created (sqft)		51,000	51,000	51,000	-
	Renewal of Brownfield Land (acres)		0.5	0.5	0.5	-
	Creation and Safeguard of Direct Jobs [Jobs created]		250	377	377	-

D2N2 Growth Deal Projects - Outputs Progress (November 2019)						
Project	Outputs	LGF Allocation	Target (Overall)	Achieved to date	Forecast to be achieved by End of Programme (2021)	Forecast to be achieved after the Programme (post-2021)
Better Broadband for Nottinghamshire		£2,630,000				
	Premises with access to superfast broadband		6,250	6,607	6,607	-
	Jobs created		388	388	388	-
	Premises connected to fibre broadband by March 2018		80,000	83,574	83,574	-
Digital Derbyshire		£2,190,000				
	SME premises with access to superfast broadband		10,000	-	10,000	-
	Indirect FTE jobs over 10 years [Jobs created]		3,000	100	400	2,600
	Premises connected to fibre broadband by March 2018		17,951	15,952	17,951	-
Bulwell Market*		£100,000				
	FTE jobs created or safeguarded		75	22	75	-
	Improved and landscaped market place (sqm)		1,500	1,500	1,500	-
	Pedestrianised space for further additional temporary larger national business outdoor promotional spaces (sqm)		150	150	150	-
Chesterfield Centre for Higher Level Skills		£3,482,500				
	Learner Numbers [Number of New Learners Assisted (in courses leading to a qualification)]		1,049	464	1,049	-
	Number of Knowledge Transfer Partnerships (KTPs)		16	9	16	-
	Number of CPD modules/short courses		1,449	1,293	1,449	-
	Jobs connected to the intervention		42	41.36	42	-
	Refurbished training/learning facilities (sqm)		3,257	3,257	3,257	-
Nottingham Cycle City Ambition**		£6,100,000				
	km of segregated cycle corridor		23.7	25	25	-
	km of City Centre cycle route		1.9	1.9	1.9	-

D2N2 Growth Deal Projects - Outputs Progress (November 2019)						
Project	Outputs	LGF Allocation	Target (Overall)	Achieved to date	Forecast to be achieved by End of Programme (2021)	Forecast to be achieved after the Programme (post-2021)
	km of off road route alongside the River Leen		3.65	3.65	3.65	-
	km of both on and off road cycle routes through Nottingham's Parks (strategic connections)		3.8	3.95	3.95	-
	km of non and segregated on road cycle lane (Neighbourhood level)		4.65	3.1	4.65	-
Derby College Technology Hub		£1,300,000				
	Upgrade of space (m2) [Area of new or improved learning/training floorpsace]		3,000	2,000	3,000	-
	Provides capacity to deliver high skilled learners over the 20 lifecycle		2,500	104	250	2,250
	Provides additional FTEs		7	5	7	-
Harworth Access Road*		£1,100,000				
	Housing units		855	253	253	602
	Direct Jobs		5508	342	1,712	3,769
	Indirect Jobs		1142	78	354	788
Institute for Advanced Manufacturing		£5,000,000				
	Jobs created (Direct)		60	74.25	100	-
	Jobs created (Indirect)		200	285	385	-
	Area of new or improved learning/training floor space (sqm)		13,500	13,500	13,500	-
	Support enterprises to cooperate with the University across a range of manufacturing technologies		10	27	54	-
	Assist enterprises supported to introduce new to the firm products		10	11	25	-
Infinity Park		£12,995,000				
	Provision of services to 7 acres net developable area of land (acres)		7	0	7	-
	New road (m)		790	790	790	-
	New spur roads (m)		305	0	305	-
	Enhanced road (m)		270	0	270	-

D2N2 Growth Deal Projects - Outputs Progress (November 2019)						
Project	Outputs	LGF Allocation	Target (Overall)	Achieved to date	Forecast to be achieved by End of Programme (2021)	Forecast to be achieved after the Programme (post-2021)
	Jobs unlocked		4500	107	1,567	2,933
	Flood alleviation facility (sqm)		150,000	0	150,000	-
MediCity		£740,000				
	Floor space delivered (sqft NIA)		29,800	25,000	29,800	-
	Jobs Created		190	151	250	-
	Indirect jobs		582	-	582	-
Rail Research & Innovation Centre		£902,600				
	Number of D2N2 Rail supply chain companies supported		80	-	80	-
	Number of Collaborative Research/Innovation projects started		15	-	15	-
	Number of Postgraduate reserch & innovation students engaged		30	-	30	-
	Number of companies supported to apply for complementary innovation funding programmes/providers		20	-	20	-
	Number of D2N2 rail sector employees upskilled		80	-	80	-
Sherwood Energy Village		£500,000				
	High quality commercial office space constructed (sqft)		32,000	32,000	32,000	-
	Land brought into use (ha)		0.93	0.93	0.93	-
	Jobs created		38	38	38	-
	Jobs safeguarded		26	26	26	-
Seymour Link Road		£2,520,000				
	Hectares of land developed		33	33	38	-
	Jobs created		1,235	638	1,235	-
Southern Growth Corridor		£6,120,000				
	Provide operational single decker electronic buses to operate Citylink services 1&2 and a charging point		13	13	13	-

D2N2 Growth Deal Projects - Outputs Progress (November 2019)						
Project	Outputs	LGF Allocation	Target (Overall)	Achieved to date	Forecast to be achieved by End of Programme (2021)	Forecast to be achieved after the Programme (post-2021)
	Provide priority bus lane (km)		5.5	5.5	5.5	-
	Reduce bus journey times along corridor by 5%		5%	-	5%	-
	Increase bus patronage along corridor by 2-3%		2-3%	-	2-3%	-
Sutton Indoor Market*		£375,000				
	Refurbishment of floorspace (sqft)		19,500	19,500	19,500	-
	Job creation		57	62	62	-
Sherwood Forest Visitor Centre*		£500,000				
	Direct Jobs		16.4	18.6	28.9	-
	c.350,000 visitors per annum with a projected uplift of up to 19% by year 10 (new visitors)		19%	18,000	35,000	15,000
Vision University Centre		£ 2,610,000				
	Creation of teaching and learning space (sqm)		2,173	2,173	2,173	-
	Increase in students		1,544	-	1,544	-

4.3 Geographical Spread of Outputs

The table below shows the outputs achieved in each area compared to the level of LGF funding. Only the core outputs of jobs, learners and housing have been considered to facilitate comparison between projects.

The greatest return in terms of cost per outputs is in Bassetlaw. This reflects the high cost-benefit ratios of investing in transport improvements; Bassetlaw has delivered two projects - the A57/A60 Junction Worksop and Harworth Access Road – which combine for over 1,000 jobs forecast (the highest of any district), and has by far the lowest cost per output at £1,867.

Local Growth Fund Allocation by District (Cost per Output)					
District	LGF Received	Jobs	Learners	Housing	Cost per output
Bassetlaw	£2,930,000	1113	0	456	£1,867
Broxtowe	£740,000	151	0	0	£4,901
Chesterfield	£6,002,500	679	464	0	£5,252
Ashfield	£518,946	73	0	0	£7,109
Rushcliffe Borough Council	£6,250,000	92	0	463	£11,261
Newark and Sherwood	£1,000,000	57	0	0	£17,544
Nottingham City	£23,820,000	453	0	0	£52,583
Derby City	£15,197,600	112	104	0	£70,359

Note: Cost per output calculations have been based on the following: Sum of total jobs, houses and learners, divided by total LGF received.

The tables above show that the highest cost per output so far are seen in Nottingham City and Derby City which are the areas that have received the highest level of funding. This may in part be due to when outputs area achieved as some types of projects will inevitably achieve outputs later than others. Full comparative analysis won't be possible until after the end of the programme. However, the analysis at this stage provides some insight to the ability of smaller levels of investment to achieve good value for money when compared to higher levels of investment.

For example, Ada Lovelace House secured just £143,000 of LGF funding but has created 11 new jobs and supported 7 new businesses to start up. Sherwood Energy Village secured just £500,000 but has created or safeguarded nearly 70 jobs. These relatively low levels of investment have achieved significant outputs, particularly when compared to the outputs achieved to date by some of the larger projects which have been awarded several millions of pounds of funding.

4.4 Summary

Overall progress against outputs is positive. In many cases, project outputs have already been achieved or in several cases exceeded. For example, A46 Corridor Rushcliffe, Ada Lovelace House, BioCity Discovery Building and the Institute for Advanced Manufacturing have all achieved or exceeded their outputs. Other projects still have significant progress to make including Derby College Technology Hub, Harworth Access Road, Infinity Park Derby, Vision University Centre and the Rail Research and Innovation Centre. It is not unusual for project output achievements to trail behind project expenditure but the analysis does demonstrate the variance between the different types of projects in terms of output achievement.

For example, projects which are putting in place infrastructure and roads to open up land for development almost always take time to realise their potential, particularly where there is market failure and hence the need for public funding. For example, work on the Markham Vale project in Derbyshire started in 2004 and over a number of phases has developed into a 200-acre industrial and logistics development park with over 3 million square feet of commercial floor space. The first commercial business moved to the site in 2009 and there are now over 50 companies based at Markham Vale across a range of industry sectors and of varying sizes, with a number of start-up companies employing two or three people and then there are the large multi-nationals employing two to three hundred. Although it is important to recognise that the Markham Vale site is on a former colliery and therefore required significant remediation work which will have extended the timeline from commencement on site to realisation of benefits.

Similarly, works on the Advanced Manufacturing Park, built on the former Orgreave Colliery site in Rotherham started when in 2002 Yorkshire Forward and UK Coal created a joint venture to reclaim land on the former opencast colliery at Waverley, Rotherham and to develop the Advanced Manufacturing Park. Yorkshire Forward invested around £12 million towards primary infrastructure including, highways, drainage and servicing and in 2006 the first building on the site was opened. Over the last 13 years, the site has seen investment from Rolls Royce, McLaren and Boeing. According to site developers, Harworth, three times as many people are now employed at the Advanced Manufacturing Park than were employed at Orgreave Coking Works when it closed in 1990.

The cost per out put analysis provides interesting data around the value for money being achieved across the different projects and different geographical areas and demonstrates that sometimes smaller levels of investment can offer better value for money than larger investments, particularly in the short to medium term.

5.0 Project Case Studies

A desktop review of all LGF projects including business cases, grant agreements and monitoring reports was undertaken. Telephone or face to face consultation was undertaken with a selection of projects to add further detail and context to the project review. This enabled a thorough analysis of outputs and impacts achieved to date, as well as the project's expectations of impacts to be achieved moving forwards. The evaluation sought to understand both direct and contracted impacts as well as wider economic, social and environmental outcomes. Projects were either reviewed through a face to face meeting, telephone consultation or desktop only review as follows:

Face to Face Consultation

- Medicity
- Sutton Indoor Market
- Sherwood Energy Village
- Nottingham Cycle City Ambition
- Sherwood Visitor Centre
- Rail Research and Innovation Centre
- Infinity Park Derby
- Chesterfield Higher Level Skills.

Telephone Interview

- Vision University Centre
- BioCity Discovery Building
- Ada Lovelace House
- Seymour Link Road
- Institute of Advanced Manufacturing
- Derby College Technology Hub
- A46 Corridor Rushcliffe – Cotgrave Town Centre.

Desktop Review only

- Bulwell Market
- Harworth Access Road
- A57/A60 Junction Worksop
- Southern Growth Corridor
- Better Broadband for Nottinghamshire
- Digital Derbyshire.

FACE TO FACE CASE STUDIES

MediCity

Grant Recipient: MediCity
Total Project Cost: £1,400,000
LGF Funding: £740,000
Timing: January 2017 to June 2016

Output (To date)	Actual	Forecast (Total)
29,800 sq ft refurbished floor space	25,000	29,800
190 direct jobs	151	250
582 indirect jobs created	0	582

Background and Rationale

Situated within an Art Deco Grade 1 listed building is MediCity Nottingham, MediCity is a collaboration between Boots and BioCity, the UK's leading life sciences incubation business, MediCity provides a stimulating and supportive business development environment for innovators in consumer healthcare, medical technology, diagnostics, and beauty products. Based within the Boots UK's headquarters, companies based at MediCity can showcase their products and services to leaders and decision makers within Boots.

MediCity rent the Grade I listed building from Boots; prior to MediCity inhabiting the site, the building had been mothballed for 8 years, by which time some areas of the building had become entirely derelict. D2N2's Local Growth Fund was used primarily to bring these dilapidated areas back into use as a business incubator. The funding was used to renovate the whole derelict area, enabling MediCity to increase their rentable space. Repainting, redecorating and regenerating other areas of the building were also central to the project, including a redesign on the main foyer to incorporate a number of 1930's elements. The entire building features over 100,000 sq ft of space across three floors, offering significant scope for further expansion and development.

An incubator business, MediCity help start-up businesses in the health and wellbeing sector by offering a variety of office-based services for SMEs with any range of employee numbers. Office space, laboratories and a range of support services comprise MediCity's offer, including a virtual tenancy.

MediCity, a partner to BioCity, prioritise health and wellbeing, whereas BioCity hosts laboratory type space. Medical technology devices, cosmetics and beauty are the specialist areas within MediCity.

Progress

MediCity plays host to circa 15 start up businesses; one new business has increased their employee count from 6 to over 40 during their tenancy at MediCity. The building also accommodates a level of churn for smaller businesses, who spend a shorter amount of time on site, growing their business before moving on elsewhere. The site is able to accommodate businesses who want to scale-up and stay within MediCity, or expand elsewhere – one business moved over to their partner site BioCity in Nottingham City Centre in order to have greater access to laboratories and life sciences.

With regards to project spend, MediCity have a small amount of the £740,000 funding to spend, which will be utilised to refurbish the remaining 4,800 sq ft within the building.

Impact

The project has also helped foster a community spirit amongst businesses; internal events between tenants and in communal areas allow businesses to introduce themselves to others, while more focused MediCity events facilitate collaboration and knowledge sharing.

A team of BioCity Accelerator Managers operate an Accelerator Programme for new start-ups who have an idea they want to bring to market. The Accelerator has proved a particularly successful element of the project – businesses are assisted with access to finance, facilitated with access to expert networks, and a few of the start-ups have then taken up residency in MediCity itself. The building's capacity can accommodate many more businesses and will enable the incubator facility to increase its scale drastically as demand increases. The building hosts a further two large office spaces which are yet to be equipped. These are needed to meet the increasing demand for offices.

The MediCity project has surpassed their expected targets in terms of jobs created, having achieved 151 direct jobs, 66 more than forecast to date. The project team are confident of exceeding the overall target of 190 jobs within the programme timeframe, expecting to reach 250 direct jobs created. An example of some of the businesses who have grown within MediCity and have expanded their staff count and office space are:

- MediChecks: an online blood test business that allows customers to have their blood taken at local chemists before posting their tests and receiving much faster analysis via an online portal.
- New Vision (15 employees): a spin out from the university a few years ago, New Vision take a GMP (Good Manufacturing Process) space at MediCity, featuring clean rooms and hospital-theatre type environment. New Vision make eye patches from the amniotic sack of a baby – the patch is primarily for the military, and is used to regenerate the eye. New Vision are seeking more space to expand.

In terms of indirect jobs, the project believes they are on track to deliver 582 jobs, and will start monitoring such outputs over the next few months by liaising with past and present tenants.

Wider Outcomes

For MediCity, the project is a means to expanding their business, and it is designed in such a way that the business model can be duplicated on other sites. The project specifically intends to facilitate MediCity bringing local businesses together and to partner with large institutions such as Boots, the University of Nottingham and Nottingham Trent University. On a wider scale, the project aims to bring growth to the life sciences and well-being sector.

Sutton Indoor Market

Grant Recipient: Ashfield District Council
Total Project Cost: £1,600,000
LGF Funding: £375,000
Timing: January 2017 to October 2017

Output (To date)	Actual	Forecast (Total)
Refurbishment of 19,500 sq. ft. of floor space	19,500	19,500
57 new jobs created	62	62

Background and Rationale

The project involved a £1.8million refurbishment of the indoor market in Sutton-in-Ashfield Town Centre which were financed by Ashfield District Council and a Local Growth Fund grant from D2N2.

Sutton-in-Ashfield Indoor Market, within Idlewells Shopping Centre has been established since 1974 with several traders having been based at the market since its opening. The market was in need of investment, as a minimum to remove asbestos and a number of options were considered for its future. The availability of funding from the Local Growth Fund meant the Council could deliver a major refurbishment of the Indoor Market as a driver for the economic prosperity of the town centre. Works were completed in 2017 and included a new market entrance, roof space, allowing in more natural light, better accessibility for people with mobility problems, a new seating and café area and new trader stall counters.

The refurbishment was designed to make the market more attractive to customers and draw in new traders, increasing its profitability. The project is linked to other regeneration works in Sutton-in-Ashfield town centre and a wider Nottinghamshire 'town centres programme'.

Progress

The project was challenging to deliver as the market remained open throughout the works. Some tenants were relocated into the adjacent Idlewells Shopping Centre and some decided to stay there after completion of the work which was disappointing for the market. There was a lot of work and negotiation with tenants to facilitate the scheme and this has required investment from the Council to enable the project to proceed. There were some difficulties with the contractor appointed to deliver

the refurbishment and they were not particularly helpful or flexible which was difficult when trying to keep the market operational. There continues to be some snagging issues. However, overall the project was delivered broadly on time and on budget.

The project has delivered a much-improved environment for the market with improved access and signage to encourage people to use the market. There has been a lot of hard work by the Council but it is now around 87% occupied.

2019 was the tipping point when occupancy levels increased and the market became a much more viable business and a much more vibrant offer. The Council has had to offer reduced rent periods to encourage businesses in and the tenants need to share their business plans with the Council during rent review periods. The Council wants to supports businesses to grow whilst maintaining a viable market.

It was particularly challenging to secure food and beverage businesses into the market but now that these are in place, it has really transformed the environment as it encourages people to come and spend time in the market.

Prior to letting some of the spaces, the Council put in place tables and chairs to encourage people to spend time in the market and invested in pot plants to create a pleasant environment. Craft fairs were organised, as well as a series of events to encourage people into the market and open days for potential traders were held.

The range of businesses in the market now includes:

- Butchers
- Bakery
- Café and Coffee Stand
- Pizzeria
- Books
- Clothes
- Sweets and Treats
- Lingerie
- Greeting Cards
- Bags and Accessories
- Mobile Phone Accessories
- Fruit and Vegetables
- Fish
- Cobbler
- Furniture
- Gifts
- Perfumes and Cosmetics.

Impact

Some of the business located in the market are reporting good sales levels and have recovered from the drop that was experienced when the refurbishment was taking place. Some of the businesses are also looking to expand.

Whilst the market is operated as a commercial concern, the Council has a wider regeneration remit and wants to support local people to create businesses and employment opportunities as well as supporting the vibrancy of the town centre. This has included supporting a tenant that receives learning support and wouldn't have an opportunity to run a business like this without the market and the support of the Council.

Overall footfall has increased from just over 29,000 visits per month to over 41,000. The Idlewells Shopping Centre is also thriving with occupancy expected to be at 95% by Christmas and therefore there may be evidence that the market has supporting the vibrancy of the shopping centre and vice versa. Feedback from customers is generally very good. Some examples from Google Reviews include:

> *The market has changed dramatically for the good since it's "makeover". It looks clean and all the stands are lovely*

Looks good better than before I know most of the traders myself and they are all lovely people…, Alan Family Butcher are excellent friendly and nothing is too much trouble, Munchies and More is fantastic and so is fruit and vegetables… its very good for disabled as well, plenty of space, I come 3 times a week every week thank you

A lovely little shopping mall…well worth a visit, Try a snack and coffee in the indoor market.

Hadn't been on the indoor market since it had been done up and I have to say I'll certainly be going again. Good choice of stalls and shops and the staff are really friendly. I had a coffee in there and it was so nice, light and airy and pleasant to sit and relax and chat.

Lovely place to have a bite to eat. Quite a few places to choose from now.

Really nice now it's filling up I'm glad to see the fish stall back there's lots of different things to buy I had a good experience there today I will be back

Wider Outcomes

The Council is now looking at community use of the market including a Halloween event to encourage families into the market. In addition, a local school is creating a mural for one of the walls in the entrance to the market to help brighten the entrance.

Given current retail trends, the project has demonstrated the potential for retail investment in town centres to help their continued survival and support wider regeneration aims. Overall it has taken a lot of hard work from the Council to make the project a success but it is now hitting and potentially exceeding the business plan targets with constant engagement with traders to ensure ongoing success.

Sherwood Energy Village

Grant Recipient: CRT Property Investments Ltd (a subsidiary of the Coalfields Regeneration Trust)
Total Project Cost: £3,301,083
LGF Funding: £500,000
Timing: January 2017 to Q1 2018/19

Output	Actual	Forecast (Total)
Jobs Created	38	38
Jobs Safeguarded	26	26
Commercial Floorspace Provided	32,000	32,000
Land Brought into use	0.93	0.93

D2N2 invested £500,000 from the Local Growth Fund into the continued development of Sherwood Energy Village (SEV). SEV is a 91-acre former colliery site which and has been substantially developed and includes a variety of office and business premises including the headquarters of Centre Parcs and Nottinghamshire County Council office accommodation, and a residential housing development.

The LGF funded scheme, managed by CRT Property Investments has provided ten mixed-use, light industrial units covering 32,000 ft of usable space for both business and industry. The units are available to rent for B1/ B2/ B8 uses.

Background and Rationale

Previously relying on funding from the government, The Coalfields Regeneration Trust (CRT) in England was tasked with becoming financially independent. As a result, they developed a model that allowed them to continue with their work to support the coalfield communities, while also becoming financially sustainable in the long-term. The CRT created CRT Property Investments Ltd, a wholly owned subsidiary that allowed the CRT to generate funds from commercial and residential properties that would support the ongoing work that they do.

Investing in a portfolio of coalfield-based properties means that they are able to use these assets to support their work, creating an infrastructure in some of the most deprived areas in the country and offer opportunities such as employment and apprenticeships, while still building on their financial independence. Recognising the needs of former mining towns and villages, CRT are aware of the lack of available commercial property within coalfield communities. They also appreciate that private companies that are focused on a return on investment are less inclined to want to develop property in the coalfields, including areas such as Ollerton. As a result, the CRT invest in commercial space and also develop properties - this allows them to support SMEs through the provision of high quality, affordable space. During the development phase, CRT also encourage their contractors to employ local talent and to put in place apprenticeship schemes where possible.

As a result of this work CRT brings business to areas in desperate need of new jobs as they address the challenges relating to unemployment and skills. The rental income is re-invested into the coalfield communities (see later section).

The Sherwood Energy Village Scheme

The SEV scheme was designed with good parking provision and access for delivery vehicles. The units include a fitted welfare core providing a small office along with WCs and a small kitchenette area.

The rest of the unit as a shell for the business to fit out as required. The rental agreement requires the businesses to return the unit to the original condition after use.

Representatives for the CRT reported that they are pleased with how the development turned out. The building work went to plan, was on budget and was delivered to the agreed timescales.

Progress

All 10 units are now let with units ranging in size from 2,000 sq ft to 7,500 sq ft. Uses vary within the B1/ B2 and B8 planning requirements. The CRT representative confirmed that it has not been a difficult task to let these light industrial units – in comparison, there is an office block in the adjacent property which has been empty for over a year, this suggests that CRT were right in their assessment of the market and their decision to provide these light industrial units.

Recent tenants at the site include CCTV and security products specialist Optosafe who have committed to a 5,500 sq ft unit and food manufacturer Tsui Tak Supreme Food Limited who have moved into a 3,000 sq ft unit. Other tenants include a mail order butchery and a company who customise VW vans into bespoke campervans. The CRT representative told us that one business had relocated from Chesterfield to this site at the Sherwood Energy Village because of the lack of suitable accommodation available in Chesterfield.

Letting Policy

Whereas some LGF funded developments are targeted to a specific sector this development is open to all businesses who fall within the B1/2/ 8 classification. Getting these properties rented to generate an income for the CRT was a priority and narrowing down the businesses who could use the site would only delay this, could lead to empty units and would delay the creation of jobs.

Impact

Speaking with the developer suggests that providing small industrial units in this type of secondary location (Ollerton) is not a commercially viable business proposition without grant aid - rent values are not high enough to justify the initial outlay - there is not the guaranteed demand that being next to the motorway for example brings and there is risk of the properties lying empty - market failure exists.

Without the LGF money the project team confirmed that would not have supported the project. They highlighted it would be unlikely that any other private sector developer would be spending their money on the same sort of facility as there is too much risk involved with this being a secondary market for business premises.

The project has reported that it has achieved all of the outputs that it set out to achieve. The CRT said that they may overdeliver on these outputs but this additional data is not being captured by the team. The rental returns from the project are re-invested into the regeneration of the coalfields. Funded projects focus on supporting skills, health and the economy. The project has also created jobs for local people: these are not always the most glamorous or highly skilled jobs but they create employment opportunities for local people nonetheless.

This development has set a record in the local area for industrial unit rental returns. CRT representatives told us that this may help to attract other developers to build this type of facility in the area, or, more realistically, reduce the viability gap for future schemes.

Next Steps

The Coalfields Regeneration Trust consider this to be a flagship scheme. There has been no formal evaluation of the project but the team consider it to be a success and as such are using the same design and layout in other locations within former coalfields areas. CRT are exploring options to create a further development phase at the Energy Village.

Nottingham Cycle City Ambition

Grant Recipient: Nottingham City Council
Total Project Cost: £9,380,000
LGF Funding: £6,100,000
Timing: October 2015 to June 2017

Output	Actual	Forecast (Total)
23.7km of segregated cycle corridor	25	25
1.9km of City Centre cycle route	1.9	1.9
3.65km of off-road route alongside the River Leen	3.65	3.65
3.8km of both on and off-road cycle routes through Nottingham's Parks (strategic connections)	3.95	3.95
4.65km of non and segregated on road cycle lane (Neighbourhood level)	3.1	4.65

Background and Rationale

The aim of the Nottingham Cycle City Ambition Programme (NCCAP) is to turn Nottingham into a Cycle City. In 2015, Nottingham Cycle Ambition was published, prescribing an aim to double cycling in Nottingham by 2025 and to create a world-class cycling network in the City. Nottingham City Council's Cycle Strategy (2011) identified 15 cycle corridors as opportunities for development, and the project sought to materialise the ambitions of the strategy.

The wider objective is to create a more sustainable city, by more people walking, cycling and using public transport rather than their car, to reduce carbon, improve air quality, improve accessibility, and to improve people's health. The NCCAP is also intended to improve the attractiveness of the city, helping to create good jobs, attract good businesses, and improve graduate retention. Cycling to work is seen as a potential method to mitigate against the 'urban mobility problem'; comparable cities in Europe boast a cycle mode share of 20-50%, compared to just 3-4.5% in Nottingham. This represents a significant scope for increasing levels of cycling.

Nottingham City Council sought LGF funding to improve facilities for cyclists in the city, including creating 'cycle corridors':

- **East-West** – **Eastern cycle corridor** extends from the city centre, out through Daleside Road, and as far as Vale Road in Colwick; and the **western corridor (pictured)** from the city along Castle Boulevard, over Abbey Bridge, connecting to University Boulevard via City Road, taking the route to the city boundary at the Broadgate roundabout.

- **North-South** – The **northern corridor** exits the city centre via North Sherwood Street, goes up Mansfield Road and follows Hucknall Road, picking up the National Cycle network just north of Bulwell; and the **southern corridor** goes from Nottingham Station, along Queen's Walk to Nottingham Trent University's Clifton Campus, mainly following the cycle routes already set down along the NET tram route to Clifton.

Theses high-quality corridors link existing routes as well as enhancing facilities for cyclists along them. The project also featured a 'quiet route' linking parks, canals and paths along the River Trent, as well as cycle routes put in place as part of the extension to the city's tram system.

The LEP's funding was essential as Nottingham was not successful in securing funding from Department for Transport's Cycle City Ambition programme and therefore LGF was the only potential funding available. The LGF was also identified as a source of funding due to its commitment to jobs, growth and investment; the NCCAP is focused on providing infrastructure to help support the economic growth of the City – making Nottingham an attractive place to live work and invest.

The £6.1m NCCAP scheme forms one part of a wider LEP investment into cycling and transport infrastructure in Nottingham; the project is complemented by a £6m project providing a bridge link to the University amongst others. Moreover, there are a number of projects and initiatives that are all contributing to the expansion of cycling in the city:

- Cycling in Nottingham has risen 40-50% in the last 5 years.
- Access Fund Behaviour Change Programme
- Nottingham Ring Road Improvement Scheme
- Workplace Parking Levy
- On-Street Bike Hire (plans for 750 bikes across the city).

The project aimed to act as a catalyst for a broader shift in attitudes towards cycling; the City Council will continue investing in cycling in the city.

Progress

The LGF-funded project has provided 25km of segregated cycle corridor, as well as 1.9km of City Centre cycle routes, 3.65km of off-road routes, 3.95km of on and off-road cycle routes through Nottingham's Parks, and 3.1km of non and segregated on-road cycle lanes.

The South, East and West Corridors were completed but at a slightly higher cost than anticipated; as a result, the Northern Corridor element of the project was not fully delivered as planned; the team have undertaken an interim lower-key scheme (rather than hard engineered) in this area instead. The higher costs can be attributed to the higher-quality nature of some of the cycleways; it was a much higher standard of design than the initial scope – in part due to the segregation required to create a cycle superhighway in which cyclists are entirely independent of pedestrians and traffic.

The project has been able to meet its output targets, despite the costly nature of some elements; this was achieved through prudent sharing of construction resources at the Southern Corridor, in which the cycleway was built in tandem with the Daleside Road bus scheme. Furthermore, the scheme prescribed (and delivered) an additional long stretch of cycleway along the River Leen. Similarly, the ring road cycleway was completed in conjunction with the Nottingham Ring Road Improvement Scheme.

The shortfall in non and segregated on-road cycle lanes is explained by a higher cost of construction than assumed in the initial designs; this St Anne's Well Road section has been earmarked as a priority for future funding. The political decision was made to concentrate resources on completing high quality cycleways in achievable areas; initially, plans scope the extension of a cycleway along Farnborough Road, and although avoided, were accommodated within some extra funding from elsewhere.

Impact

Nottingham have used Bristol, a former Cycle City in 2010, as a barometer for success. Bristol invested in infrastructure but have only started to realise the impacts later down the line; investment and public imagination took a few years to take hold, and it is assumed that this will also be the case in Nottingham.

The project has measured the number of cyclists on the corridors before and after, centring on the Western Cycle Corridor. Extensive interview and self-completion surveys have been undertaken with residents and users of the cycle corridor, and have been very positive. These have enabled the project to profile users. Similar engagements are planned for the Eastern and Southern Corridors.

The Western Cycle Corridor saw a 65% increase in cycling between October 2016 and October 2018. This has also had a subsequent impact on the adjacent Castle Boulevard Canal; previously very popular with cyclists, the canal has seen a 30% decrease in cyclists, making the predominantly pedestrian route more pleasant and safe for users. The Annual Average Daily Traffic (AADT) data is summarised below:

Cycleway	AADT			
	2014	2019/20 (so far)		% increase
	AADT	Total	AADT	
Western Cycle Corridor				
University Boulevard	1047	222,865	1,218	+ 16.32%
Abbey Street	993	203,594	1,113	+ 12.04%
Abbey Bridge	199	73,869	404	+ 102.92%
Castle Boulevard	483	138,179	755	+ 56.33%
Eastern Cycle Corridor				
Daleside Road	301	67,390	368	+ 22.34%
Manvers Street	248	29,032	159	- 36.03%
Middleton Boulevard				
Middleton Boulevard N/B	313*	88,195	482	+ 53.97%
Southern Cycle Corridor				
Queens Walk	359	83,479	456	+ 27.07%

**2012 DfT counts used in place of 2014 due to major construction on Ring Road, including Crown Island which would affect any counts.*

Economic Impact

The Economic Case is built on the DfT's Guidance on the Appraisal of Walking and Cycling Schemes. Benefits of the programme have been estimated over a 10-year period from 2015 to 2025. The Economic Case looks to assess the following benefits associated with the programme:

- External Benefits i.e. those that are generated from a reduction in vehicle kilometres. Specifically, these are associated with lower congestion, road infrastructure use, noise, greenhouse gas emissions and improved road safety, air quality and indirect taxation.
- Cycle Safety – A change in cycle accident levels due to increased cycling.
- Health Benefits – Calculated by the World Health Organisation HEAT tool.
- Journey Ambiance Benefits/public realm directly associated with infrastructure.
- Absenteeism Benefits.

As no revenue is being generated from the scheme all benefits are non-monetised.

Wider Outcomes

The project intends to form part of a wider movement to reduce carbon emissions. Traffic across the city has not increased, but has stayed the same - which is considered a definite success; congestion restraint in Nottingham has been more successful than in many other cities. The NCCAP is also contributing to a modal shift towards public transport in Nottingham - and statistics demonstrate increases in both bus and tram usage in the city.

In addition, there is anecdotal evidence from the project team to suggest that the introduction of the Western Corridor has influenced people to move from to Nottingham because of its cycling infrastructure.

For the future, the team are investigating the implementation of e-bike initiatives, to help further increase cycling in Nottingham. E-bikes, in theory, would mitigate against the topography of the city centre, could aid older people who may struggle on push bikes, and would stimulate longer-range cycle journeys, such as to East Midlands Airport.

Sherwood Forest Visitor Centre

Grant Recipient: Nottinghamshire County Council
Total Project Cost: £7,400,000
LGF Funding: £500,000
Timing: January 2018 to Q3 2018/19

Output	Actual	Forecast (Total)
Jobs Created (direct)	9	-
Jobs Created (construction)	11	11
Jobs Created (total)	18.6	28.9
Visitor Numbers	368,000	400,000

Background and Rationale

The former Sherwood Forest Visitor Centre was built within the Site of Special Scientific Interest, and several years ago Nottingham County Council was alerted by Natural England that it could not redevelop the old centre as the buildings and car park were having an impact on the forest.

D2N2 invested £500,000 via the Local Growth Fund into the construction of a new Visitor Centre on the edge of the village of Edwinstowe, outside of the Forest to act as a gateway to the different attractions in the area . The new visitor centre replaced the original 1970s-built building after the RSPB won a competitive tender in 2015 to manage the Sherwood Forest National Nature Reserve, along with partners Nottinghamshire County Council, Sherwood Forest Trust, The Woodland Trust, Thoresby Estate and Continuum Attractions.

The Centre provides a gateway to Sherwood Forest as well as a link to the village - Edwinstowe - both features that were absent from the previous visitor hub.

Progress

Work began on the new visitor centre in 2017 and was completed in October 2018. Project costs exceeded the original budget; however, the costs have been covered through securing alternative sources of funding. Costs were heightened because of the inclusion of futureproofing that wasn't anticipated during the initial designs, but that will facilitate the Visitor Centre to improve and expand moving forward. Gas pipes have been installed (although they are dormant) with the understanding that the Centre now has the capacity to utilise them in the future.

The project has delivered an accessible Visitor Centre which includes retail space, exhibition space, a café and interpretation zones in which to tell the story of Sherwood Forest and Robin Hood.

Being located in a site of special scientific interest and a special area of conservation, the highest protected status in the UK with the largest collection of ancient Oak trees in western Europe, the design of the building needed to reflect and complement its surroundings, ensuring that any impact on the Forest was minimised. External architectural landscaping helped the building further blend into its surroundings and an outdoor amphitheatre and terrace provides visitors and staff with stunning views directly into the Forest.

Upon completion of the Visitor Centre, the RSPB are not delivering a Final Restoration Plan for the remaining 4-5 acres of 'unfavourable condition' land within Sherwood Forest.

Since opening in 2018, the Centre has welcomed 370,000 visitors (by October 2019). This figure also includes over 35,000 who visited to celebrate the 35th Robin Hood Festival. Visitor groups are thought to be mainly: international tourists who are attracted by the Robin Hood myth; families; repeat visitors from the Midlands; and the local community, who are increasingly considering Sherwood Forest as their community greenspace. For example, children and parents from the village's primary school often visit after school.

The excellent visitor figures cap a strong first year for the centre in which it also won awards for its design including two from the Royal Institute of Chartered Surveyors (RICS), and a further accolade from the Local Authority Building Control (LABC).

Impact

The project has created 18.6 FTE direct jobs, while indirect job targets are also on track.

The project will support the SEP target of creating 55,000 jobs within the identified priority sector of the visitor economy through the delivery of the following outcomes:

- Direct creation of 7.4 FTE new jobs all involved in the management and running of the new Sherwood Forest operation – 1 FTE to be achieved by end of Dec 2017.
- The safeguarding of 16.8 FTE jobs currently employed by NCC at the existing operation. These posts will TUPE over to the new operation once Phase 2 complete in summer 2018.
- Create an uplift in visitor numbers and resulting benefits to the local economy including visitor spend uplift of £1,022,202.34 per annum by year 10.
- 28.9 FTE supported through the delivery of this project after 10 years. 21.5 FTE are indirectly induced from tourist, volunteer and employee spending.
- 14.6 FTE indirectly supported through this project by year 4.
- The direct investment into local construction sector (D2N2 SEP Priority Sector) to the value of £4.5 million for the construction contractors of Phase 1 and 2 with potential to support more local contractors within the D2N2 are during the final phase of the project (Phase 3).
- 9 FTE jobs supported through construction contract with Edwinstowe based Woodhead Construction for delivery of Phase 1 and 2.
- 1 Apprentice position created through Woodhead contract.
- Woodhead local spend on subcontract and materials within a 25-mile radius – this has been achieved at 87% of spend for Phase 1 to date at 100% of spend for Phase 2.

Wider Outcomes

The team have noticed a sizable increase in visitor numbers, particularly the local community, primary school children and families, coach trips, and those using the direct bus that travels from Nottingham. There has also been a change in visitor trends; younger people more frequently visit now whereas in the past most visitors were older people, and were primarily using the café only.

The project prides itself on creating linkages with the adjacent village Edwinstowe, achieved via signposting and working with local businesses to ensure that they provide a complementary offer rather than a competitive one. Anecdotal evidence suggests that more visitors are both aware of, and using businesses Edwinstowe. Data also suggests that there has been an uplift in figures of local bus usage, as locals feel increasingly encouraged to use Sherwood Forest for daily and recreational use, as well as bringing visitors. Moreover, the craft centre, adjacent to the Visitor Centre has been unexpectedly busy, whilst the fairground that sits adjacent to the visitor carpark has benefitted from the increase in footfall.

One of the project's greatest successes is the corroboration with local businesses. This is exhibited through a new Forest Corner Business Group which affords the opportunity for businesses to work together to improve marketing and signpost each other, as a means of using the increased number of visitors to enhance Edwinstowe more widely. This relationship has seen Sherwood Forest donate a tree to the Edwinstowe Xmas Lights switch-on, as well as involvement with the Remembrance Day events. The Visitor Centre is intended to be something that benefits all of Edwinstowe and it is clear the team at RSPB are working hard at this.

Internal

The project has also enabled the team to undertake internal training and development; the visitor engagement team are looking to engage visitors with the decision-making process in order to ensure the viability of new developments, such as the positioning of Robin Hood in any future interpretation. The team consider a mixed-approach to be most beneficial moving forwards, in terms of first-person engagement through as well as app-based interpretation.

Volunteering also forms a key part of the project; presently, the Visitor Centre engages between 160 and 200 volunteers, with about 80 of those being regularly active volunteers, equating to around 6,000 hours over the year. The project team have identified a number of opportunities going forward to further engage and develop volunteers and are considering intern placements, conservation volunteers, and the prospect of accredited volunteering through complementary projects in the local area.

External

Part of the income generated by the new Visitor Centre has been channelled towards environmental conservation, including the restoration of ancient heathland elsewhere in the forest, a vital resource for the maintenance of air quality across the country.

Looking Forward

The project is well placed to benefit from the forthcoming Harworth Pits development of c.800 new homes in the area; the team see the development as an opportunity to work with this community, as well as to generate a further increase in visitor numbers. The team are also looking at how to better incorporate Robin Hood-themed interpretation into the visitor offer. Looking forward, there are three priorities for the project:

- Better understanding the audience
- Ensure the forest returns to a recoverable position
- Developing more partnerships with local businesses and local people.

Rail Research & Innovation Centre

Grant Recipient: University of Derby
Total Project Cost: £1,400,426
LGF Funding: £497,826
Timing: June 2018 to Q1 2019/20

Output	Actual	Forecast (Total)
80 supply chain businesses supported	0	80
15 new collaborative research projects created	0	15
20 companies supported through innovation funding applications	0	20
80 rail sector employees upskilled	0	80
30 postgraduates engaged	0	30

Background and Rationale

Rationale

National – Investment is needed in the Railway Sector at a national level – investment in innovation has been less than any other transport sectors, reported as 0.5% against international best practice of 3.5%. In addition, the sector lies behind in terms of export performance (10% of revenues, compared to 20% in France and 50% in Germany).

Local – There is currently no local access to capital facilities for innovation support in the local area**.** The Derby University team told us that at a local level the D2N2 area is at risk from losing its rail cluster to other parts of the country. Particular areas that show growth in the sector are the West Midlands and South Yorkshire, the D2N2 area must continue to invest in and support its rail sector and rail sector supply chain businesses or there is a real risk the cluster dispersing. The team were aware of at least one large SME who were considering relocating out of the area. The rail sector in Derby contributes £1.61bn of economic out to the local economy, this needs to be supported.

Background

D2N2 have invested £902,600 of Local Growth Funding into a Rail Research & Innovation Centre (RRIC) at the University of Derby. The £1.4 million project was designed to help transform the rail industry by working closely with industry partners, helping them become more innovative and productive. The purpose of the RRIC is to drive up productivity within the D2N2 rail supply chain by stimulating the adoption of new technologies and techniques amongst the D2N2 rail sector and supply chain. It will provide a local support infrastructure for existing rail supply businesses and will also enhance the D2N2 inward investment offer to attract new rail supply businesses into the region.

The capital funding from the LGF was specifically used to enable the University of Derby to purchase three technology demonstrators showcasing current working practices in:

- Advanced Rail Composite Design & Manufacture
- Rail Data Analytics & Artificial Intelligence
- Future Rail Propulsion.

The nature and type of demonstrators were chosen following an extensive industry and stakeholder consultation. A dedicated academic lead from the University of Derby is working with each demonstrator. So far, the composite- and data-centric demonstrators have proved most popular with businesses.

The RIIC will specifically address 2 major challenges faced by the rail sector –

- **Digitisation**: the rail supply chain is relatively craft based and risk averse (when compared to aerospace or automotive) and is not currently prioritising the adoption of new technologies which could deliver productivity improvements.
- **The Environment**: Reducing carbon emissions whilst increasing freight and passenger capacity.

Only the capital element of the funding was sought from the LGF. The revenue costs of the activities have been sought from other funding streams:

- ERDF: The team have just submitted an application to the ERDF programme for additional revenue support to help the delivery and development of the RRIF. This will include the funding of officer support to facilitate business interventions. The team have confirmed that the LGF outputs are achievable regardless of the ERDF funding, but the ERDF project would widen the offer to businesses and open up access to additional technology for D2N2 businesses, including unique facilities at the University of Birmingham.
- Innovate UK: The National Rail Strategy highlights that the Department for Transport and Innovate UK will invest up £40m in 3. The team are hoping to support a culture change within the university of promoting the take up these innovate UK opportunities.
- Year programme of rail innovation competitions.
- Industry Sponsorship.

The team at Derby University confirmed that they are monitoring the above to capture the match funding secured as a result of the project. The initial business plan for the scheme forecasts this to be circa £750,000 over the first three years of activity. The range of sources and programmes instils confidence in SMEs that the LEP and other funders are prepared to invest in the rail sector in Derby.

Progress

The Rail Research and Innovation Facility was only opened in June 2019. Whilst no outputs have been reported to date (*note: no outputs were due to have been reported to date so this is in line with the profile*) it is hoped that by 2022 the RRIC will upskill upwards of 80 rail sector employees, while also supporting around 80 supply chain businesses, 15 new collaborative research projects, and

shepherding 20 companies through innovation funding applications. The outputs to be achieved can be seen in the table below.

The team confirmed that they are on track to achieve the outputs profiled for this financial year. They noted that achieving output in future years may potentially be harder as they have to work harder to engage businesses – a number of current business outputs relate to businesses that they were aware of/ already in contact with. This said, the team feel that they are on track to deliver as contracted and are hoping to aver achieve.

Impact

The official launch for the project was held on 25th July 2019. 31 external guests attended the event from companies across D2N2. Businesses have already engaged with the project including:

- Crowle Wharf Engineers – testing couplers
- RDS – Big Data and improved algorithms to better manage data
- Bloc Graphics – Managing Assets.

As at September 2019, 3 businesses have been approved for Innovate KTP funding and a further 2 other applications are in the pipeline.
At the current point the team are confident that they can achieve the outputs agreed in the contract.
The team told us that the project will achieve the following impacts:

- Greater uptake of innovation and research in D2N2 SMEs. Evidenced through greater D2N2 participation in collaborative R&D programmes e.g. Innovate UK (no. of grant applications/grant awards; more D2N2 SMEs accessing UKRRIN facilities)
- Development of skills in SMEs to work collaboratively to grow their business. Including with the knowledge base and other SMEs
- Increase in SMEs supplying rail market
- Maintenance/growth in D2N2 market share
- Creation of high-quality jobs
- A more sustainable rail cluster in D2N2 (increase in turnover; reduction in costs; number of firms exporting; no. of jobs)
- More productive rail sector in D2N2 (Productivity Benchmarking tools; penetration of Industry 4.0 technologies).

The team are hoping to promote the option of rail as a career path. The ‘Rail Cadets’ and the ‘Rail Challenge’ both help to raise awareness and exposure of the sector, and alongside the development of NSC modules will contribute to an upskilling within the regional rail sector. On a wider scale, the project will support the teaching of STEM subjects and increase D2N2’s standing as an opportunity area.

The project will also provide technical solutions to rail challenges – these could include: improving disabled access.

Infinity Park

Grant Recipient: Derby City Council
Total Project Cost:
LGF Funding: £12,995,000
Timing: February 2015 to March 2021

Note: Following discussion with the project manager we understand that the outputs for the project are currently under review. We have therefore used output figures as provided by the outline business case as well as the monitoring spreadsheets from D2N2.

Output	Actual	Forecast (Total)
Provision of services to 7 acres net developable area of land (acres)	0	7
New road (m)	790	790
New spur roads (m)	0	305
Enhanced road (m)	0	270
Jobs unlocked	107	4,500
Flood alleviation facility (sqm)	0	150,000

Background and Rationale

Infinity Park Derby is a collaboration between Derby City Council, the Harpur Crewe Estate, Rolls-Royce and developers Cedar House, Wilson Bowden and Peveril Securities. The Park is located to the south of the city, next to the world headquarters of Rolls-Royce Civil Aerospace and within 15 minutes of Toyota Manufacturing (UK), Bombardier and JCB.

LGF money has been used to support the infrastructure for the site including the creation of a road and flood defences for the site. Plots are now available for businesses on a design-and-build basis, and can be purposed for anything from office-use to industrial distribution.

Progress

At the time of discussion (October 2019) the project manager confirmed that no units have been built to date and that the developer is now waiting for interest from business. As the site is owned by the developer no units will be built speculatively - the developer needs business commitment before any building work is undertaken to minimise their risk.

The project manager confirmed that ideally the focus for the site will be on key sector of advanced manufacturing, providing premises for businesses who are in the supply chain for some of the city's key employers such as Rolls Royce and Toyota.

The project manager confirmed that there has been some interest in the site and that a number of projects were in the pipeline with some potential occupiers showing an interest. These include:

- A supplier to Rolls Royce in the logistics, supply chain management and procurement sector is interested in locating at the site. To support this business, Derby City Council are considering whether they could lead this development, raising funds to support the capital build by borrowing against future business rate income that would be generated (discussions are ongoing with D2N2 around this). There are certain problems to be overcome such as state aid, but these proposals certainly highlight DCC's commitment to the development of the site. Getting one high quality business on site would raise awareness of the development and would hopefully act as a catalyst to attracting other businesses.

- The University of Sheffield and the University of Derby, along with other HE partners are considering creating a 'Nuclear' Advanced Manufacturing Research Centre on the site. This would focus on how nuclear technologies can be translated into the business/ manufacturing and design processes.

- There is also a vision for a science park on adjacent land.

These developments suggest that there is interest in the site which is a positive sign for the long-term future of the site. Discussions with the project team suggested that the initial slow uptake of business premises is not unusual; often business occupancy will follow sometime after the investment in infrastructure. This has been the case at Markham Vale, a joint venture between Henry Boot Developments (HBD) and Derbyshire County Council. Currently, only 15 acres are available on the 200-acre site; however, the development initially struggled to attract businesses, before others had take the leap and instilled confidence in the site. Success stories encourage further interest and investment.

Markham Vale

The 200-acre Markham Vale development near Bolsover was launched in 2006 and aimed to create up to 4,100 jobs, improve existing roads and build new ones, brining in around £170m of private sector investment and develop over 3 million square feet of commercial floor space. 2018 saw 1,600 jobs maintained at the development, along with 164,500 sq ft of new commercial space for three global businesses. One of the earliest facilities on the site was completed in 2009 and the Business Park has grown exponentially as more businesses and providers take-up plots on the site.

Impact

Whilst there are no businesses located at the site to date, the signs are positive. The project manager believes that if the project hadn't been supported by the LEP then the land would still be sat vacant with nothing happening – *'there is no way that the developer would have been able to speculatively fund the site infrastructure development'.* We can see from the previous section that there is interest in the site now from prospective businesses.

Wider Outcomes

There are a number of wider outcomes resulting from or associated with the scheme:

- There are proposals for the Infinity Garden Village on adjacent land which would see 3,500 houses being built.
- The new junction created on the A50 and the improved road links create improved travel times for local residents – previously Sinfin (this area) was quite detached from the City, but these better road links will improve travel times.
- There could be potential increases in house prices and housing demand in surrounding areas as job opportunities are created and improved.
- Whilst separate to this project, the council are funding a new leisure centre with a 5-minute drive. With new housing, new jobs and leisure opportunities in this area of the City there is the scope to create a popular live/ work area with a sense of place.

Institute for Advanced Manufacturing

Grant Recipient: University of Nottingham
Total Project Cost: £23,100,000
LGF Funding: £5,000,000
Timing: August 2016 to September 2018

Output	Actual	Forecast (Total)
Direct Jobs Created	74.25	100
Indirect Jobs Created	285	385
8,000 sqm new research/learning space & 5,500 sqm lab space created	13,500	13,500
Support at least 10 enterprises to cooperate with the University across a range of manufacturing technologies	27	54
Assist 10 enterprises supported to introduce new to the firm products	11	25

Background and Rationale

Prior to this project the Institute of Advanced Manufacturing (IOAM) was a collection of lots of small research centres and commercial entities throughout the University, working across a diverse range of areas of manufacturing, from additives manufacturing to composites, precision, aerospace, and historically they have always been segmented over the University, there has never been a sense of identity or home for the IOAM. Therefore, there wasn't a cohesion between the teams – to facilitate collaborations to aid businesses - or a 'one stop shop' for businesses from the outside.

The LGF investment supported the construction of a 96,000 square foot centre for world-class research; particularly for the aerospace, automotive, food, biomedical, energy generation, chemical products and digital manufacturing sectors on the University of Nottingham's Jubilee Campus. The

IOAM now resides as an umbrella site through which to access a multitude of support services for all businesses in the manufacturing sector.

The building is primarily a research and commercial centre, focusing on technology and knowledge transfer to local businesses, helping students with their PHDs or postgraduate research. Business engagement is the primary motivator. Many of the businesses are engaged in the supply chain for the large OEMs in Derby. The additional profile that the building has granted the IOAM has made them much more visible to businesses and improved awareness of what the entire university can offer.

The independent Nottinghamshire Manufacturing Network, based at the IOAM brings local manufacturing businesses together, at senior management/executive level – which can be notoriously isolated in terms of having a forum to test ideas – together to enable collaboration, aiding the local and manufacturing economy. The NMM previously had bimonthly meetings, sparsely located at different venues across the university; presently, the NMM are hosted at the IOAM on a monthly basis. The IOAM run varying types of events, featuring academic interests, postgraduate placement programmes, digital manufacturing projects, often providing opportunities to collaborate with the university. This first-hand support is considered 'ahead of the market'. These are balanced with more industry-centric talks, including digital marketing (which is particularly important given the general demographic being 50+). The relationship is mutually beneficial; the NMM are granted complimentary venue hire, while the university are able to network with local businesses and are even inviting students to NMM meetings as a means of giving them a flavour of the industry. Without the funding, it is unlikely that the NMM would have been able to have the boardroom, which hosts these meetings.

Progress

SME support programmes take the form of a consultancy, on engineering challenges, or components production, in which industrial technicians provide the service. Support is also administered through workshops and other dissemination events – the university consider it a civic duty to help manufacturing as a sector, in order to boost employment and productivity in the region in line with the LEP's ambitions.

For smaller businesses, the technical support packages have proved most effective, whereas workshops have seen greater success amongst medium enterprises. Feedback from the workshops especially have demonstrated the tangible impact that these have on businesses. The workshops give the participants from businesses the knowledge and confidence to explore new ideas.

Impact

Targets have already been met, so the project is now working towards additional achievements beyond the original targets. The number of indirect jobs is expected to increase annually in line with admission of the new cohort of students each academic year, c.120 students each September – there will be an additional cohort intake within the programme timeframe. Similarly, the project expects to assist many more new products; the targets are thought to have been conservative, as the project anticipates to facilitate the development of 25 new products by the end of the programme. The University's relationship with the NMM means they are also likely to vastly exceed the targets for the number of cooperating enterprises. In terms of direct jobs, natural staff turnover means that the project also expects to achieve a total of 100 by the end of the programme.

The project was initially designed as a two-storey building; the LGF funding enabled the project to expand to a three-storey building, delivering teaching space that would otherwise have not been included. Foundational Engineering students, undertaking 'bridging' foundation degrees prior to a full undergraduate course, would not be present in the IOAM without the LGF funding. Furthermore, the funding has also enabled an additional 1 or 2 research centres to be included in the development, as well as academic teaching offices. The funding has allowed the IOAM to increase both capacity and capability.

Wider Outcomes

The business support is intended to help grow businesses, who in turn are likely to hire more graduates from the university, creating a positive feedback loop. The wider objective of the project is to help SMEs grow both regionally and nationally, and to provide an outward-facing, commercial identity for the IOAM.

Graduate retention is a key feature of the project – trying to get students industry-ready is a wider challenge, but the provision of a teaching element as well as the close proximity to industry/ business meetings is intended to lead to postgraduate placements and a clearer career pathway.

In the future, the IOAM would like to provide more of an outreach programme, if the resources were provided, to stimulate interest in STEM subjects in the locality.

TELEPHONE INTERVIEWS

Vision University Centre

Grant Recipient: West Nottinghamshire College
Total Project Cost: £6,500,000
LGF Funding: £2,610,000
Timing: October 2015 to October 2016

Output	Actual	Forecast (Total)
Creation of 2,173 sqm of teaching and learning space	2,173	2,173
Increase in students	-	2,133

Background and Rationale

The aim of the project is to create a new teaching and learning space to increase the capacity of the College to delivery higher level skills and increase the percentage of local people with higher level skills which is around 20% below the national average.

The Vision University Centre on the Derby Road campus of West Nottinghamshire College in Mansfield was opened in October 2016 and aimed to increase awareness of higher-level skills opportunities amongst the local population. Currently the proportion of the local population around the Mansfield area with higher level skills is about 20% below the national average.

Progress

The project was delivered on time and on budget however, has not had the impact hoped in terms of increasing the number of on campus students studying higher level courses.

Impact

In part this has been the result of national factors such as removing the cap on student numbers which has seen an increase in competition as well as an overall decline in the number of undergraduate enrolments. As a result, the numbers of on campus students studying higher level skills at West Nottinghamshire College has remained static. The College has seen an increase in the number of students moving from Level 2 to Level 3 and feel that anecdotally, the Centre may have helped to raise aspirations to move towards higher level studies.

The aspiration behind the project remains in place and the College is close to signing Heads of Terms with Nottingham Trent University to take over the operation of the building. It is hoped that the brand and enhanced capacity for curriculum development of Nottingham Trent University will be key to achieving the original vision of the project. The aim is for Nottingham Trent University to start delivery from the Vision University Centre from August 2020 including offering full Nursing Degrees which is expected to push up student numbers.

A new business case was presented to D2N2 in June 2019 based on this alternative delivery model which projects all the original student number outputs will be achieved by September 2022.

BioCity Discovery Building

Grant Recipient: Nottingham City Council
Total Project Cost: £32,302,933
LGF Funding: £6,500,000
Timing: April 2015 to April 2017

Output	Actual	Forecast (Total)
Bioscience space created (sq ft)	51,000	51,000
Renewal of Brownfield Land (acres)	0.5	0.5
Creation of Direct Jobs	377	377

Background and Rationale

BioCity, located on Pennyfoot Street in the heart of Nottingham, was established in 2003 as one of the first Bioscience incubators, offering state-of-the-art laboratories and commercial office space to let/rent, alongside business support and services to early stage companies in the life sciences sector.

The BioCity campus has been successful at incubating companies in this sector, particular in relation to drug discovery. Even though the site expanded into a third building in 2008 to cover 129,000 sq ft of space, the site was operating at capacity and was 'bursting at the seams'. Some of the larger companies it had nurtured did not have space to grow within the building and were struggling to find specialist laboratory facilities within the city that would allow them to expand further.

The rationale for investment and market failures were as follows:

- **The Site** – The site for the new facility was redundant, contaminated land on an old, disused petrol filling station. The fuel tanks had been leaking and the added costs of site remediation meant that very few developers would have considered the site.

- **A Growing Sector** - Life Sciences is an industry that is growing globally. The UK, is well placed to compete internationally in this industry and whilst Nottingham is well placed to support this there is significant competition from Oxford, Cambridge, Edinburgh and Manchester. Nottingham needs to invest in high quality facilities to compete. High quality buildings are needed to attract employees and businesses.

- **Investment Risk** - The NCC team told us that that laboratory move-on space will not be brought forward by the private sector without assistance. This is because the costs and risks involved do not result in an acceptable level of return. It is much more likely that developers would build office accommodation in the city – it is much cheaper to build and easier to let. To meet the needs of the perspective tenants the BioCity building needed extensive equipment, fume cupboards, significant investment in mechanical and electrical fittings and extraction units.

This project was designed to fund flexible, move-on space for young bioscience companies - providing space to allow existing companies to expand and also allow BioCity to continue to nurture a greater number of younger companies in the space freed-up.

Progress

Nottingham City Council invested a total of £31m to deliver the new flagship bio-science facility. The total project costs consisted of £6.5m grant funding from D2N2 and £24.5m of prudential borrowing. NCC granted a lease to BioCity whose rental payments, coupled with the uplift in Business Rates, are anticipated to service the debt in its entirety over 30 years. The facility offers 51,000 square feet net internal floor space.

Discussion with the project team suggest that the project was delivered on time and on budget. All outputs have been met, the building is now fully let and by supporting business to move out they have also freed up space in the initial bio-city building which has allowed other businesses to move in who are now providing additional employment in the area.

Impact

Anecdotal evidence suggests that the high quality of the building and the exemplar facilities has helped to attract high quality skilled employees to the businesses and has supported the retention of science graduates in the city.

The high design-quality of the project has laid down a marker for the type of buildings that could be built in this area, and within the Cultural Quarter of the city. The team at NCC view it as a flagship building and an anchor for the Science Sector within Nottingham.

The NCC team consider the project to have been very successful. This building has solved the problem of grow on space in the short term but it is likely that other businesses will spin out from BioCity in the future and will need somewhere to locate.

Case Study – Sygnature

One firm who particularly needed grow-on space was Sygnature, a leading provider of integrated drug discovery services to biotechnology and pharmaceutical companies. Sygnature required 30,000 sqft of additional space to allow them to expand.

The organisation didn't want to leave Nottingham but there was a lack of suitable space for them to locate in within BioCity and they were struggling to find suitable premises within the city. The team at Nottingham City Council told us that the organisation was looking for rental accommodation rather than building their own facility – this would allow them maximum flexibility to grow, as and when they won new contacts.

The City Council wanted to ensure that these high-quality jobs were not lost to the area – there is significant competition regarding attracting this type of company from major cities, particularly Oxford, Cambridge, Birmingham. In addition, Sygnature were keen to move into high spec accommodation to enable them to attract high calibre staff – there is always a risk that staff will be attracted away to the cities listed above to work in state of the office laboratories.

Sygnature have now relocated in the new facility. Over their lifetime at BioCity they have grown from an initial 6 employees, to now employing 250 staff.

Ada Lovelace House

Grant Recipient: Ashfield District Council
Total Project Cost: £287,892
LGF Funding: £143,946
Timing: December 2016 to November 2017

Output	Actual	Forecast (Total)
Refurbished floor space	1,658	1,658
Jobs Created	11	11

Background and Rationale

Formerly Ashfield Urban Council Offices, and more recently a police station, Ada Lovelace House is a well-known local landmark, named after Lord Byron's daughter Ada Lovelace. Prior to investment, the building located adjacent to the Ashfield District Council Offices, in Kirkby Town Centre had been vacant for a number of years and was in a state of disrepair.

At the time it was recognised at the time that there was a shortage of office accommodation in the town centre and there was a desire within the Council to see some high-quality office space provided within the Town Centre to help support, attract and grow high quality businesses. Given its prominent location, it was considered that Ada Lovelace House was a good opportunity to address this.

Progress

The project involved some demolition works and an internal refurbishment to bring the building up to current market standards for office accommodation. Ada Lovelace House now offers seven high quality offices with shared communal space and open-plan meeting areas as well as dedicated parking. It was fully let within the first 12 months of opening and has a range of tenants including creative businesses, consultancies and IT companies. The Council expected it was going to take 2-3 years to become fully let so this was considered a big success. The range and quality of business is also considered a success of the project. Six of the seven tenants were start-up businesses and all were local people and therefore the project has provided a platform to help local people start up and grow their own businesses.

Impact

Because the building is relatively small and there are a lot of communal areas, the businesses have developed somewhat of an informal partnership, with some having become clients of each other. The units are small and can accommodate a maximum of around 4 people. Therefore, the target market is largely start up and micro businesses. As it is fully occupied, there is no scope for businesses to take on further space as they grow and therefore businesses will have to move to larger premises as they grow which will free up space to support further new and micro businesses.

Job outputs have already been exceeded and by the end of the LGF programme, this would increase further as a number of businesses will naturally outgrow the space available and new businesses will take their place.

Wider Outcomes

In terms of wider impacts, anecdotally, these include a wider diversity of businesses operating in Kirkby town centre, higher profile for the town and potentially more people spending money in the town centre.

As part of the evaluation, we spoke with a business located at Ada Lovelace House to understand impacts for the beneficiaries of the project.

Case Study – ORB Design & Print

ORB Design & Print are located in Office 1 of Ada Lovelace House and moved into the property soon after it opened. The business was located in a few properties around North Nottinghamshire over the last few years and latterly was based at the owner's home. Moving from a home office to Ada Lovelace House has really helped the businesses to grow. The reasons for moving to the property were because the layout of Office 1 suits the needs of the business, the facilities are very good including dedicated car parking, the location is central for the business owner and the price is very competitive. Previous properties the business was located at were very poor in comparison.

Overall the business considers it a really good property and there is nothing similar locally that is affordable for small businesses. It has given the company a base to grow and it has recruited two new members of staff since locating at Ada Lovelace House. It has also helped because of the community of businesses located at the property which provides a supportive, friendly atmosphere for new businesses and the nature and quality of the property makes us more professional. "If Ada Lovelace House wasn't here, I don't think I would have grown the business".

In terms of criticisms, it was reported that the internet is not great in the building and so the business had to put in their own line. In addition, it is frustrating that they are not allowed to put up a sign outside the property to show that they are located there. However, overall, despite these small challenges, the building is considered perfect for ORB Design & Print.

Chesterfield Centre for Higher Level Skills

Grant Recipient: University of Derby
Total Project Cost: £7,706,338
LGF Funding: £3,482,500
Timing: October 2015 to October 2016

Output	Actual	Forecast (Total)
Learner Numbers	464	1,049
Number of Knowledge Transfer Partnerships (KTPs)	9	16
Number of CPD modules/short courses	1,293	1,449
Jobs connected to the intervention	41.36	42
Refurbishing training/learning facilities (sqm)	3,257	3,257

Background and Rationale

The University of Derby want to deliver a step change in higher level skills opportunities, including apprenticeships, aiming to support the economic growth and resilience of businesses and the workforce in Chesterfield and North East Derbyshire. In practice, the project aims to provide new, local progression pathways to higher level skills provision at a new University Centre.

The LGF grant was used to refurbish the former St Helena School, a Grade II listed building in the centre of Chesterfield, to provide: learning spaces, business incubation units and the innovation labs providing employers and students with access to contemporary digital and engineering technologies.

The project was designed in response to the lack of a primary University Campus or site in North Derbyshire; the area suffers from poor HE participation, poverty of aspiration and very limited local access to progression opportunities. The centre facilitates a collaboration between Derby University and Chesterfield College that enhanced the current FE offer by:

- Providing FE students and staff with access to the latest equipment and technologies.
- Providing opportunities to upskill staff at Chesterfield College.
- Encouraging a greater uptake of FE (including apprenticeships) as local, visible progression routes to HE (including higher apprenticeships) will raise aspirations and ambitions amongst the local population and workforce.

The Chesterfield demographic makes mature, part-time learners a critical target group. Evidence suggests this target group might not want to travel as far as Derby for courses; the satellite site therefore removes these barriers.

Progress

The initial project has evolved as the University of Derby have become more closely aligned with Chesterfield and as project personnel has changed over the years. The project team identified Health and Social Care as well as Nursing provision as areas where they could achieve the best results in terms of developing local people and helping them access education. These themes were also

chosen based on their suitability to working in the local economy which has a prevalence of health and social care jobs.

The project has supported the pipeline of development in Chesterfield by working with higher education providers, local communities, Derbyshire Voluntary Agency, building an area of expertise to both attract local people to the project, and to facilitate progress thereafter. Moving forward, the only hinderance to achieving additional outputs is capacity; the University is looking at how to repurpose space in St Helena School to accommodate more learners.

The project is still confident of achieving the expected outputs but if they were to under achieve, it would be because of capacity rather than being to attract people. This is also because the University pride themselves on having a personal feel provided by smaller classrooms and learning spaces. The team are hoping to mitigate capacity issues with changes to scheduling of full-time courses.

In terms of CPD modules, the project remains confident of achieving programme targets but are unsure about the level of take-up in the future – the University will reach a level of saturation with local businesses. This is why the project are looking to diversify outwards of Health and Social Care towards the needs for small businesses, engineering and rail.

Impact

Local access to higher level training opportunities are an important factor in both strengthening the economic attractiveness of North East Derbyshire and improving the resilience of the area's workforce to deal with a shift towards more highly skilled jobs.

Project outputs are focused on increasing learner numbers across: health and social care; engineering; higher apprenticeships; IT; as well as business, leadership, enterprise and logistics. Further outputs include increasing the number of innovation workshops, Knowledge Transfer Partnerships and CPD modules/short courses. By the end of the programme, the project intends to facilitate 1,483 new learners across five years of operation, as well as 20 KTPs and 1,919 CPD modules/ short courses.

The project is now building on their success and diversifying to encompass other areas of strength in the area that are emerging, including rail, working with Chesterfield Borough Council and Chesterfield College.

Overall, the project has widened participation across Chesterfield to the point where there are c.300 students currently studying Health and Social Care and Nursing. Nursing is considered to provide 100% employability due to the well-publicised shortfall in nurses.

Wider Outcomes

An intangible impact that the project is particularly proud of is that of raising aspirations of people in the local community. Anecdotal evidence suggests that many learners have never considered themselves as viable university/further education participants. Most learners are mature students, many have children, who perhaps have not had an opportunity for career change. The majority come

from deprived areas in and around North Derbyshire; the project has also seen a vast increase in the number of BAME community. The impact of having a satellite site has meant the University has been able to embrace the local community in a way that they couldn't before and catalyse wider participation in further education.

Through the project's success, the University has been able to build inroads though Destination Chesterfield to facilitate links to small businesses, engineering, Knowledge Transfer Partnerships, CPD work, public lectures. The footfall has met all expectations, as has learner numbers and short courses. Moving forward, the University want to work more closely with business, with rail, manufacturing, and any other specialisms that are present in Derby, to widen participation in them to Chesterfield. The University are brokering strategic partnerships with the Federation of Small Businesses (FSB), large businesses, Destination Chesterfield and other leaders to identify skills gaps and to address them through the Chesterfield Centre for Higher Level Skills in the future (via future bids).

Moreover, using St Helena as a brand position tool for the University of Derby, and out of which the University now do presentations with FSB, East Midlands Chamber and Destination Chesterfield, has created an awareness of the University's business support services. Every event the University has run for businesses has been sold out – business celebrations, business support presentations

Over the last two years, the University have given out £2 million in KTPs to areas in and around Chesterfield; they are also working with 10 businesses (and growing) to provide apprenticeships. Although these are not delivered out of Chesterfield presently, the very presence of the University is proving beneficial to all involved. Chesterfield themselves are even calling themselves a University-town.

Next Steps

The University are looking to run the Chartered Manager Degree Apprenticeship out of Chesterfield because there are so many businesses signed up to it from the region.

Seymour Link Road

Grant Recipient: Derbyshire County Council
Total Project Cost: £7,560,000
LGF Funding: £2,520,000
Timing: October 2015 to November 2016

Output	Actual	Forecast (Total)
Net additional jobs	638	1,235
Hectares of brownfield land developed	33	38

Background and Rationale

The Seymour Link Road links the Markham Vale Enterprise Zone with junction 29a of the M1 motorway. The project was key to unlocking the third, northern phase of the Markham Vale Enterprise Zone located in Chesterfield Borough, Derbyshire. Markham Vale is Derbyshire County Council's flagship regeneration project and was set up to create an attractive and accessible business park over an 85-hectare (200 acre) site. Centred around the former Markham Colliery site.

Located on the site of the former Colliery, Markham Vale is being redeveloped for industry – particularly the manufacturing, technology, environmental and logistics sectors. Part of the Markham Vale site was given Enterprise Zone status in 2011, meaning businesses which locate there can receive tax relief and other benefits. The Seymour Link Road provides access from the north side of Markham Vale Enterprise Zone to Junction 29a of the M1. Prior to this investment, this area of land had no highway access and therefore could not be brought forward for development. The funding was used to build the highway and link utilities to the site.

This project was part-funded by D2N2 with a LGF contribution £2.5million and the Sheffield City Region Local Enterprise Partnerships with a LGF contribution of £3.78m, as well as £1.26m from Derbyshire County Council.

Progress

The Seymour Link Road officially opened in March 2017 and was a key part of the Markham Vale Enterprise Zone initiative. Located between Sheffield and Nottingham, Markham Vale has immediate access to the M1 motorway via a dedicated new junction, J29A. the Seymour Link Road linked the third phase of the Zone to Junction 29a to unlock another 33 hectares of development land.

The project generally proceeded as planned, only falling slightly behind programme. A deal was agreed early on for one of the 4 largest sites in the northern part of the zone and the deal included the requirement for the road to be completed by a certain date which was met.

The majority of the land opened up as a result of the project has been developed or is currently being developed. There were 4 large plots created. 3 or these have been sold and developed and the County Council is very close to finalising the sale of the fourth site. The speed with which the sites were purchased was a surprise to the project team but is a big success of the project. Work is still

being finalised on the amount of private sector investment which has been attracted as a result of the project as it takes time to establish the fit-out costs and this can vary vastly depending on the nature of the business. However, a Derbyshire County Council report from November 2018 estimate the private sector investment of investments secured in Markham Vale North to that point was between £150m and £180m.

Impact

The project is broadly on target to achieve its job targets. It has taken longer for some businesses to become fully operational than expected due to the amount of fit out works taking place and therefore this has resulted in a delay in some of the job creation. However, the project team is confident that the job outputs will be achieved. Indeed, there is significant potential for the job outputs to be exceeded over time, beyond the period of the LGF programme as almost all the businesses that have purchased land have built space for growth and are therefore likely to create more employment opportunities in the future. Companies which have recently located to Markham Vale include logistics firm Great Bear Distribution, vehicle parts supply firm Ferdinand Bilstein UK and Protec International, a supplier of flame-retardant temporary protection materials.

Wider Outcomes

A key aspiration for Derbyshire County Council is to connect the site with local communities and the Council tries to encourage the businesses locating at Markham Vale to use local recruitment agencies. The Council has also established an integrated workforce development team who keep in touch with companies, help promote recruitment opportunities through the Council's social media pages and link companies to local agencies. This is increasing proving to be an effective way to promote opportunities to local people.

Derby College Technology Hub

Grant Recipient: Derby College
Total Project Cost: £1,750,000
LGF Funding: £1,300,000
Timing: September 2017 to February 2019

Output	Actual	Forecast (Total)
Upgrade of 3,000 sqm of floor space	2,000	3,000
2,500 higher skills learners over 20 years, 125 per year	104	2,500
7 FTE jobs	5	7
250 degree apprenticeships	26	250
800 L3 leadership	0	800
1,450 L3 technical education	78	1,450

Case study to follow after contact is made with client.

A46 Corridor Rushcliffe

Grant Recipient: Rushcliffe Borough Council
Total Project Cost: £14,510,000
LGF Funding: £6,250,000 (£3m for completed phases 1 and 2)
Timing (phases 1 and 2): October 2016 to November 2018

Output	Actual	Forecast (Total)
Direct Jobs Created	47	47
Indirect Jobs Created	486	-
Employment Land (ha)	0.7	4.6
Homes	463	463
New shop units and business units refurbished	9	9
New Multiservice Centre Created	1	1
New Jobs Created	45	70

Background and Rationale

Cotgrave is an ex-mining community in Rushcliffe and faces a number of socio-economic challenges typically faced in these communities. Rushcliffe Borough Council undertook a lot of Masterplanning work for Cotgrave which initially led to the development of the former colliery site for housing. Delivered by Barratt Homes, selected as the preferred development partner of the Homes and Communities Agency. To complement the new housing, Phase 1 of the A46 Corridor project which received LGF funding delivered 15 new Industrial Units on the former colliery sire, ranging in size from 750 to 2,000 square feet.

Progress

Phase 2 of the project was focused on Cotgrave Town Centre. For a number of years, Rushcliffe Borough Council had been purchasing retail units in Cotgrave Town Centre to facilitate regeneration of the area. Local Growth Funding enabled the units to be refurbished to provide much improved retail units plus the creation of nine office suits in a Business Hub above the retail units. The site was opened in late 2018 and already all retail units and business units are fully let.

The development of the retail units also enabled a number of existing retail businesses to move into the new units which has freed up additional retail units in the town centre which the Council will be demolishing for new build units. Herons, a national frozen food retailer has agreed Heads of Terms for one of the units. Whilst this element is not part of the Local Growth Fund project, it has certainly facilitated this future phase by allowing businesses to move to new premises and free up their previous premises for the Council to develop.

In addition, a new community hub - The Cotgrave Hub was delivered as part of the Town Centre Regeneration Scheme. It incorporates health, Rushcliffe Borough Council Customer Services team, library, police, and community and voluntary services; all now available under one roof. Hub

occupants include Belvoir Health Group, Rushcliffe CCG, Inspire, Nottinghamshire Police and Rushcliffe Community and Voluntary Service. Once the Hub was completed, a number of existing buildings were demolished and public realm and parking improvements were undertaken which have opened up the area and made it a much more attractive environment. The public realm works included the creation of an area which can be used for outdoor events. This is further helping to increase footfall and vibrancy in the area. The work has also led to the Town Council investing in a very high-quality play area.

Impacts

In terms of impacts, the Borough Council consider that it has really upgraded the whole area and made it more vibrant. As part of the overall Masterplan for Cotgrave, the Council aimed to improve the vibrancy of the area, increase footfall, raise the profile of Cotgrave, improve accessibility and access to services, attract businesses and a higher quality retail offer to the town centre and create new jobs. There was also an aspiration to raise pride in the area and reduce anti-social behaviour. Some of the wider impacts of the investment has been the ability to increase the opening hours of the local library because it is manned at times by Rushcliffe Borough Council Customer Service Centre staff which has led to a major increase in library use. Overall the project has also helped to attract investment to Cotgrave, for example through the housing developments and proposals for employment land around the former colliery.

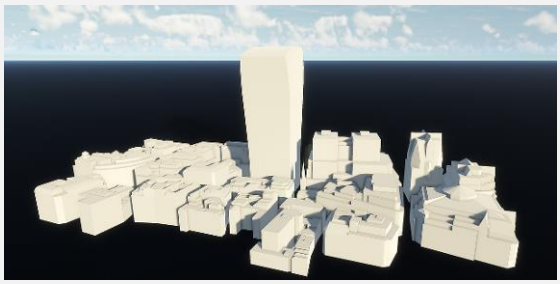
Overall it is considered the project has been very successful and clearly addressed significant market failure in Cotgrave Town Centre. All Phase 1 targets have been achieved or exceeded. There were a number of delays to the project, but given its complexity and the number of different partners involved, this is not surprising. Overall it is considered the project has achieved a lot for a relatively modest amount of LGF funding and will be a catalyst for further investment by the Borough Council now that viability has been improved. It is an example of a multi-faceted and multi-partnership approach to enhancing the economic vibrancy and viability of a struggling town centre. This is obvious potential for further job creation as new businesses become tenants of the units created in phases one and two and when the new retail units are constructed.

Case Study: Origin Surveys

James Todd, Managing Director of Origin Surveys, had tried both Shirebrook and Basford before settling at the Cotgrave Business Hub in order to facilitate the expansion of his company. Origin Surveys provide measurement services – measuring areas, features and levels for projects using technically advanced equipment and software. The business offers a range of Surveying specialities throughout the UK including Topographical, Measured Building & 3D Surveys.

The Cotgrave Business Hub has provided more than simply the space to expand; the location has enabled Origin Surveys to continue their policy of training and employing local people. The business prides themselves in giving young people in the area, with minimal experience, the opportunity for training and development. The business has expanded from 1 to 5 FTE since its inception two-and-a-half years ago, and the space available at the Business Hub facilitates their growth plans to increase FTE to 8 in the coming months.

The Hub afforded Origin Surveys the chance to move from a virtual office to a physical space of their own. The Cotgrave location is thought to be ideal – quieter than the city centre, it also provides close proximity to amenities, and is considered more convenient for commuting to other cities in the region and in the South due to its road connectivity.



DESKTOP REVIEWS

Bulwell Market

Grant Recipient: Nottingham City Council
Total Project Cost: £300,000
LGF Funding: £100,000
Timing: November 2016 to Q1 2019/20

Output	Actual	Forecast (Total)
Jobs Created	22	30
Jobs safeguarded	-	45
1,500 sqm improved and landscaped market place	1,500	1,500
150 sqm of pedestrian space used as additional market space	150	150

Background and Rationale

Outdoor markets in general are suffering in all areas across the UK as people are dramatically changing their shopping habits. The dramatic rise in the number of discount supermarkets like Lidl and Aldi is having a detrimental effect on traditional outdoor markets. Market traders struggle to match them on price as they can't buy the goods cheaper from supplies than the supermarkets are selling the goods. Bulwell has both a Lidl and Aldi supermarket as well as a newly refurbished Morrisons supermarket and a very large Tesco Extra store. Internet shopping is also having a negative impact on the traditional high street.

D2N2 invested £64,750 from the Local Growth Fund into the redevelopment of Bulwell Market. The project is part of a larger programme of improvement for Bulwell town centre and involved remodelling the marketplace layout, making it more accessible, attractive, and adaptable for markets and fairs. The project also involved refurbishing a number of upper floor sites above local shops, some for accommodated and others for small business use alongside improvements to Main Street which increased the size of the town centre by adding a number of modern homes and working spaces for SMEs.

Progress

The improvements to the marketspace are complete. Although the traditional outdoor market occupancy rates suffered over the last quarter, this was due to prolonged poor weather conditions. June was the wettest on MET records and market traders don't trade in these conditions.

Bulwell has also seen the closure of two national chains - The Money Shop and The Outlet (part of Littlewoods Clearance Stores chain) which has had an impact on the retail environment.

Lidl opened a new store in Bulwell town centre just over 16 months ago and is only 350 metres away or about 3-minute walk from the market place. The market traders that sell competing goods like fruit and veg, bread and cakes, etc., are now reporting they are feeling the negative impact of this very new competition. Bulwell is an area of high unemployment and economically deprived so shoppers are very price sensitive and will spend where they can get the cheapest prices.

Impact

In the hope of creating more jobs on Bulwell market Nottingham City Council Markets Team is starting to operate a bargain market every week on a Wednesday which started operating in the summer of 2019. This offers a mix of professional second hand goods traders and the casual car boot style individual who do a stall as a one off.

Harworth Access Road

Grant Recipient: Nottinghamshire County Council
Total Project Cost: £1,555,000
LGF Funding: £1,100,000
Timing: November 2016 to June 2017

Output	Actual	Forecast (Total)
Direct Jobs	342	5,508
Indirect Jobs	78	1,142
Homes	253	855

Background and Rationale

Harworth and Bircotes is a small conurbation, located about eight miles north of Worksop. Harworth and Bircotes achieved town status in 2010 and is administered locally by Haworth and Bircotes Town Council, as part of the Bassetlaw district in Nottinghamshire. The project aims to aid the area's economic growth, ensure smoother traffic flow; and to make Harworth and Bircotes more attractive to potential residents and businesses looking to locate to an area with good access to the A1 (M), M1 and M18 roads.

The £1.5million Harworth Access Road scheme consisted of planned improvements to four junctions in the area:

- A614 Bawtry Road/ Blyth Road junction – the introduction of traffic signal control;
- Blyth Road/ Scrooby Road/ Tickhill Road/ Main Street junction – removal of two mini-roundabouts and replacement with traffic signal control;
- A1/A614 junction – entry arm improvements and circulatory carriageway closure on part of one of the two feeder roundabouts to the A1 (M) junction at Blyth;
- A614/Scrooby Road junction – conversion to traffic signal control and junction widening.

The project aims to aid the area's economic growth, ensure smoother traffic flow; and to make Harworth and Bircotes more attractive to potential residents and businesses looking to locate to an area with good access to the A1 (M), M1 and M18 roads.

Progress

Work began on site in autumn 2016 and was completed in May 2017.

Impact

Over ten years it is estimated the project will 'unlock' the potential for an additional 5,000-plus direct and indirect jobs, and enable the building of 855 new homes. Only a small proportion of the outputs have been achieved to date but this is not unusual in a infrastructure project of this nature.

A57/A60 Junction Worksop

Grant Recipient: Nottinghamshire County Council
Total Project Cost: £2,438,000
LGF Funding: £1,830,000
Timing: February 2016 to December 2016

Output	Actual	Forecast (Total)
Unlock the Creation of Jobs over 20 years	771	6,000
Unlock the Creation of New Homes	203	1,753

Background and Rationale

D2N2's £1.83m investment in the A57/A60 Junction Worksop project has funded improvements on the Millhouse roundabout near Worksop. The A57/A60/B6024 Millhouse roundabout, south-west of Worksop, is located between and close to both the M1 motorway and main A1. This £2.4million project saw the installation of traffic signals at key route points, improvements to overall connectivity, and access provided to new opportunities for property developers.

D2N2 were joined as sponsors of the project by Sheffield City Region Local Enterprise Partnership and Nottinghamshire County Council.

This project resulted from a joint Transport and Regeneration study of Worksop, with Bassetlaw District Council, in a bid to identifying local opportunities and benefits which would help the district by upgrading the current highway network.

As a result of the study, number of improvement sites have been identified and work is on-going to secure future funding specifically along the A57, potentially unlocking land development. In this instance, some of the benefits to this £2.4m project being undertaken including:

- Reducing congestion
- Improving journey times

- Boosting Worksop's attractiveness for businesses to locate to
- Attracting developers to create new residential sites
- Improving pedestrian and cycling links.

Progress

Work began in mid-February 2016, and was due to last for 32 weeks. However, due to unforeseen circumstances related to drainage challenging ground engineering issues and the discovery and safe removal of asbestos, the works on the roundabout took longer than initially planned. The works were completed in December 2016.

Impact

It is estimated that this £2.4m project will help provide access to more than 75 hectares of employment land, mainly along Worksop's A57 corridor; which could then directly host up to 4,900 jobs and indirectly generate around a further 1,100 in the town, due to the expected increases in trade and retail footfall. It is also expected to accelerate housing growth, creating at least 1,600 homes.

Southern Growth Corridor

Grant Recipient: Nottingham City Council
Total Project Cost: £9,620,000
LGF Funding: £3,500,000
Timing: October 2016 to September 2018

Output	Actual	Forecast (Total)
Provide 13 operational single decker electric buses to operate Citylink services 1 and 2 and a charging point	13	13
Provide 5.5km of priority bus lane	5.5	5.5
Reduce bus journey times along the corridor by 5%	-	100%
Increase bus patronage along the corridor by 2-3%	-	100%
Reduce emissions along the corridor	-	100%

Background and Rationale

The £9.62million 'Southern Growth Corridor' project – now also referred to as the 'Nottingham Eco-Expressway' – has created a high capacity, high frequency, low carbon (emissions) and sustainable transport bus corridor running east-west through Nottingham. Nottingham City Council and the Department for Transport's 'Green Bus Fund' (£3.5m) also part-funded the project.

This ten kilometres long corridor of bus lanes connects the proposed Gedling Access Route (GAR) in the former Gedling Colliery area east of Nottingham to the Boots Enterprise Zone site (part of the Nottingham and Derby Enterprise Zone) to the west; and enhance links to existing bus-based park and ride sites, the electric Medilink and Centrelink services, and Nottingham city centre bus stations.

The corridor is designed to serve existing employment sites and to cater for the travel demand predicted from new housing, employment and leisure developments along its length. Electric buses and, it is proposed, private electric vehicles will use the route.

The project aims to deliver 13 single decker electric buses and a charging compound alongside 5km of priority bus lane leading to a 5% reduction in bus journey times along the route. This, it's hoped will result in a 3% increase in customers.

Progress

An electric bus compound at the Queen's Drive Park & Ride, to charge the new buses, has been built. Work is now ongoing to complete bus priority lanes (featuring new pedestrian crossing points, and bus stops with solar-powered shelters) along roads including Daleside Road, by the end of 2017. The whole project was completed in the autumn of 2018.

Impact

The project aims to deliver 13 single decker electric buses and a charging compound alongside 5km of priority bus lane leading to a 5% reduction in bus journey times along the route. This, it's hoped will result in a 3% increase in customers.

Better Broadband for Nottinghamshire / Digital Derbyshire

Grant Recipient: Nottinghamshire County Council
Total Project Cost: £29,046,726
LGF Funding: £2,630,000
Timing: June 2014 to March 2018

Output	Actual	Forecast (Total)
Minimum of 6,250 of SME premises with access to superfast broadband	6,607	6,607+
Minimum of 388 FTE jobs created	388	388+
80,000 premises connected to fibre broadband by March 2018	83,574	83,574+

Grant Recipient: Derbyshire County Council
Total Project Cost: £34,961,863
LGF Funding: £2,190,000
Timing: June 2014 to March 2018

Output	Actual	Forecast (Total)
A minimum of 10,000 SME premises with access to superfast broadband by 17/18	-	10,000
A minimum of 3,000 FTE jobs directly created as a result of this investment	100	3,000
28,257 premises connected to fibre broadband by June 2020	15,952	28,257
22,145 premises connected to Superfast broadband (above 24Mbps) by June 2020	15,387	22,145

Background and Rationale

Access to fibre broadband is one of the core priorities for D2N2 and is strongly championed as an economic enabler; fibre broadband has the potential to drive business growth, particularly amongst the micro and SME community and in the D2N2 priority sectors. Access to new markets, competitiveness, business efficiency, innovation and investability are all directly impacted by businesses' access to and confidence in a fibre broadband network. It is also recognised that sustainable economic growth needs to be balanced geographically and demographically, particularly in rural areas as well as disadvantaged communities. Bridging the 'digital divide' is critical to prosperity and wellbeing.

Government planned to achieve a transformation in broadband in the UK by 2017/18 and set up Broadband Delivery UK (BDUK), part of the Department for Culture, Media and Sport, to assist in delivering superfast broadband and better mobile connectivity to the nation. Nottinghamshire County Council is the lead Authority for the Government's investment in Nottinghamshire through two programmes locally known as Better Broadband for Nottinghamshire (BBfN) and Digital Derbyshire (DD).

Progress

The BBFN and DD programmes spanned the period 2013-2018. Close to 98% of premises in Nottinghamshire and Derbyshire now have access to superfast broadband through the new fibre infrastructure, up from 86% that would have been achieved without public sector investment.

Impact

Over 80,000 premises in Nottinghamshire (8,300+ of which are business premises) and 200,000 premises in Derbyshire (10,000+ of which are business premises) will gain access to fibre broadband that would not have had this without the BBfN programme. This makes Nottinghamshire one of the best served counties in the country and will be a key attractor for new investment in business growth in the area and will drive housing growth.

The projects add value by stimulating the market and providing the environment for on-going development through the private sector investment and business development – creating demand for enhanced broadband technology in the future to stimulate business growth. There are four primary outcomes for the projects:

- Near-universal take-up of affordable broadband by D2N2 households and businesses.
- Exploitation of broadband and wider ICT by D2N2 businesses and public sector organisations.
- Urban areas benefit from leading edge levels of connectivity.
- Successive generations of broadband connectivity rapidly being made available to every community in D2N2.

Wider Outcomes

Business will improve their productivity as a result of taking up a superfast broadband service, through more efficient day-to-day business processes, enhanced intra-firm communications/ knowledge management, enhanced communications with customers and potentially lower whole-life IT systems costs – enabled by productivity-enhancing applications.

The wider impact of the project centres on residential take-up of superfast services. Whilst residential take-up is not necessarily a priority for D2N2, it should be seen in the context of enabling more reliable home-working and small business start-up; connection to global markets; young people's learning outcomes and access to services which will support financial independence and literacy, employability, skills development and so on.

Summary – Case Studies

The case studies above demonstrate the wide-ranging impacts, both qualitative and quantitative, that D2N2's Local Growth Fund investments are having in the LEP area.

- Most projects are confident of achieving their outputs by the end of the programme. Most have been delivered on time, and some have even forecast higher totals than expected.

- Projects change and evolve between the initial submitted business case and the eventual start date. In practice, this might mean some variance in terms of expected outputs, in particular as projects become more receptive to their target audiences or changes in local context.

- Projects that are linked to wider development plans and regeneration works are more likely to benefit from surrounding schemes and therefore are better placed to act as catalysts for additional impacts. Where projects and initiatives are contributing to similar aims, the impact can be enhanced.

- Discussions with projects underlined the fact that most of the project outcomes would not have been achieved without LGF support, often because of the presence of market failure. Many projects have demonstrated the need for public investment to deliver commercially viable schemes.

- Overall, projects are progressing well. Some are behind in terms of output achievement but are positively responding to this to look at alternative delivery models.

- Many projects have demonstrated, albeit often anecdotally the achievement of wider outcomes and impacts beyond those originally envisaged including helping to improve the overall attractiveness of the area as a place to live, work or visit as well as the achievement of spill over benefits for businesses located close to investment sites.

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6.0 Impact Analysis

This section takes the key identified outcomes/ outputs of the projects that are being evaluated and calculates their potential wider economic benefits for the local D2N2 economy – including applying multipliers, adjusting for the leakage of the benefits outside of the D2N2 area and applying displacement and deadweight factors.

We have particularly looked at the potential impact of the: new homes, investment in superfast broadband for businesses, additional visitors to the local economy, new jobs created, new learners and additional office floorspace. Each is considered separately throughout this section. Note, this is only a high-level economic impact so we have focussed on the key outputs, a more detailed study would be needed to fully capture the whole impact of the individual projects.

The key principles/ features used in the economic impact calculations are shown below. We have also included a glossary of the terminology used.

Key Features of the Economic Impact Assessment

The approach taken is rooted in HM Treasury 'Green Book' methodology, using a mix of relevant technical guidance, and judgements, primary data or standard assumptions for key economic factors.

When using data sources to inform calculations we have applied the following approach:

- Use of primary sources where possible
- Where possible use of data from the project team
- Where primary data is not available, we have used standard assumptions, evidence from national reports and recognised industry data.

Economic Impact Terminology Used in the Calculations – Glossary

The research undertaken has been designed to estimate the total effect of the suite of projects funded by D2N2. This means considering a wide range of consequential or induced effects as well as the immediate effects. These are explained below.

- **Multiplier effects**: The further economic activity (jobs, expenditure or income) that is associated with additional local income, local supplier purchases and longer-term effects of the intervention.
  - **Indirect Multiplier:** The effects of purchases made as a result of the intervention and further purchases associated with linked firms along the supply chain.
  - **Induced Multiplier**: The effects associated with local expenditure as a result of those who derive incomes from the supply linkage impacts of the project.
- **Deadweight**: The outputs that would have occurred without the intervention.
- **Displacement**: The proportion of intervention outputs accounted for by reduced outputs elsewhere in the target area.
- **Leakage**: The proportion of outputs that benefit those outside of the intervention's target area or group.

As this is only a high-level economic impact we have, in general, used the following standard benchmarks when calculating multipliers, leakage, deadweight and displacement. This said we have made adjustments in places to account for local conditions.

- **GVA Multipliers:** The Scottish Office publish a list of GVA multipliers per SIC code. The average GVA multiplier across all sectors is that for every £1 of direct GVA there is £1.65 of direct, indirect and induced GVA.

- **Employment Multipliers:** The What Works Centre for Local Economic Growth suggest the following employment multipliers:

  - *Additional jobs in the tradable sector tend to increase employment in the non-tradable sector (e.g., local shops and restaurants). The average local multiplier is close to one: for each additional job in the tradable sector, 0.9 jobs are created in the non-tradable sector.*
  - *The impact of additional jobs in the tradable sector on other tradable jobs is smaller: an additional job in the tradable sector creates, on average, 0.4 jobs in other parts of the tradable sector.*

Based on the above we have assumed that for every direct job created there are 2.3 direct, indirect and induced jobs (1 direct job = 1 direct job plus 0.9 non-tradable jobs and 0.4 tradable jobs).

- **Deadweight:** The Homes and Communities Agency Additionality Guidance 2014, provides a series of ready reckoners for deadweight. Guidance indicates an average deadweight factor across intervention types of 24%.

- **Leakage:** The Homes and Communities Agency Additionality Guidance 2014, provides a series of ready reckoners for Leakage. Guidance suggests that where a reasonably high proportion of the benefits will be retained within the target area, a factor of 25% should be applied.

- **Displacement:** This is variable depending on the nature of the outputs. Assumptions have been made for each case and the justification included.

Geography - The economic impact calculations have been designed to capture the impact of the programme on the D2N2 geographic area.

Limitations of Economic Impact Assessments - It is important to recognise that there are limitations to any economic impact assessment. There are noted below:

- The findings are reliant on the robustness of the 'base case' and the quality of the data available – in this instance the quality of data reported by the projects and recorded by D2N2.
- There is an inability to count non-quantifiable economic benefits that have value to individuals or organisations (e.g. quality of life improvements and profile raising).

Not discounting all of the above it must be noted that the approach taken is cost effective, comparable and is built on economic convention. The economic impact calculations are shown below.

6.1 New Homes

The table below summarises the numbers of new homes that have been built to date as a result of the LGF grant funding for the projects included in this evaluation. In addition, it shows the number of new homes that the projects are forecasting they will have supported by the end of the funding period (2021) and, post project, the number of new homes that will be built in future years resulting from the investment.

New Homes Resulting from LGF Funding		
Already built	Forecast to be built by the end of the programme – 2021] (Cumulative – includes actuals)	Unlocked for future development – 2021+ (extra, on top of the end of programme forecast)
919	1,474	1,597

Source: D2N2 LGF Q1 19/20 Claim, Interviews, Project Grant Offers

There are a number of economic benefits that these new homes will have for the local economy, including: increased spend in local shops and restaurants resulting from the population increases, increased council tax revenue for the local authority and jobs created as a result of the investment.

The economic benefits of house building have been quantified in the July 2018 report – The Economic Footprint of House Building in England and Wales. The report was prepared by The Home Builders Federation (HBF) and Lichfields and can be found at the following link – https://lichfields.uk/media/4313/the-economic-footprint-of-uk-house-building.pdf

Note: HBF is the representative body of the home building industry in England and Wales; their members' account for 80% of all new homes built in England and Wales in any one year, and include companies of all sizes, ranging from multinational, household names through regionally based businesses to small local companies. Lichfields is a planning and development consultancy in the UK.

The report highlights that in 2016/17 the house building industry in England and Wales built around 224,000 new homes. The report goes on to calculate the economic footprint of this investment.

The table over the page shows the economic impacts that these 224,000 homes had on the economy. This national data has then been factored down, allowing us to understand the potential impact that the new houses supported through LGF funding have had and will have on the local economy.

Economic Benefits from Houses Being Built as a Result of LGF Funding (Excluding Multiplier, Leakage, Deadweight and Displacement Unless Specified								
Base Data Source - The Economic Footprint of House Building in England and Wales			**Economic Impact of New Homes Resulting from LGF Funding - Pro-rated figures from National Numbers**					
Area of Impact	Total Economic Impact for the 224,054 homes built in England and Wales in 2016/17	Average Impact per individual home built	Already built		Forecast to be built by the end of the programme 2021 (Cumulative – incudes actuals)		Forecast to be build post 2021+ Additional	
Increase in Spend in Shops and Services	It is estimated that residents of the 224,054 net additional homes built across England and Wales in 2016/17 generated £5.9 billion[1] of spending over the course of the year.	£5.9 billion spending over a year / 224,054 new houses = £26,333 average spend generated per household per year	Houses built to date x	919	Houses forecast to be built by the end of the programme x	1,474	Houses forecast post 2021+ x	1,597
			Spend per household per year =	£26,333	Spend per household per year =	£26,333	Spend per household per year =	£26,333
			Spend generated in economy per year	**£24,200,027**	Spend generated in economy per year	**£38,814,842**	Spend generated in economy per year	**£42,053,801**
[1]Based on data from the ONS Family Spending Survey 2018 which showed that households across England and Wales spent an average of £503 a week in 2017								
Jobs	The scale of employment supported by house building is equivalent to between 2.4 and 3.1 direct, indirect and induced jobs per new permanent dwelling built[2]. Jobs are for one year.	Assume 3.1 jobs created (year-long) per new home	Houses built to date x	919	Houses forecast to be built by the end of the programme x	1474	Houses forecast post 2021+ x	1597
			Jobs created (year) per new home =	3.1	Jobs created (year) per new home =	3.1	Jobs created (year) per new home =	3.1

Economic Benefits from Houses Being Built as a Result of LGF Funding (Excluding Multiplier, Leakage, Deadweight and Displacement Unless Specified								
Base Data Source - The Economic Footprint of House Building in England and Wales			**Economic Impact of New Homes Resulting from LGF Funding - Pro-rated figures from National Numbers**					
Area of Impact	Total Economic Impact for the 224,054 homes built in England and Wales in 2016/17	Average Impact per individual home built	Already built		Forecast to be built by the end of the programme 2021 (Cumulative – incudes actuals)		Forecast to be build post 2021+ Additional	
			Year-long equivalent jobs	**2,849**	Year-long equivalent jobs	**4,569**	Year-long equivalent jobs	**4,951**
[2]Based on a total of 224,054 net additional dwellings completed in 2016/2017 in England and Wales								
Additional Tax Revenue	It is estimated that the residents of the 224,054 additional new homes built in 2016/17 generated just under £253 million of council tax receipts.[3]	£253 million of council tax receipts / 224,054 new houses = £1,128 council tax receipts per new home per year	Houses built to date x	919	Houses forecast to be built by the end of the programme x	1474	Houses forecast post 2021+ x	1597
			Average council tax per new home =	£1,128	Average council tax per new home =	£1,128	Average council tax per new home =	£1,128
			Council tax receipts per year	**£1,036,632**	Council tax receipts per year	**£1,662,672**	Council tax receipts per year	**£1,801,416**
[3]Based on an average Council Tax per dwelling charge of £1,128 in 2016/17								
Section 106	Based on a survey of houses it is possible to estimate that £841m of Section 106 contributions are made each	£122m spent on new and improved schools / 224,054 new houses	Houses built to date x	919	Houses forecast to be built by the end of the programme x	1474	Houses forecast post 2021+ x	1597

Economic Benefits from Houses Being Built as a Result of LGF Funding (Excluding Multiplier, Leakage, Deadweight and Displacement Unless Specified								
Base Data Source - The Economic Footprint of House Building in England and Wales			**Economic Impact of New Homes Resulting from LGF Funding - Pro-rated figures from National Numbers**					
Area of Impact	Total Economic Impact for the 224,054 homes built in England and Wales in 2016/17	Average Impact per individual home built	Already built		Forecast to be built by the end of the programme 2021 (Cumulative – incudes actuals)		Forecast to be build post 2021+ Additional	
	year. Of this, £122m is spend on new and improved schools.	= £544 per new home	Average contribution per new home	£544	Average contribution per new home	£544	Average contribution per new home	£544
			=	**£499,936**	=	**£801,856**	=	**£868,768**
Section 106	Based on a survey of houses it is possible to estimate that £841m of Section 106 contributions are made each year. Of this, £45m is invested in open space, community, sport and leisure facilities.	£45m spent on new and improved schools / 224,054 new houses = £201 per new home	Houses built to date x	919	Houses forecast to be built by the end of the programme x	1,474	Houses forecast post 2021+ x	1,597
			Average contribution per new home	£201	Average contribution per new home	£201	Average contribution per new home	£201
			=	**£184,719**	=	**£296,274**	=	**£320,997**
Section 106 Total		£745 per new home	Average contribution per new home	**£684,655**	Average contribution per new home	**£1,098,130**	Average contribution per new home	**£1,189,765**
Section 106 of the Town and County Planning Act 1990 provides a tool for securing investment in essential infrastructure arising from development and this contribution can be used by local authorities to fund new services and infrastructure in the local area.								

Economic Benefits from Houses Being Built as a Result of LGF Funding (Excluding Multiplier, Leakage, Deadweight and Displacement Unless Specified								
Base Data Source - The Economic Footprint of House Building in England and Wales			**Economic Impact of New Homes Resulting from LGF Funding - Pro-rated figures from National Numbers**					
Area of Impact	Total Economic Impact for the 224,054 homes built in England and Wales in 2016/17	Average Impact per individual home built	Already built		Forecast to be built by the end of the programme 2021 (Cumulative – incudes actuals)		Forecast to be build post 2021+ Additional	
GVA Analysis	Across the UK as a whole, house building[4] was reported to generate £19.2 billion of GVA in 2016[5] but this figure excludes some important supply chain and induced impacts.[6]	£19.3 billion of GVA / 224,054 new houses = £85,694 GVA per home built	Houses built to date x	919	Houses forecast to be built by the end of the programme x	1,474	Houses forecast post 2021+ x	1,597
			GVA per home built	£85,694	GVA per home built	£85,694	GVA per home built	£85,694
			=	**£78,752,786**	=	**£126,312,956**	=	**£136,853,318**

[4] *As defined by SIC sub-sector code 41:202 Construction of domestic buildings, using a proxy based on BRES 2016.*

[5] *ONS Annual Business Survey 2016 Provisional Results; this figure does not include the full extent of house building supply chains.*

[6] *This is just an approximate measure of GVA as we are comparing a calendar year figure to a financial year figure.*

New Homes – Multipliers, Displacement, Deadweight and Leakage

Now we understand the wider economic impact of the new homes we need to understand how much benefit is realised for, and retained in, the D2N2 area – the target area for this study. This is done by applying the following factors.

- **Multiplier Effects:** Further economic activity associated with addditional local income, local supplier purhcases and longer-term effects of the intervention.
- **Deadweight:** The outputs that would have occurred without the intervention.
- **Displacement:** The proportion of intervention outputs accounted for by reduced outputs elsewhere in the target area.
- **Leakage:** The proportion of outputs that benefit those outside of the intervention's target area.

New Homes - Economic Impact Applying Multipliers, Leakage, Displacement and Deadweight						
Area of Impact	**Multiplier**	**Leakage**	**Deadweight**	**Displacement**	**Total**	
Increase in Spend in Local Shops and Services	Standard GVA Multiplier of 1:1.65	Assume significant leakage from area. 30% of spend stays in D2N2 area.	Without the intervention only limited houses would have been built in these areas. 90% of benefits are additional.	Assume 50% of houses would have been built elsewhere in the target area.	**New Homes Already built:**	919
					Total spend from households in new homes	£24,200,027
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£5,390,556**
					Forecast to be built by the end of the programme 2021:	1,474
					Total spend from households in new homes by 2021	£38,814,842
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£8,646,006**
					Homes to be built post-2021:	1,597
					Additional spend from households in new homes post 2021	£42,053,801
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£9,367,484**

New Homes - Economic Impact Applying Multipliers, Leakage, Displacement and Deadweight						
Area of Impact	**Multiplier**	**Leakage**	**Deadweight**	**Displacement**	**Total**	
Jobs	N/A multipliers already accounted for	Significant jobs lost to the area - say 50%	Without the intervention only limited houses would have been built in these areas. 90% of benefits are additional.	Assume 50% of houses would have been built elsewhere in the target area.	**New Homes Already built:**	919
					Total jobs created as a result of new homes	2849
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**641**
					Forecast to be built by the end of the programme 2021:	1474
					Total jobs created as a result of new homes	4569
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**1,028**
					Homes to be built post-2021:	1597
					Total jobs created as a result of new homes	4951
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**1,114**
Additional Tax Revenue	N/A	N/A - all will go to Local Authority	Without the intervention only limited houses would have been built in these areas. 90% of benefits are additional.	Assume 50% of houses would have been built elsewhere in the target area.	**New Homes Already built:**	919
					Total additional council tax from new homes	£1,036,632
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£466,484**
					Forecast to be built by the end of the programme 2021:	1474
					Total additional council tax from new homes	£1,662,672
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£748,202**
					Homes to be built post-2021:	1597
					Total additional council tax from new homes	£1,801,416
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£810,637**

New Homes - Economic Impact Applying Multipliers, Leakage, Displacement and Deadweight						
Area of Impact	**Multiplier**	**Leakage**	**Deadweight**	**Displacement**	**Total**	
Section 106	N/A	No Leakage - all houses built in D2N2 area, therefore all revenue for D2N2	Without the intervention only limited houses would have been built in these areas. 90% of benefits are additional.	Assume 50% of houses would have been built elsewhere in the target area.	**New Homes Already built:**	919
					Total Section 106 contributions relating from households	£684,655
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£308,095**
					Forecast to be built by the end of the programme 2021:	1474
					Total Section 106 contributions relating from households	£1,098,130
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£494,159**
					Homes to be built post-2021:	1597
					Total Section 106 contributions relating from households	£1,189,765
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£535,394**
GVA Analysis	Standard GVA Multiplier of 1:1.65	Assume significant leakage from area. 30% of spend stays in D2N2 area.	Without the intervention only limited houses would have been built in these areas. 90% of benefits are additional.	Assume 50% of houses would have been built elsewhere in the target area.	**New Homes Already built:**	919
					Total GVA from new house building	£78,752,786
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£17,542,183**
					Forecast to be built by the end of the programme 2021:	1474
					Total GVA from new house building	£126,312,956
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£28,136,211**
					Homes to be built post-2021:	1597
					Total GVA from new house building	£136,853,318
					Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight	**£30,484,077**

Summary – Economic Impact of New Homes to the D2N2 Economy

The 919 new homes that have already been built as a result of LGF funding, once displacement, leakage, multiplier effects and deadweight have been considered, have the potential to create the following for the local D2N2 economy:

- Additional spend in the local economy per annum: £5.39m
- Total jobs created resulting from the housebuilding will be 641 year-long jobs
- Potential Additional Council Tax Receipts: £0.47m per annum
- Potential Additional Section 106 Contributions: £0.31m
- Additional GVA from housebuilding: £17.54m

By the end of the programme in 2021 it is anticipated that 1,474 houses will have been built. Once displacement, leakage, multiplier effects and deadweight have been considered these new houses have the potential to create the following for the local economy:

- Additional spend in the local economy per annum: £8.65m
- Total jobs created resulting from the housebuilding will be 1,028 year-long jobs
- Potential Additional Council Tax Receipts: £0.75m per annum
- Potential Additional Section 106 Contributions: £0.49m
- Additional GVA from housebuilding: £28.14m

Following the end of the programme, after 2021, it is anticipated that a further 1,597 houses will be built. Once displacement, leakage, multiplier effects and deadweight have been considered these new houses have the potential to create the following for the local economy:

- Additional spend in the local economy per annum: £9.37m
- Total jobs created resulting from the housebuilding will be 1,114 year-long jobs
- Potential Additional Council Tax Receipts: £0.81m per annum
- Potential Additional Section 106 Contributions: £0.54m
- Additional GVA from housebuilding: £30.48m

6.2 Broadband

6.2.1 Superfast Broadband

Investment in Superfast Broadband will bring significant economic benefits to the businesses in the D2N2 area. It is estimated that that 6,607 businesses have been provided with Superfast Broadband in the D2N2 area. The economic benefits that this investment brings to businesses can be quantified using data from a recent evaluation - Ipsos MORI (with Simetrica, George Barrett and Dr. Pantelis Koutroumpis) were commissioned by the Department for Digital, Culture, Media and Sport (DCMS) in May 2017 to undertake an evaluation of the economic and public value impacts of the Superfast Broadband programme.

This investment in connectivity has created a range of local and national economic impacts:

- **Impact on performance of local firms:** The evidence indicated that making superfast broadband speeds available improved local economic performance. It is estimated that postcodes benefitting from subsidised coverage saw employment rise by 0.8 percent and turnover grow by 1.2 percent in response to improved infrastructure. Overall, it is estimated that subsidised superfast coverage led to the creation or retention of 49,000 additional jobs on those postcodes that received upgraded infrastructure. The total turnover of firms located on those postcodes also expanded by almost £9.0bn (per annum) in response to the upgraded infrastructure. The productivity of local economic activity, as approximated by turnover per worker, also increased by 0.32 percent as a result of faster available download and upload speeds, accounting for £2.1bn of overall turnover growth. There was evidence, however, that over 80 percent of these impacts were driven by the relocation of firms to postcodes receiving subsidised coverage.

- **Productivity gains:** Making superfast broadband speeds available also appeared to raise the productivity of firms that did not change location while the programme was delivered. It was estimated that subsidised coverage raised the turnover per worker of these firms by 0.38 percent, broadly consistent with other estimates of the impact of faster broadband in the UK, equivalent to £1,390 in GVA per firm per annum. This gives assurance that the economic impacts of the programme were not purely driven by the relocation of firms.

- **Unemployment:** Subsidised coverage also supported reductions in unemployment in the areas benefitting from the programme. It was estimated that subsidised coverage reduced the number of individuals claiming Jobseekers Allowance (JSA) by 8,800 by 2016, as well as reducing the number of long-term claimants (those claiming JSA for 12 months or longer) by 2,500. These impacts are estimated to have increased national economic output by a further £38m by June 2016.

- **Overall value for money -** The estimated benefit to cost ratio of non-residential coverage was £1: £12.28.

The table below uses the data from the above report to quantify the potential economic value of providing broadband to these businesses will have.

Impact of Superfast Broadband (Excluding Multipliers, Leakage and Deadweight) to date				
Average impact per firm per annum	**Number of firms supported to date**		**Number of firms supported by End of Programme**	
Impact of superfast broadband in the UK is equivalent to £1,390 in GVA per firm per annum	Businesses provided with superfast broadband in the D2N2 area X	6,607	Businesses provided with superfast broadband in the D2N2 area X	16,607
	Increase in GVA per annum per business =	£1,390	Increase in GVA per annum per business =	£1,390
	Increase in GVA per annum resulting from investment in superfast broadband	£9,183,730	Increase in GVA per annum resulting from investment in superfast broadband	£23,083,730

Source: base data - Department for Digital, Culture, Media and Sport (DCMS), May 2017 Superfast Broadband Report

The table above calculates the potential economic benefits that the project could have overall – both to date and by the end of the programme (2021) – but now we need to understand the impact of this on the D2N2 economy.

This can be done by applying factors for the deadweight, the multiplier effect and the leakage of the benefits out of the area (the above calculations already consider displacement). More detailed descriptions of these terms can be found in previous sections and the calculations are included in the table over the page

.

Superfast Broadband Projects - Economic Impact Applying Multipliers, Leakage, Displacement and Deadweight				
Current total economic impact per annum overall		Increase in GVA per annum =	To date	By End of Programme
			£9,183,730	**£23,083,730**
Deadweight - i.e. what would have happened anyway	Very small deadweight as unlikely that broadband would have been provided to these businesses without LGF funding. Potentially some small, locally organised schemes.	80% of benefits retained for D2N2 area		
Multiplier - indirect and induced spend in the local economy	Use standard GVA multiplier - here the GVA multiplier is expressed as the ratio of the direct, indirect and induced GVA changes to the direct GVA change.	£1 direct GVA creates £1.65 direct, indirect and induced GVA		
Displacement - reduction in outputs elsewhere	Already factored into the calculations	N/A		
Leakage - how much of the benefit leaks out of the area	Use Standard Leakage	75% of benefits for D2N2 area		
Total Economic Impact	Increased GVA for the local economy per year =	**To date: £9,091,893**		**By end of programme £22,852,893**

Source: GVA Multipliers: The Scottish Office publish a list of GVA multipliers per SIC code.

Leakage: HCA standard Leakage of 25%.

Summary – Economic Impact of new Broadband provision to the D2N2 Economy

Investment in Superfast Broadband has resulted in an additional £9.1m GVA for the D2N2 economy per annum.

By the end of the Programme, investment in Superfast Broadband will have resulted in an additional £22.9m GVA for the D2N2 economy per annum.

6.2.2 Fibre Broadband

Moreover, both the Better Broadband for Nottinghamshire and Digital Derbyshire projects connected business premises to fibre broadband. Superfast Broadband has been deployed as an upgrade to the old copper network across much of the country; speeds are dependent on how close the property is to the street cabinet. Full Fibre Broadband removes all of the copper in the network, offering the highest speeds, 'future-proofing' with potential for relatively easy additional upgrades, increased reliability, and can be cheaper to maintain than legacy copper networks.

The Centre for Economics & Business Research (CEBR)'s report – 'Full fibre broadband: A platform for growth' – estimate that connecting the whole of the UK to a Fibre-to-the-Premises (FTTP) broadband ISP network by the end of 2025 could result in a £59bn economic boost (equivalent to £1,700+ per worker) – rising to £70bn by 2038. Whilst the impact of fibre broadband has not been calculated here, these figures suggest that the impacts from the broadband improvements could be even higher than estimated.

6.3 Additional Office Accommodation/ Commercial Floor Space Created

A number of the projects supported through the programme are creating additional commercial floorspace. Job creation is a key driver for D2N2, so it is useful to understand the numbers of employees who could be housed within this new floorspace.

The table below shows the total gross internal floorspace created to date through the grant funding, and the estimated floorspace to be created in the future.

Additional Office Accommodation / Commercial Floor Space Created - Potential for Inward Investment (Gross m²)			
Project	**Achieved to date**	**End of Programme Forecast Total (2021) (cumulative – including additional)**	**Beyond Programme Forecast Total (2021+)**
BioCity Discovery Building	51,000	51,000	0
Sherwood Energy Village	32,000	32,000	0
Ada Lovelace House	1,658	1,658	0
MediCity	25,000	29,800	0
	109,658	**114,458**	**0**

OFFPAT and the Homes and Communities Agency created an Employment Density Guide in 2015. The purpose of the guide is to assist appraisers in the estimation of employment generated by property development based on 'employment density' ratios. Ratios are generally expressed as the number of square metres per employee.

The Guide is intended to be used in planning, appraising and evaluating economic development and regeneration programmes and projects. Employment density refers to the average floorspace (in m²) per Full-Time Equivalent (FTE) member of staff. It is used as a measure of intensity of building use and an indicator of how much space each person occupies within the workplace.

This guide can be used to estimate the number of workers who can be accommodated in the new commercial floorspace supported through the LGF grants. The table below is an excerpt from the report showing the different employment densities for different types of uses.

Employment Density for New Commercial Floor Space				
Use Class	**Use Type**	**Area per FTE (m2)**	**Floor Area Basis**	**Comment on potential variation**
B				
B1(a)	General Office	12	NIA	Includes corporate, professional services, public sector, TMT, finance and insurance
B1(a)	Call Centres	8	NIA	
B1(b)	R&D Space	50	NIA	Lower densities will be achieved in units with higher provision of shared or communal spaces. Range of 40-60.
B1(c)	Light Industrial	47	NIA	A Blended rate of the above B1(a) uses where they are found in out of town business park locations
B2	Industrial and Manufacturing	36	GIA *Assume 30 for NIA*	Densities within separately let units are c.7 m² per workstation but 30% of a facility's total NIA for shared services reduces the overall density
B8	Storage and Distribution	81	GEA *Assume 65 for NIA*	Gross External Area; Offpat guidance suggests NIA is typically 20% lower than GEA.
Mixed B	Small Business Workspace	29	NIA	Includes incubators, maker spaces, studio. Co-working and managed workspace. Range of 10-60.

Employment Density for New Commercial Floor Space				
Use Class	**Use Type**	**Area per FTE (m2)**	**Floor Area Basis**	**Comment on potential variation**
A				
A1	Retail	17.5 or 90	NIA	Includes high street, foodstore and retail warehouse. Range from 17.5 (high street, foodstore) to 90 (retail warehouse).
A2	Finance and Professional Services	16	NIA	
A3	Restaurants and Cafes	17.5	NIA	
GIA – Gross Internal Area, GEA – Gross External Area, NIA – Net Internal Area				

We can assume that there will be a mix of general office, R&D space, and small business workspace as a result of the projects involved; we can take an average of the various types and calculate that the average area per FTE is 30m² of net internal area:

$$\frac{(12 + 50 + 29)}{3} = 30 \text{ m}^2$$

We know the gross internal area of the commercial floorspace created through the project. We will need to convert this to net internal area in order to calculate the employment density.

Gross Internal Area (GIA) *– this refers to the entire area inside the external walls of a building and includes corridors, lifts, plant rooms, service accommodation (e.g. toilets). It is a widely used metric used in calculating building costs, marketing valuation, property management and rating (in England and Wales) of industrial buildings (including ancillary offices), warehouses and leisure units and also the valuation of new residential developments.*

Net Internal Area (NIA) *– this is commonly referred to as the net lettable or 'usable' area of offices and retail units. It includes entrance halls, kitchens and cleaners' cupboards, but excludes corridors, internal walls, stairwells, lifts, WCs and other communal areas. It is a widely used metric and is the recognised method for marketing, valuation, property management and rating for offices, shops and supermarkets.*

Offpat guidance suggests that gross internal area is generally 15% - 20% higher than net internal area. These figures have been applied in the table below to work out the employment potential of the new commercial work space.

Commercial Floor Space and Related Occupancy				
Floorspace	Gross Internal Area	Net Internal Area	Average space needed per worker (m²)	Total numbers of workers that office accommodation is provided for
Already built	109,658	90,468	30	3,016
Forecast to be built by the end of the programme 2021	114,458	94,428	30	3,148

As this is simply a straightforward calculation detailing the capacity of the floorspace that has been built, no factors (leakage, multipliers, deadweight or displacement) have been applied.

Summary – Economic Impact of Commercial Floorspace to the D2N2 Economy

- To date the project has created sufficient floorspace to accommodate circa 3,016 workers within D2N2.
- It is anticipated that by 2021 floorspace will have been built to accommodate 3,148 workers within D2N2.

6.4 Jobs/ Employment

A review of data from the projects supported through the LGF grants shows that many of the businesses are forecasting to create new jobs as a result of the investment. Jobs created can be categorised as direct jobs or jobs unlocked. *Note, the economic impact calculations include both direct jobs and jobs unlocked.* The totals can be seen in the table below:

Jobs Profiled as a Result of the LGF			
Project	Achieved to date	End of Programme Forecast Total (2021) Cumulative – including actuals to date	Beyond Programme Forecast Total (2021+) Additional
A46 Corridor Rushcliffe	92	92	0
A57/A60 Junction Worksop	771	981	5,019
Ada Lovelace House	11	11	0
Better Broadband for Nottinghamshire	388	388	0
Bulwell Market	22	75	0
Chesterfield Centre for Higher Level Skills	41	42	0

Jobs Profiled as a Result of the LGF			
Project	**Achieved to date**	**End of Programme Forecast Total (2021) Cumulative – including actuals to date**	**Beyond Programme Forecast Total (2021+) Additional**
Derby College Technology Hub	5	7	0
Harworth Access Road	342	1,712	3,796
Institute for Advanced Manufacturing	74	100	0
Infinity Park	107	1,567	2,933
MediCity	151	250	0
Sherwood Energy Village	38	38	0
Seymour Link Road	638	1,235	0
Sutton Indoor Market	62	62	0
Sherwood Forest Visitor Centre	19	29	0
BioCity Discovery Building	377	377	0
Total	**3,138**	**6,966**	**11,748**
Additional Indirect Jobs	**949**	**2,207**	**3,388**

An analysis of project monitoring information suggests that all of the jobs created will result from the projects and their activity. In addition to the above some projects feature a number of further supply chain jobs within their forecast; Digital Derbyshire, Harworth Access Road and the Institute for Advanced Manufacturing each denote a portion of their jobs created as indirect. To reduce the chances of double counting - as we will use supply chain multipliers during the calculation 949 indirect jobs have been excluded from the actual total, 2,207 indirect jobs have been excluded from the 2021 target, and 3,388 indirect jobs have been excluded from the beyond programme figures. They have then been added on to the final total.

To understand the wider economic benefits of the jobs created the following factors have been applied:

Jobs Created - Economic Impact Applying Multipliers, Leakage, Displacement and Deadweight	
Deadweight - i.e. what would have happened anyway	Without the intervention only limited projects would have been developed: 90% of employment benefits are additional
Multiplier - (indirect and induced spend in the local economy	Use standard Employment Multiplier 1 job creates 2.3 direct, indirect and induced jobs
Displacement - reduction in outputs elsewhere	These are new jobs, therefore limited displacement. Assume 80% of benefits are for the area
Leakage - how much of the benefit leaks out of the area.	Assume 50% of jobs lost from the area – higher than the standard benchmark but local knowledge suggests significant numbers of supply chain jobs maybe outside of the area.

These factors have been applied to generate the figures below:

New Jobs Already Created (or unlocked): 3,138

- Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight: 2,598 + 949 indirect jobs = **3,547 jobs**

Forecast jobs to be created (or unlocked) by the end of the programme 2021: 6,966 jobs

- Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight: 5,768 + 2,207 indirect jobs **= 7,975 jobs**

Forecast jobs to be created (or unlocked) by future development post-2021: 11,748 jobs

- Potential total impact for D2N2 area per annum after leakage, multipliers, displacement and deadweight: 9,727 + 3,388 indirect jobs = **13,115 jobs**

Using the number of jobs created it is possible to calculate the GVA impact of these on the economy. Using data from the Annual Business Survey we know that the average GVA created per employee per year is £69,400.

Economic Impact of Jobs Created (Excluding Multiplier, Leakage, Deadweight and Displacement Unless Specified)						
Annual Business Survey	**GVA impact of employment**					
Productivity Measure	**GVA of jobs already created**		**GVA of jobs forecast to be delivered by the end of the programme 2021**		**GVA of jobs forecast to be achieved in the future 2021+**	
The average GVA per employee per annum is £69,400	Jobs X	3,547	Jobs X	7,975	Jobs X	13,115
	Average GVA per employee per annum	£69,400	Average GVA per employee per annum	£69,400	Average GVA per employee per annum	£69,400
	= Increase in GVA	£246,180,122	= Increase in GVA	£553,454,451	= Increase in GVA	£910,204,874

Summary – Economic Impact of Additional Employment in the D2N2 Economy

- The potential total impact for D2N2 area of jobs created to date as a result of the LGF investment, after leakage, multipliers, displacement and deadweight have been attributed is 3,547 jobs. Assuming these are permanent jobs, these workers could create an additional £246m increase in GVA per annum for the area.
- The potential total impact for the D2N2 area of jobs predicted to be created by the end of the project (2021) after leakage, multipliers, displacement and deadweight have been attributed is 7,975 jobs. Assuming these are permanent jobs, these workers could create an additional £553m increase in GVA per annum for the area.
- The potential impact for the D2N2 area of jobs predicted to be created after the end of the project (2021) after leakage, multipliers, displacement and deadweight have been attributed is 13,115 jobs. Assuming these are permanent jobs, these workers could create an additional £910m increase in GVA per annum for the area.

6.5 Learners

The creation and refurbishment of new learning spaces will enable the numbers of training opportunities delivered in the D2N2 area to increase. The table below summarises the numbers of learners that have been supported in the new learning spaces/ learning provision. In addition, it shows the number of learners that the projects are forecasting they will have supported by the end of the funding period and, post project, the number of learners that will be achieved per annum for future years.

Learners Resulting from D2N2 Investment		
Already achieved	Forecast to be achieved by the end of the programme 2021	Achieved post 2021+
568	2,843	2,250

Source: D2N2 claim forms and application forms

The mix of different learners is significant across the projects:

- Chesterfield - NVQs around Health and Nursing
- Derby College has supported 2,250 Level 3 qualifications and 250-degree apprenticeships
- Vision University is a mix of: HND/HNC, foundation degrees, postgrad opportunities and higher apprenticeships.

A higher skilled pool of workers will have significant benefits for both the learner and the local economy, for example, the 2011 BIS report: Returns to Intermediate and Low-Level Vocational Qualifications, states:

The net present value of the lifetime benefit associated with Level 3 vocational qualifications stands at between £37,000 (for NVQ Level 3, under most pessimistic assumptions) and approximately £89,000 (for BTEC Level 3 qualifications, under most optimistic assumptions). For Level 2 qualifications, the lifetime benefits range between £35,000 and £57,000 (for BTEC qualifications) and between £42,000 and £71,000 (for City & Guilds qualifications). The net benefit associated with NVQ Level 2 qualifications is slightly lower and stands at between £18,000 and £42,000, primarily due to the employment impact.

Whilst not all of the qualifications supported are NVQ 2 or 3 we can use this information as a benchmark to give an approximation of the benefits achieved by D2N2 funding for learning. We have taken the midpoint NVQ level 3 lifetime benefits and applied this across the board to all learners. *(note, some learners may only achieve level 2 and some may achieve higher than level 3 so we have taken level 3 as the midpoint).*

Using the mid-point of the level 3 qualifications we can assume that each new learner has an associated lifetime benefit of £63,000. This has been applied to learner numbers to estimate the total impact of the funding. The results can be seen in the table:

Learners Resulting from D2N2 Investment – Lifetime benefits			
	Already achieved	Forecast to be achieved by the end of the programme 2021	Achieved post 2021+
Learner numbers	568	2843	2250
Assumed lifetime benefit from learning = £63,000 per learner	£35,784,000	£179,109,000	£141,750,000

Multipliers, Displacement, Deadweight and Leakage:

Now we understand the wider economic impact of the learners we need to understand how much benefit is realised for the D2N2 area – the target area. This is done by applying the following factors:

Apprenticeships Economic Impact - Applying Multipliers, Leakage, Displacement and Deadweight		
Current Position	**Total benefit**	**Factor**
Deadweight – counterfactual/ baseline positions	Assume no deadweight - unlikely that training of this nature would have been provided without the D2N2 grant	N/A
Multiplier - indirect and induced spend in the local economy	Use standard GVA multiplier	Multiplier - 1:1.65
Displacement – reduction in outputs elsewhere	No other similar facility to compete with in the area - therefore small displacement factor	80% of benefits are specific to the projects
Leakage - how much of the benefit leak out of the area.	HCA Standard Leakage	75% stays in area

Learning Already Commenced:

- Total increase in benefit from training = £35.8 million
- Potential total impact for D2N2 area after leakage, multipliers, displacement and deadweight = £35.4 million
- If we assume this is over a 50- year period, we can assume that this equates to an economic benefit of £0.7million per annum.

Learning undertaken by end of the programme 2021:

- Total increase in benefit from training = £179million
- Potential total impact for D2N2 area after leakage, multipliers, displacement and deadweight = £177.3million
- If we assume this is over a 50- year period, we can assume that this equates to an economic benefit of £3.5million per annum.

Learning Unlocked for the future- post 2021:

- Total increase in benefit from training = £141.8 million
- Potential total impact for D2N2 area after leakage, multipliers, displacement and deadweight = £140.3million
- If we assume this is over a 50- year period, we can assume that this equates to an additional economic benefit of £2.8million per annum.

Summary - Economic Impact of Learning to the D2N2 Economy

- 568 learners have been trained/ are in training to date. When they have completed their training, it is estimated that they will create an economic benefit of £0.7million per annum.
- 2,843 learners will be trained/ be in training by 2021. When they have completed their training, it is estimated that they will create an economic benefit of £3.5 million per annum.
- Going forward, post project, it is anticipated that an additional 2,250 learners will undertake training as a result of the project. It is estimated that they will create an additional economic benefit of £2.8 million per annum once they have completed their training.

6.6 Additional Visitors in the Local Economy

The LGF investment will help to attract visitors and tourists to Derbyshire and Nottinghamshire. The key project that will attract visitors to the area is the investment at Sherwood Forest Visitor Centre. The table below shows the actual increase in visitors to date per year, and the predicted increase in visitors arising from the LGF investment.

Additional Visitors Attracted to the Area as a Result of LGF Funding		
Already Attracted	**Forecast to be attracted by the end of the programme 2021**	**Attracted post 2021+ additional**
18,000 increase in visitors per annum	35,000 increase in visitors per annum	15,000 additional increase in visitors per annum

An economic review was undertaken as part of the project's Business Case in 2017 looking at the impact of increased visitors to the site. These figures calculated the likely impact on the D2N2 local economy of increasing visitor numbers to the site. Now, as the project draws to a completion, we have more accurate visitor number statistics. We have therefore updated the initial economic impact calculations to reflect the revised visitor number figures.

From recent discussions with the project we know that the woodland attraction welcomed 350,000 visitors annually prior to investment, but has recorded 368,000 visitors within the last year, an uplift of 18,000 (c.5%). Numbers are projected to increase to 35,000 per annum by the end of the project. Post project it is anticipated that numbers will increase by a further 15,000 per annum (50,000 visitors in total)

The Project Economic Impact Report (2017) demonstrates that for every additional visitor there is an increase of £16.28 for the local economy. *(note: we have assumed this includes multipliers, displacements, leakages and deadweights)* This factor has been applied to the actual and forecast visitor numbers in the table below.

Economic Impact of Additional Visitors to the Sherwood Forest Visitor Centre			
Data Source: Baseline			Economic Impact of D2N2 Funding
Average impact per additional visitor per year	Additional visitors to date	Additional visitors delivered by the end of the programme 2021	Additional Visitors delivered post-2021
Each additional visitor generates £16.28 extra spend	18,000 X £16.28 = £293,040 per annum	35,000 X £16.28 = £569,800 per annum	15,000 X £16.28 = £244,200 per annum

Source: RSPB Economic Impact Report (2017)

Summary – Economic Impact of Additional Visitors to the D2N2 Economy

- The 18,000 increase in visitors achieved to date generates an additional £293,040 per annum for the local economy.
- It is estimated that by the end of the programme in 2021 an additional 35,000 visitors will be attracted to the Sherwood Forest Visitor Centre as a result of the LGF investment in tourism. These visitors have the potential to generate an additional £569,800 per annum for the local economy per annum.
- Post project, it is estimated that an 15,000 additional visitors per year will have the potential to generate a further £244,200 per annum spend in the D2N2 economy.

6.6 GVA Summary

1. Total GVA/ Spend in the Local Economy Achieved to Date:

- **Additional Spend in the Local Economy by New Households:** potential £5.39 million per annum
- **Superfast Broadband GVA:** a potential additional £9.1million GVA for the D2N2 economy per annum.
- **Jobs GVA:** A potential additional £246m increase in GVA per annum
- **Learners Economic Benefits:** £0.7 million per annum
- **Visitors to the Local Economy:** £0.29million per annum

Total Increase in GVA/ productivity/ spend: A potential increase of GVA per annum of **£261.5 million** for the D2N2 area

Note: There will also be an additional one-off £17.54million of GVA during the period as a result of housebuilding.

2. Total GVA/ Spend in the Local Economy Achieved by 2021: *(note this is cumulative and includes the actuals to date)*

- **Additional spend in the local economy by new households:** potential £8.65 million per annum
- **Superfast Broadband GVA:** a potential additional £22.9 million GVA for the D2N2 economy per annum
- **Jobs GVA:** A potential additional £553m in GVA per annum for the area.
- **Learners Economic Benefits:** £3.5 million per annum
- **Visitors to the Local Economy:** £0.57million per annum

Total Increase in GVA/ productivity/ spend: A potential increase of GVA per annum of **£588.6 million** for the D2N2 area.

Note: There will also be an additional one-off £28.1million of GVA during the period as a result of housebuilding.

3. Additional GVA/ Spend in the Local Economy Achieved post 2021: *(note: this is in addition to the economic benefits forecast to be achieved by the end of the project)*

- **Additional spend in the local economy per annum by new households:** potential £9.37 million per annum
- **Jobs GVA:** A potential additional £910 million GVA per annum for the area
- **Learners Economic Benefits:** £2.8 million per annum
- **Visitors to the Local Economy:** £0.24 million per annum

Total Additional GVA/ productivity/ Spend per annum post 2021 = £922.4 million for the D2N2 area.
Note: There will also be an additional one-off £30.48 million of GVA during the period as a result of housebuilding

Total potential increase in GVA post project = £588.6m + £922.4m = circa £1.5bn per annum.

7.0 Value for Money

The tables below set out an analysis of the cost per output for LGF investment to date and the cost per output expected by the end of the programme.

There are very few Local Growth Fund evaluations to undertake comparative value for money assessments. However, based on Focus's previous evaluation experience, D2N2's LGF programme currently offers reasonable value for money based on outputs achieved to date.

Value for Money – Cost per Output to date (November 2019)		
Output	**Achieved to date**	**Cost per Output**
New build/refurbished training/learning space (sqm)	20,930	£586
Housing units	919	£6,095
New visitors	18,000	£28
Additional businesses with access to Superfast Broadband	6,607	£398
New build/refurbished commercial/office space	109,658	£72
Jobs	3,138	£14,180
New Learners Assisted (in courses leading to a qualification)	568	£12,786
New build/refurbished market space	21,000	£25

In looking at the expected cost per output to date, some outputs are already proving good value for money, primarily the capital new build/ refurbishment outputs as these have already been completed.

- New build/refurbished training/learning space: £586 per square metre
- Housing units: £6,095 per housing unit
- New visitors: £28 per new visitor
- Additional businesses with access to Superfast Broadband: £398 per business
- New build/ refurbished commercial/office space: £72 per square metre
- Jobs: £14,180 per new job
- New Learners Assisted (in courses leading to a qualification): £12,786 per learner
- New build/ refurbished space: £25 per square metre.

Value for Money – Cost per Output to date (End of Programme)		
Output	**Forecast to be achieved by End of Programme**	**Cost per Output**
New build/refurbished training/learning space (sqm)	21,930	£559
Housing units	1,474	£3,800
New visitors	35,000	£14
Additional businesses with access to Superfast Broadband	16,607	£290
New build/refurbished commercial/ office space	114,458	£69
Jobs	6,966	£6,387
New Learners Assisted (in courses leading to a qualification)	2,843	£2,554
New build/refurbished market space	21,000	£25

In looking at the expected cost per output by the end of the programme in 2021, the value for money looks further enhanced with a number of particular outputs to highlight:

- New build/refurbished training/learning space: £559 per square metre
- Housing units: £3,800 per housing unit
- New visitors: £14 per new visitor
- Additional businesses with access to Superfast Broadband: £290 per business
- New build/refurbished commercial/office space: £69 per square metre
- Jobs: £6,387 per new job
- New Learners Assisted (in courses leading to a qualification): £2,554 per learner
- New build/refurbished space: £25 per square metre.

The expected increase in learner numbers over the next few years will have a drastic impact on the value for money of LGF investments at Chesterfield Centre for Higher Level Skills, Derby Technology Hub and Vision University. Similarly, the continual growth of housing developments and jobs facilitated by LGF investments has a significant effect on the cost per output of housing units.

7.1 New Jobs

The most prevalent output amongst all LGF-funded projects is new jobs. The table below demonstrates the value for money of each project with regards to new jobs created as part of LGF investment. The 771 new jobs at the A57/A60 Workshop project have been achieved at £2,374 per job. The Harworth, MediCity and Seymour Link projects have also proved excellent value for money, with each new job being achieved at less than £5,000 each.

Value for Money – New Jobs			
Project	**LGF Grant**	**Jobs Delivered**	**Cost per job**
A57/A60 Worksop	£1,830,000	771	£2,374
Harworth	£1,100,000	342	£3,216
Medicity	£740,000	151	£3,311
Seymour Link	£2,520,000	638	£3,950
Bulwell Market	£100,000	22	£4,545
Sutton Indoor Market	£375,000	62	£6,048
Nottinghamshire Broadband	£2,630,000	388	£6,778
Ada Lovelace House	£143,946	11	£13,086
Sherwood Energy Village	£500,000	38	£13,158
Bioscience Expansion, Nottingham	£6,500,000	377	£17,241
Sherwood Visitor Centre	£500,000	19	£26,316
A46 Cotgrave Town Centre	£1,200,000	45	£26,667
A46 Corridor Employment Units	£1,800,000	47	£38,298
Institute of Advanced Manufacturing	£5,000,000	74	£67,568
Chesterfield Higher Level Skills	£3,482,500	41	£84,939
Infinity Park	£12,995,000	107	£121,449
Technology Hub	£1,300,000	5	£260,000

The wide range of costs per output can be attributed to the fact that the programme is yet to reach completion; although LGF expenditure may have finished, many projects forecast new jobs to be realised in the coming months and years.

By illustrating the costs per output expected to be achieved by the end of the programme we can better understand the value for money of jobs created as a result of LGF funding.

Value for Money – Jobs Created by the End of the Programme			
Project	**LGF Grant**	**Jobs Delivered**	**Cost per job**
Harworth	£1,100,000	1,712	£643
Bulwell Market	£100,000	75	£1,333
A57/A60 Worksop	£1,830,000	981	£1,865
Medicity	£740,000	250	£2,000
Seymour Link	£2,520,000	1,235	£2,040
Sutton Indoor Market	£375,000	62	£6,048
Nottinghamshire Broadband	£2,630,000	388	£6,778
Infinity Park	£12,995,000	1,567	£8,293
Ada Lovelace House	£143,946	11	£13,086
Sherwood Energy Village	£500,000	38	£13,158
Bioscience Expansion, Nottingham	£6,500,000	377	£17,241
Sherwood Visitor Centre	£500,000	29	£17,241
A46 Cotgrave Town Centre	£1,200,000	45	£26,667

Value for Money – Jobs Created by the End of the Programme			
Project	**LGF Grant**	**Jobs Delivered**	**Cost per job**
A46 Corridor Employment Units	£1,800,000	47	£38,298
Institute of Advanced Manufacturing	£5,000,000	100	£50,000
Chesterfield Higher Level Skills	£3,482,500	42	£82,917
Technology Hub	£1,300,000	7	£185,714

8.0 Return on Investment

Value for money could also be looked at in relation to Return on Investment, using the estimates from the economic impact assessment above. Below we have estimated return on investment to date, by the end of the programme in 2021 and beyond this period. As the LGF programme is a 6-year programme, we have calculated the return on investment over a 6-year period into the future using the following calculation:

Return on Investment = (Additional GVA - LGF Investment) / LGF Investment)

Return on Investment to date	
GVA per annum x 6 years	£1.57bn
One off additional GVA	£17.54m
Total	£1.886bn
LGF Investment	£60.64m
ROI per £1 of investment	**£25.16**

Return on Investment by March 2021	
GVA per annum x 6 years	£3.53bn
One off additional GVA	£28.1m
Total	£3.56bn
LGF Investment	£60.64m
ROI per £1 of investment	**£57.70**

Return on Investment - Future Potential	
GVA per annum x 6 years	£9.07bn
One off additional GVA	£30.48m
Total	£9.1bn
LGF Investment	£60.64m
ROI per £1 of investment	**£148.97**

Please note numbers are rounded.

Based on the calculations undertaken as part of this evaluation, this suggests a Return on Investment currently of £25 for every £1 of LGF investment to date and this is expected to increase to a Return on Investment of £58 for every £1 of LGF investment by the end of the programme. The calculations suggest that in the future, there is the potential for the Return on Investment to increase to £149 per £1 of LGF investment once and if all of the project outcomes have been archived.

9.0 Summary and Conclusions

9.1 Local Growth Fund Programme Allocations

The D2N2 Local Growth Fund programme has operated since April 2015 and will be completed in March 2021. This evaluation has considered21 completed or near completed LGF funded projects across a range of themes. The themes and level of investment across the projects reviewed is shown below:

Theme	Level of Investment
Employment	£34m
Transport	£13.3m
Skills	£7.4m
Digital Infrastructure	£4.8m
Innovation	£1m

Please note figures have been rounded.

The analysis of geographical coverage of LGF funding for the projects considered shows there has been a concentration of funding in Nottingham City and Derby City. With funding of £71.94 per head of population in Nottingham City and £59.09 per head in Derby City. This compares to £6.53 in Broxtowe and £4.08 in Ashfield. There are a number of local authority areas which have not received any funding from the portfolio of projects considered. Of the portfolio analysed, it is also clear that Nottinghamshire has received a higher proportion of funding than Derbyshire. There are a number of potential reasons for this including that the north Derbyshire areas of Derbyshire Dales, North East Derbyshire, Chesterfield and Bolsover as well as Bassetlaw in Nottinghamshire have all been part of Sheffield City Region Local Enterprise Partnership as well as D2N2 and therefore may have looked more towards Sheffield City Region for LGF funding. However, it will be important to review this as the programme progresses to see if there has been a more equitable split across the whole of the programme.

This approach to higher spending in the city areas may be something that could be further investigated in the emerging Local Industrial Strategy. The strategy could consider whether funding should continue be concentrated in the major urban areas and to what extent the secondary centres such as Newark, Ollerton, Mansfield etc are considered for investment. This is particularly relevant given the Government's announcement of the £3.6bn Town Fund which combines the Future High Street Fund with a series of 'Town Deals' and includes funding for a number of towns in the D2N2 area including Buxton, Clay Cross, Heanor, Kirkby-in-Ashfield, Mansfield, Newark on Trent, Stapleford, Sutton-in-Ashfield and Staveley.

9.2 Outputs

Overall progress against outputs is positive. In many cases, project outputs have already been achieved or in several cases exceeded. For example, A46 Corridor Rushcliffe, Ada Lovelace House, BioCity Discovery Building and the Institute for Advanced Manufacturing have all achieved or exceeded their outputs. Other projects still have significant progress to make including Derby College Technology Hub, Harworth Access Road, Infinity Park Derby, Vision University Centre and the Rail

Research and Innovation Centre. It is not unusual for project output achievements to trail behind programme expenditure but the analysis does demonstrate the variance between the different types of projects in terms of output achievement. The cost per output analysis provides interesting data around the value for money being achieved across the different projects and different geographical areas and demonstrates that sometimes smaller levels of investment can offer better value for money than larger investments, particularly in the short to medium term.

9.3 Economic Impact

An economic impact analysis was undertaken to quantify the potential wider economic impacts of the LGF funded projects on the D2N2 economy. Key findings include:

The economic impact assessment considered the benefits that some of the key outputs from the project would have on the local economy – this included considering the impact of the houses built as a result of the projects, the jobs created and the benefits of having a population in D2N2 with increased skills levels.

As the economic benefits were only considered at a high level they can only be used to give an indication of the level of benefits achieved – some of the wider benefits, such as the impact of the new roads or increased cycling have not been considered. These wider benefits could be considered when the full LGF programme reaches its conclusion.

The economic impact showed that once all of the outputs forecast by the projects have been achieved the projects have the potential to bring an additional £1.5billion GVA to the local economy and support 21,000 new jobs in D2N2.

To date we can calculate that the project has created circa 3,500 jobs for D2N2, and has the potential to generate an additional £260 million GVA for the local economy.

From the calculations we know that the projects have the potential to achieve the following by the end of the LGF funding period – i.e. by 2021:

- Additional spend in the local economy by new households: potential £8.65 million per annum
- Superfast Broadband GVA: a potential additional £22.9 million GVA for the D2N2 economy per annum
- Floorspace: Enough business premises/ floorspace to accommodate over 3,000 workers
- Jobs: A potential additional £553m in GVA per annum for the area from nearly 8,000 additional jobs
- Learners Economic Benefits: £3.5 million per annum
- Visitors to the Local Economy: £0.57million per annum.

9.4 Value for Money

There are very few Local Growth Fund evaluations to undertake comparative value for money assessments. However, based on Focus's previous evaluation experience, D2N2's LGF programme currently offers reasonable value for money based on outputs achieved to date with a cost per job of around £14,000 and cost per new housing unit of £6,000

In looking at the expected cost per output by the end of the programme in 2021, the value for money further improves with a number of particular outputs to highlight.

- New build/refurbished training/learning space: £559 per square metre
- Housing units: £3,800 per housing unit
- New visitors: £14 per new visitor
- Additional businesses with access to Superfast Broadband: £290 per business
- New build/refurbished commercial/office space: £69 per square metre
- Jobs: £6,387 per new job
- New Learners Assisted (in courses leading to a qualification): £2,554 per learner
- New build/refurbished space: £25 per square metre.

It is considered that these figures demonstrate very high value for money.

The most prevalent output amongst all LGF-funded projects is new jobs and a number of outputs have delivered excellent value for money in relation to this output. For example, the 771 new jobs at the A57/A60 Workshop project have been achieved at £2,374 per job. The Harworth, Medicity and Seymour Link projects have also proved excellent value for money, with each new job being achieved at less than £5,000 each.

Value for money has also been considered in relation to Return on Investment, using the estimates from an economic impact analysis undertaken as part of the evaluation. This suggests a Return on Investment currently of £25 for every £1 of LGF investment to date and this is expected to increase to a Return on Investment of £58 for every £1 of LGF investment by the end of the programme. The calculations suggest that in the future, there is the potential for the Return on Investment to increase to £149 per £1 of LGF investment once and if all of the project outcomes have been archived.